

LEGISLATIVE COUNCIL BRIEF

Waste Disposal Ordinance
(Chapter 354)

WASTE DISPOSAL (DESIGNATED WASTE DISPOSAL FACILITY) (AMENDMENT) REGULATION 2013

WASTE DISPOSAL (REFUSE TRANSFER STATION) (AMENDMENT) REGULATION 2013

INTRODUCTION

A At the meeting of the Executive Council on 26 November 2013, the Council ADVISED and the Chief Executive ORDERED that the Waste Disposal (Designated Waste Disposal Facility) (Amendment) Regulation 2013 (DWDF Amendment Regulation) and the Waste Disposal (Refuse Transfer Station) (Amendment) Regulation 2013 (RTS Amendment Regulation), at Annex A, should be made to implement the legislative measures relating to the “Waste Diversion Plan” for the South East New Territories (SENT) Landfill and other complementary measures to ensure that the diverted municipal solid waste can be properly handled in the existing waste collection system and minimise any potential traffic and environmental impact arising from such diversion.

JUSTIFICATIONS

2. There are complaints from the local community about the odour concerns arising from the unsatisfactory hygienic conditions of some refuse collection vehicles (RCVs). In addition, the complaints against the odour issue at the SENT Landfill are strong. We need to step up our efforts in addressing such concern as we seek to change the use of the SENT Landfill when its extension is approved so that it will receive construction waste only.

Landfills, Refuse Transfer Stations and Municipal Solid Waste

Collection in Hong Kong

3. The SENT Landfill, located in Tseung Kwan O (TKO), is one of the three strategic landfills in Hong Kong, with the other two being the North East New Territories (NENT) Landfill and the West New Territories (WENT) Landfill located in Ta Kwu Ling and Nim Wan respectively. All the three strategic landfills currently accept municipal solid waste (MSW), construction waste and other special wastes including sewage sludge. In 2012, about 9 280 tonnes per day (tpd) of MSW was disposed of at the three landfills on a day-to-day basis, including about 6 290 tpd generated from domestic households and about 3 000 tpd from commercial and industrial (C&I) establishments. At present, about 85% of domestic MSW in Hong Kong is collected by the Food and Environmental Hygiene Department (FEHD) or its contractors for transfer to the three landfills without any charges. For the remaining 15% of domestic MSW and all MSW from C&I sources, the waste producers hire private waste collectors to provide the collection services at their own costs.

4. Out of all landfilled MSW, about 5 910 tpd (or 63.7%) went through a refuse transfer station (RTS) which is a facility that compacts MSW for bulk transfer. There are currently seven RTSs, being West Kowloon Transfer Station (WKTS), Shatin Transfer Station (STTS), Island West Transfer Station (IWTS), Island East Transfer Station (IETS), North Lantau Transfer Station (NLTS), Northwest New Territories Transfer Station (NWNTTS) and Outlying Islands Transfer Facilities (OITF). They are located in different parts of the territory forming a network that helps to achieve a balanced distribution of waste to the landfills. By way of waste compaction and then bulk transfer, the RTSs may reduce the traffic burden and environmental issues caused by long haulage of RCVs. Such benefit is even more substantial for some 3 940 tpd of compacted MSW (about 42.4% of the total) which was sent to the WENT Landfill by vessels through RTSs with seafront access including IWTS, IETS, WKTS, NLTS and OITF. Annex B sets out the utilization level of individual RTSs in 2012.

B

The SENT Landfill: Exhaustion and Extension

Projected Exhaustion and Proposed Extension

5. We have been closely assessing the remaining capacity of the SENT Landfill¹. According to the latest projections, the existing SENT Landfill will almost be completely exhausted by the end of 2015. Given

¹ Apart from the overall effectiveness in waste reduction in Hong Kong and the specific usage of a facility (vis-à-vis the other two landfills), settlement of waste that has already been landfilled is a key determining factor particularly towards the end of the useful life of a landfill.

Hong Kong's current heavy reliance on landfills for waste disposal, though we are striving to reduce reliance through development of waste-to-energy facility in the long run, for the immediate future, we cannot afford not to seek for extension of all three existing landfills. We therefore aim to re-submit the funding application of the three extension proposals to the Legislative Council (LegCo) within the first quarter of 2014.

The Odour Concern

6. The three strategic landfills were built in the 1990s and are engineered to the international standard. As TKO develops, newly erected residential buildings have become increasingly close to the SENT Landfill with the closest local community (namely LOHAS Park) situating at about only one kilometre away. In recent years, more local complaints about the environmental nuisance caused by the operation of the SENT Landfill have been received, of which odour is a major subject of dissatisfaction². In response to the complaints, the Environmental Protection Department (EPD) has based on international experience implemented a basket of odour management measures (see Annex C) and have employed independent third party to conduct impact assessments. Given the efforts, odour nuisance that may arise from the operation of the SENT Landfill has, in fact, been reduced. Despite that, the concern of the local community remains³. In view of the growth in residential buildings in the TKO area, we consider there is a case to change the use of the SENT Landfill (and its extension) to accept only construction waste so that the odour concern arising from MSW and other wastes could be removed at root.

C

The Waste Diversion Plan

The SENT Landfill to Receive Construction Waste Only

² In 2012, we received more than 1 900 complaints against the odour from the SENT Landfill, and some 1 100 complaints in 2011.

³ Apart from the SENT Landfill, the TKO community has also expressed concerns about the operation of a temporary fill bank which is immediately adjacent to the SENT Landfill and is managed by the Civil Engineering and Development Department (CEDD). Efforts have been made by CEDD with a view to minimizing the nuisance that may arise due to the fill bank operation. For instance, cleansing of Wan Po Road has been further enhanced and some truckloads reduced through re-balancing the use of TKO temporary fill bank and promoting the more use of marine delivery via existing barging facilities and additional temporary barging facilities which could be introduced at Kwai Chung and Kai Tak by mid-2014 the earliest. Besides, CEDD is also pursuing the closure of TKO fill bank on General Holidays from early 2014 onwards. As a start, the operating hours have already been shortened by four hours (from 8 am to 9 pm to 10 am to 7 pm) since April 2013.

7. In 2012, the SENT Landfill received solid waste of about 4 800 tpd, including about 2 080 tpd of MSW and about 340 tpd of sludge both of which are odour-producing. Such waste (2 080 tpd + 340 tpd) has to be diverted away from the SENT Landfill upon its change of use with extension. The Sludge Treatment Facility is under development in Tuen Mun and is expected to commence commissioning starting from the end of 2013. We envisage that sludge will start to divert from SENT Landfill by then. As for MSW, in 2012, about 270 tpd of MSW disposed of at the SENT Landfill was collected by FEHD and its contractor. To reduce disposal of odour-producing wastes from the SENT Landfill, FEHD is arranging to re-route the existing MSW collection services and divert such MSW away from the Landfill. However, the existing SENT Landfill users are mainly private waste collectors who collect about 1 800 tpd of MSW from a very wide catchment. Diverting such MSW away from the SENT Landfill must be implemented through legislative means. We therefore **propose** to designate the SENT Landfill to accept for disposal only construction waste⁴ by amending the Waste Disposal (Designated Waste Disposal Facility) Regulation (Cap.354L) (DWDF Regulation). In line with the existing Construction Waste Disposal Charging Scheme⁵, such landfilled construction waste may only contain no more than 50% by weight of inert construction waste. Requisite preparatory work to achieve this is set out in the paragraphs to follow.

RTSs to Accept More MSW

8. If the SENT Landfill no longer accepts MSW, a considerable number of RCVs and other vehicles collecting MSW will have to find their ways to divert about 2 000 tpd of MSW to alternative designated waste disposal facilities. A significant portion was collected from the urban districts and would require very long haulage for direct transfer to the WENT and NENT Landfills. In mapping out the Waste Diversion Plan, we have to incorporate measures to maximize the utilization of the other RTSs with a view to minimizing the traffic and environmental impacts arising from the diversion.

⁴ In general, construction waste means any substance, matter or thing that is generated from construction work and abandoned. Some construction waste is inert and may be reused as construction materials. Examples include rock, rubble, boulder, earth, soil, sand, concrete, asphalt, brick, tile, masonry and used bentonite. Unlike MSW (which contains food waste) and sludge, construction waste in general has a low organic content and is hence odourless.

⁵ Under the Construction Waste Disposal Charging Scheme, construction waste having a higher content of inert materials should be disposed of at the sorting facilities (no less than 50% of inert construction waste by weight) or the public fill reception facilities (100% inert) operated by the Civil Engineering and Development Department at \$100 and \$27 per tonne respectively. Landfills can only accept construction waste having not more than 50% by weight of inert materials and a disposal charge of \$125 per tonne applies.

Re-routing of FEHD's Collection Services

9. As shown in Annex B, in 2012, the RTS network attained an overall utilization rate of 71.5%; WKTS and STTS jointly had an unused capacity of some 370 tpd only. Most (about 4 870 tpd or 82.4%) of the MSW going through the RTS network was collected by FEHD. FEHD is arranging to deliver some MSW it collects to the NENT Landfill direct without going through an RTS. FEHD will also consider how to re-route its collection services in some other districts such that when the SENT Landfill ceases to accept MSW, more FEHD-collected MSW will go through NLTS, IETS and IWTS. By this, we aim to make available RTS capacity of up to 1 800 tpd (mainly at WKTS and some at STTS) to cope with the MSW diverted from the SENT Landfill.

10. Since each RCV will have to make multiple trips each day to collect MSW for disposal at RTSs or landfills, FEHD's preliminary assessment indicates that it may incur about 30 additional RCV routes to achieve the proposed diversion due to the substantial increase in traveling distance and time for each collection and disposal trip. Apart from the implied increases in the operating cost and contract price, changes to the existing collection schedules would be required. Similarly for the private waste collectors, they will have to make diversion plans which could affect their clients.

Opening Up STTS for Private Waste Collectors

11. A requisite for mobilizing the spare capacity of STTS is to open it up for use by private waste collectors. At present, STTS is the only RTS that is exclusively used by FEHD and its contractors, and the utilization rate is about 80%⁶. However, in view of the practical need to maximize the utilization of the RTS system under the Waste Diversion Plan, we plan to re-route FEHD's collection services (cf. paragraph 9 - 10) by which we may free up spare capacity in STTS. Therefore we **propose** to open up STTS for use by private waste collectors by amending the Waste Disposal (Refuse Transfer Station) Regulation (Cap. 354M) (RTS Regulation). This will supplement WKTS as an alternative waste disposal facility to the SENT Landfill and help address the demand for disposal facility in the eastern part of the territory, particularly Kowloon East.

Rate Reduction for RTSs

⁶ In 2012, the unused capacity at STTS was about 200 tpd (out of a design capacity of 1 200 tpd).

12. With the implementation of the aforesaid measures, we envisage that more MSW will be transferred to the landfills through the RTS network after compaction. We estimate that some 7 710 tpd (or 83.1%, up from the current 63.7%) of MSW that requires disposal would go through an RTS including some 5 530 tpd (or 60.0%, up from the current 42.4%) being sent to the WENT Landfill through marine transport. This is in line with our intention to minimize the potential traffic burden and environmental issues by maximizing the utilization of RTSs, particularly those with seafront access.

13. At the same time, we estimate that the RTS network will be 93.3% full with all urban RTSs fully utilized upon the above waste diversion. The slim margin of RTS capacity suggests that in addition to the re-routing of FEHD-collected waste to the less utilized RTSs, private waste collectors should be encouraged to take up the RTS with more unused capacity. Yet the use of a particular RTS by private waste collectors is entirely voluntary and is mainly cost-driven. Under the established policy the use of an RTS by private waste collectors is subject to a fee which is set at a level intended to be commercially viable to the trade and to enable the Government to recover at least the additional cost for handling the waste delivered by private waste collectors. The RTS fees have not been revised for over 10 years and have already resulted in under recovery of the costs under the established charging policy. On balance, however, we propose to optimize utilization by suitable fee reduction to create the necessary incentives.

14. WKTS and STTS are located within reasonable distance from the waste sources being affected when the SENT Landfill ceases to receive MSW. For operational reasons, private waste collectors would have stronger incentives to use the two RTSs. Some private waste collectors may also consider using IETS and IWTS if they operate on the Hong Kong side or serve South Kowloon. For these four RTSs which serve the most affected areas, we **propose** to charge a low fee at \$30 per tonne which is the current fee level for WKTS and the lowest in the RTS system. In other words, there will be fee reduction for IETS and IWTS which are charging at \$40 per tonne and the fee for STTS will be set at a level below the marginal cost at \$60 per tonne⁷. For the other RTSs, we do not recommend any fee reduction for NLTS because the major change is to have more FEHD-collected MSW taking up its unused capacity. Regarding NWNTTS and OITF, since they are unlikely to be affected by the Waste Diversion Plan and given their remote

⁷ Under the established policy, the use of an RTS by private waste collectors is subject to a fee which is set at a level intended to be commercially viable to the trade and to enable the Government to recover at least the marginal cost for handling the waste delivered by private waste collectors.

geographical location, similar fee reduction may not be effective. The new fees have to be implemented by amending the RTS Regulation.

15. In the long term, in order to further promote the use of RTSs for MSW collection and to better serve local waste collection needs, the provision of an RTS in the eastern region of the territory is required. A site search study is being conducted to identify suitable cavern site for locating this facility. In addition, we will review the Hong Kong Planning Standards and Guidelines to incorporate the provision of an RTS as basic environmental infrastructure at the early planning stage of new development areas. We also need to more fundamentally review the role of RTSs as part of our waste management infrastructure and accordingly update the charging policy taking into account also other developments such as MSW charging.

RCVs to Meet Certain Equipment Standards

16. Notwithstanding the increased use of RTSs, diverting MSW from the SENT Landfill will inevitably change the RCV traffic load in the neighbourhood of the other designated waste disposal facilities. We are committed to taking proactive measures to enhance the environmental performance of RCVs and avoid nuisance arising from their operation. At present, many RCVs simply do not have the adequate device to avoid such nuisance as leachate dripping, waste spattering or dust. To tackle this issue, we **propose** to amend the DWDF Regulation so that when an RCV delivers waste to the landfills and RTSs, it has to be fully enclosed and properly equipped for more effective avoidance of nuisance. More specifically, a person who drives into a landfill or an RTS an RCV that does not meet the relevant equipment standards commits an offence and is liable to a fine at Level 6 (i.e. \$100,000). Such equipment standards include –

- (a) the RCV has been equipped with a metal tailgate cover and a waste water sump tank (collectively as “specified devices”) which are in good working condition; and
- (b) the construction of the specified devices are suitable for the purposes of (i) ensuring safety to the persons present at the facility; (ii) avoiding nuisance or danger to health or the environment arising from the activity in the facility; and (iii) preventing disruption to the operation of the facility or the relevant activity in the facility.

The Director of Environmental Protection (DEP) will issue administrative guidelines to set out detailed technical specifications of the specified devices to inform the public of what design and construction of the devices will be regarded as suitable for the purposes. We will keep in review the effectiveness of the proposed new equipment

standard requirements and in parallel assess the need of further beefing up the existing control under the Waste Disposal Ordinance (Cap.354).

17. At present, there are some 530 RCVs in Hong Kong of which 150 are Government vehicles operated by FEHD and the remaining 380 are private RCVs engaged in FEHD's refuse collection contracts or serving private clients. Whilst all of FEHD's RCVs and most of those operated by its contractors should have no problem in meeting the proposed equipment standards⁸, most of the other private RCVs have yet to meet the proposed equipment standards. In June 2013, the Government announced the intention to assist private RCV operators to retrofit their serving RCVs so to comply with the new equipment standard requirements. As a first step, a pilot scheme was launched for about 10% of private RCVs which are yet to meet the proposed equipment standards to test out various technical aspects of the retrofitting process. The information and experience gathered in the pilot scheme have been used to devise the full-scale subsidy scheme. Under the scheme, a one-off subsidy will be paid to the retrofitting workshop to meet the actual cost of work, subject to a pre-set ceiling level.

THE REGULATIONS

18. Under the DWDF Amendment Regulation –
- (a) sections 3 and 7 seek to designate the SENT Landfill to receive construction waste only that contains no more than 50% by weight of inert construction waste;
 - (b) section 4 seeks to add a new provision to require that an RCV driven into a landfill or an RTS must meet the equipment standards proposed in paragraph 16; and
 - (c) section 5 empowers DEP to examine the RCVs for the purpose of enforcing the equipment standard requirements.

As regards the RTS Amendment Regulation, section 3 reduces the fee at

⁸ FEHD has been updating the requirements on the RCVs used under its collection contracts to meet the proposed equipment requirements, when the contracts are due for re-tender. As at end-September 2013, only three collection contracts covering 19 RCVs have not yet been updated, though in practice all the RCVs deployed by the contractors already meet the required standards. FEHD will update the equipment requirements under these three contracts accordingly upon commencement of the new contract terms by November 2015, the latest.

D IETS and IWTS and allows STTS to be used by a registered account-holder at a prescribed fee. The existing provisions being amended are at Annex D.

LEGISLATIVE TIMETABLE

19. The DWDF Amendment Regulation and the RTS Amendment Regulation were published in the Gazette on 29 November 2013 and will be tabled at the LegCo for negative vetting on 4 December 2013. Subject to the enactment of the amendment regulations, we will separately appoint the commencement date for individual components of the Waste Diversion Plan by notice in the Gazette taking into account progress. In practice, in determining when the SENT Landfill may start to receive construction waste only, we need to take into account the working life of the facility that remains and the lead time required for diverting waste. Subject to Finance Committee's approval of the SENT Landfill Extension, we will be in a position to consider the commencement date to designate SENT Landfill to receive construction waste only. Changes to the RTS system (including the opening up of STTS as well as the new RTS fees) may however take effect on an earlier date so as to facilitate the private waste collectors to get prepared at an early opportunity by say trying out new routes and make other necessary adjustments. We will decide on the commencement date for the new RCV equipment standards taking into account the progress of the retrofitting scheme.

IMPLICATIONS OF THE PROPOSAL

E 20. The proposal has environment, sustainability, economic and financial and civil service implications as set out at Annex E. It is in conformity with the Basic Law, including the provisions concerning human rights. It has no family implications.

PUBLIC CONSULTATION

21. The proposal to designate the SENT Landfill to receive construction waste only was discussed at the LegCo when the Panel on Environmental Affairs (EAP) was consulted on the SENT Landfill Extension project in May 2013. Members generally held the view that the community's concern on the odour issue and other environmental hygiene issues should be resolved before they could consider supporting the extension project. On the whole, the proposal directly corresponds to many suggestions that have been raised in the community. We have further briefed the EAP on the latest proposals at its meeting on 28 October 2013 and consulted the Advisory Council on the Environment on 11 November 2013. As regards the waste collection trade, they welcome our commitment to subsidize the retrofitting of their RCVs and are collaborating with us on the pilot

scheme. In August 2013, the trade was also briefed of our latest plan on the three landfill extension projects and our intention to confine the SENT Landfill to receive construction waste only. We will keep the affected stakeholders closely engaged so as to ensure the smooth implementation of the Waste Diversion Plan.

PUBLICITY

22. A press release was issued setting out relevant details of the proposal. A spokesperson is available to answer press enquiries. More specific publicity will be rolled out as the relevant commencement dates draw close.

ENQUIRIES

23. For enquiries on this brief, please contact Miss Libera Cheng, Senior Administrative Officer [Waste Management Policy Division] at 3509 8646 or email to liberacheng@epd.gov.hk.

**Environment Bureau/Environmental Protection Department
November 2013**

**Waste Disposal (Designated Waste Disposal Facility)
(Amendment) Regulation 2013**

(Made by the Chief Executive in Council under section 33 of the Waste Disposal Ordinance (Cap. 354) after consultation with the Advisory Council on the Environment)

- 1. **Commencement**
This Regulation comes into operation on a day to be appointed by the Secretary for the Environment by notice published in the Gazette.
- 2. **Waste Disposal (Designated Waste Disposal Facility) Regulation amended**
The Waste Disposal (Designated Waste Disposal Facility) Regulation (Cap. 354 sub. leg. L) is amended as set out in sections 3 to 7.
- 3. **Section 3A amended (facilities that accept construction waste)**
Section 3A(2)—
 Repeal
 “item 3”
 Substitute
 “item 1(b), 3”.
- 4. **Section 3B added**
After section 3A—
 Add

“3B. Requirements for particular vehicles

- (1) This section applies to a vehicle equipped with devices specifically designed for—
 - (a) loading household waste or trade waste (or both); and
 - (b) compacting household waste or trade waste (or both).
- (2) If a person drives the vehicle into any of the designated waste disposal facilities specified in items 1, 2, 3 and 5 to 18 in column 2 of Schedule 1 (*specified facility*), the vehicle must conform with the requirement in subsection (3).
- (3) The requirement is—
 - (a) the vehicle must be equipped with—
 - (i) a metal tailgate cover; and
 - (ii) a waste water sump tank;
 - (b) the construction of the cover and the tank must be suitable for—
 - (i) ensuring safety to all persons present at the specified facility;
 - (ii) avoiding any nuisance, or any danger to health or the environment, arising from any activity in the specified facility; and
 - (iii) preventing disruption to the operation of the specified facility, or any relevant activity in the specified facility; and
 - (c) the cover and the tank must be in good working condition.
- (4) If subsection (2) is contravened, the driver of the vehicle commits an offence and is liable to a fine at level 6.”.

5. Section 4 amended (powers of Director)

(1) Section 4(1)(b)—

Repeal

“personnel”

Substitute

“persons”.

(2) Section 4(2)(d)—

Repeal

“facility.”

Substitute

“facility; and”.

(3) After section 4(2)(d)—

Add

“(e) the power to examine a vehicle within or entering or leaving a designated waste disposal facility to check whether the vehicle meets the requirements in this Regulation.”.

(4) Section 4(4)(a)—

Repeal

“subsection (2)(a) to (d)”

Substitute

“subsection (2)(a) to (e)”.

(5) Section 4(4)(b)—

Repeal

“subsection (2)(c) or (d)”

Substitute

“subsection (2)(c), (d) or (e)”.

6. Schedule 1 amended (designated waste disposal facilities)

Schedule 1—

Repeal

“[ss. 2”

Substitute

“[ss. 2, 3B”.

7. Schedule 2 amended (types of construction waste accepted at designated waste disposal facilities)

Schedule 2, item 1—

Repeal everything in column 2

Substitute

“(a) Landfills specified in items 1 and 3 of Schedule 1

(b) Landfill specified in item 2 of Schedule 1”.

Clerk to the Executive Council

COUNCIL CHAMBER

2013

Explanatory Note

The main purpose of this Regulation is to amend the Waste Disposal (Designated Waste Disposal Facility) Regulation (Cap. 354 sub. leg. L) in order to improve the waste disposal arrangement through two measures.

2. One measure is to specify the South East New Territories (SENT) Landfill as a designated waste disposal facility accepting only construction waste of a specified type (under sections 3 and 7 of this Regulation).
3. The other measure is to require particular vehicles to be equipped with specific devices if entering certain designated waste disposal facilities (under section 4 of this Regulation). The Director of Environmental Protection is empowered to examine the vehicles to check whether they meet the requirements (under section 5 of this Regulation).



Waste Disposal (Refuse Transfer Station) (Amendment) Regulation 2013

(Made by the Chief Executive in Council under section 33 of the Waste Disposal Ordinance (Cap. 354) after consultation with the Advisory Council on the Environment)

1. Commencement

This Regulation comes into operation on a day to be appointed by the Secretary for the Environment by notice published in the Gazette.

2. Waste Disposal (Refuse Transfer Station) Regulation amended

The Waste Disposal (Refuse Transfer Station) Regulation (Cap. 354 sub. leg. M) is amended as set out in section 3.

3. Schedule amended (charges for disposal of waste at refuse transfer stations)

(1) The Schedule, item 1—

Repeal

“\$40” (wherever appearing)

Substitute

“\$30”.

(2) The Schedule, item 1—

Repeal

“\$0.40 per 0.01 tonne or part thereof” (wherever appearing)

Substitute

“\$0.30 per 0.01 tonne, or part of 0.01 tonne”.

(3) The Schedule, item 4—

Repeal

“\$40” (wherever appearing)

Substitute

“\$30”.

(4) The Schedule, item 4—

Repeal

“\$0.40 per 0.01 tonne or part thereof” (wherever appearing)

Substitute

“\$0.30 per 0.01 tonne, or part of 0.01 tonne”.

(5) The Schedule, after item 6—

Add

“7. Shatin Transfer Station at 2 On Hing Lane, Sha Tin, N.T. (Boundaries delineated in Drawing number 7286/0001 Rev. C)	(a) For each load of 1 tonne or less	\$30	\$30
	(b) For each load of more than 1 tonne	\$0.30 per 0.01 tonne, or part of 0.01 tonne	\$0.30 per 0.01 tonne, or part of 0.01 tonne
	(c) For each load of waste in respect of which the Director is of the opinion that—	\$30	\$30”.
	(i) it is impracticable to ascertain the actual		

- weight of the load; or
- (ii) to ascertain the actual weight of the load will cause public health problems

Clerk to the Executive Council

COUNCIL CHAMBER

2013

Explanatory Note

This Regulation amends the Waste Disposal (Refuse Transfer Station) Regulation (Cap. 354 sub. leg. M) (*the Regulation*) to—

- (a) reduce the charges for the disposal of waste at the Island East Transfer Station and the Island West Transfer Station; and
- (b) add the Shatin Transfer Station as a refuse transfer station to which the Regulation applies and prescribe the charges for the disposal of waste at the Station.

UTILIZATION OF RTSs IN 2012

Facility ⁽¹⁾	Collected by FEHD	Collected by Private Collectors	Total Utilization	Design Capacity
IETS ⁽²⁾	655 tpd	142 tpd	66.4%	1 200 tpd
IWTS ⁽²⁾	426 tpd	105 tpd	53.1%	1 000 tpd
OITF ^{(2), (3)}	75 tpd	8 tpd	13.4%	611 tpd
NLTS ⁽²⁾	67 tpd	111 tpd	27.4%	650 tpd
NWNTRTS	843 tpd	150 tpd	90.3%	1 100 tpd
WKTS ⁽²⁾	1 803 tpd	527 tpd	93.2%	2 500 tpd
STTS	998 tpd	--	83.2%	1 200 tpd

(1) Abbreviations:

IETS: Island East Transfer Station
IWTS: Island West Transfer Station
OITF: Outlying Islands Transfer Facilities
NLTS: North Lantau Transfer Station
NWNTRTS: North West New Territories Refuse Transfer Station
WKTS: West Kowloon Transfer Station
STTS: Shatin Transfer Station

(2) Facilities with seafront access.

(3) Only Ma Wan Transfer Station is open to private waste collectors.

ODOUR MANAGEMENT MEASURES FOR THE SENT LANDFILL

The SENT Landfill is operating in high international standards. To address the concerns from the TKO residents on odour nuisance, EPD has stepped up odour management and control measures over the past five years to further abate the potential odour impact of the landfill. These measures include:

- (a) minimizing the size of the tipping area as far as practicable to minimize odour emitted from the disposed waste;
- (b) compacting the waste and covering it by construction waste immediately and covering the tipping area with 300 mm thick layer of soil (increased from 150 mm), followed by a layer of cement-based material namely “Posi-Shell Cover” at the end of the daily waste reception process to minimize odour emitted from the disposed waste;
- (c) covering the dewatered sludge from Stonecutters Island Sewage Treatment Works by soil immediately to minimize odour emitted from the disposed sludge;
- (d) covering the non-active tipping areas with temporary impermeable liner, in addition to the 300 mm interim soil cover. For areas that are not suitable for installing the temporary impermeable liner, “Posi-Shell Cover” is applied in addition to the 300 mm interim soil cover to further prevent emission of landfill gas and odour from covered waste;
- (e) putting a movable cover, fitted with activated carbon at the exhaust pipes, on the special waste trench to minimize odour emitted from the special waste trench during its operation;
- (f) installing extra landfill gas extraction wells and mobile landfill gas flaring units, in addition to the existing landfill gas extraction system, to enhance the collection of landfill gas for treatment and to completely combust localized

landfill gas to prevent potential landfill gas and odour emission;

- (g) setting up fixed deodourisers at the site boundary along Wan Po Road, at the weighbridge area and at the entrance/exit of the landfill to neutralize odour from RCVs entering the landfill;
- (h) providing mobile deodourisers at the tipping area to neutralize odour from waste deposited at the tipping area and rearranging the operation period of some mobile deodourisers for 24-hour operation to further control the emission from the landfill;
- (i) restoring the landfill progressively to cap the completed waste disposal areas with a permanent liner system and restore the areas with suitable engineering structures such as drainage system and plantation to form a natural landscape;
- (j) upgrading the existing wheel washing facility to a full-body vehicle washing facility to improve the hygienic conditions of RCVs before leaving the landfill;
- (k) flushing and cleaning Wan Po Road (from Hang Hau Round-about to the SENT Landfill) to supplement the street cleaning work by FEHD to tackle the odour concern from the wastewater dripping from RCVs travelling along Wan Po Road and to improve the hygiene condition of Wan Po Road.

2. About \$80 million of capital cost has been spent to implement the above measures.

Annex D

Chapter:	354L	WASTE DISPOSAL (DESIGNATED WASTE DISPOSAL FACILITY) REGULATION	Gazette Number	Version Date
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Section:	3A	Facilities that accept construction waste	L.N. 145 of 2005	20/01/2006
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(1) Subject to the provisions in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap 354 sub. leg. N), construction waste may be accepted for disposal at a designated waste disposal facility only if-

- (a) the facility is one specified in column 2 of Schedule 2; and
- (b) the construction waste falls within the type specified in column 3 of that Schedule opposite that facility.

(2) No waste shall be accepted for disposal at a designated waste disposal facility specified in item 3 or 4 in column 2 of Schedule 2 unless it is construction waste that falls within the type specified in column 3 of that Schedule opposite that facility.

(3) The Director shall give notice in the Gazette of the criteria adopted from time to time to determine, for the purposes of subsections (1) and (2), whether any waste falls within a type of construction waste specified in column 3 of Schedule 2. (L.N. 3 of 2005)

(4) A notice under subsection (3) is not subsidiary legislation. (L.N. 3 of 2005)

(L.N. 165 of 2004)

Chapter:	354L	WASTE DISPOSAL (DESIGNATED WASTE DISPOSAL FACILITY) REGULATION	Gazette Number	Version Date
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Section:	4	Powers of Director	24 of 2005; L.N. 282 of 2006	02/01/2007
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(1) The Director may, for the purpose of-

- (a) regulating traffic within, entering or leaving any designated waste disposal facility;
- (b) ensuring safety to all personnel present at any designated waste disposal facility;
- (c) avoiding any nuisance or any danger to health or the environment arising from the carrying on of any activity in any designated waste disposal facility;
- (d) preventing disruption to the operation of any designated waste disposal facility or the carrying out of any relevant activity in the designated waste disposal facility;
- (e) preventing or deterring the commission of any offence against the Ordinance in or in relation to any designated waste disposal facility;
- (f) detecting the commission of any offence against the Ordinance in or in relation to any designated waste disposal facility; or
- (g) deterring the evasion of charges payable under the Ordinance by any person in connection with any relevant activity in any designated waste disposal facility,

exercise any of the powers specified in subsection (2).

(2) The powers specified for the purpose of subsection (1) are-

- (a) the power to order or signal the driver of a vehicle within or entering or leaving a designated waste disposal facility-
 - (i) to stop the vehicle immediately;
 - (ii) to proceed to any place or to park the vehicle at any location within the facility; or
 - (iii) to leave the facility;
- (aa) the power to order or signal the master of a vessel within or entering or leaving a designated waste disposal facility-
 - (i) to stop the vessel immediately;
 - (ii) to move the vessel to or moor it at any place within the facility; or
 - (iii) to leave the facility; (L.N. 165 of 2004)
- (b) if there are reasonable grounds for believing it to be necessary for any purpose specified in subsection (1), the power-
 - (i) to require the driver of a vehicle within a designated waste disposal facility or stopped by the

Director under paragraph (a)- (L.N. 165 of 2004)

- (A) to produce his driving licence for examination;
- (B) to give the name and address of the registered owner of the vehicle;
- (C) to provide such information as is within the driver's knowledge concerning waste being carried on the vehicle;

(ia) to require the master of a vessel within a designated waste disposal facility or stopped by the Director under paragraph (aa)-

- (A) to produce the licence issued by the Director of Marine in respect of the vessel under section 15 or 19 of the Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation (Cap 548 sub. leg. D) for examination; (24 of 2005 s. 55)
- (B) to give the name and address of the registered owner of the vessel;
- (C) to provide such information as is within the master's knowledge concerning the waste being carried on the vessel; (L.N. 165 of 2004)

(ii) to enter, examine and search the vehicle referred to in subparagraph (i) or the vessel referred to in subparagraph (ia) and any thing in or on that vehicle or vessel, and to take from it and retain samples of any materials having the appearance of waste; (L.N. 165 of 2004)

(iii) to require any person found in or on that vehicle or vessel to give his name and address and to produce any document in his possession which is or contains evidence of his name and address; (L.N. 165 of 2004)

(c) where any vehicle, vessel or thing is causing disruption to the operation of any designated waste disposal facility or is otherwise likely to render the use of the facility unsafe, the power to take all reasonable steps, at the owner's expense, to remove the vehicle, vessel or thing or cause it to be removed to any place, including any road, that the Director may think fit and where necessary in the opinion of the Director, to provide for its safe custody; (L.N. 165 of 2004)

(d) where any person has failed to pay any charge under the Ordinance in full as required in any invoice, demand note, bill or the like issued by the Director or any person appointed by the Director to collect such charge, but subject to subsection (3), the power to suspend the provision to that person of the services provided at any designated waste disposal facility.

(3) The power conferred under subsection (2)(d) shall not be exercised in a particular case unless-

- (a) a notice issued by the Director for the purposes of this subsection specifying a period within which the charge shall be paid has been served on the person personally or by post; and
- (b) the person has failed to pay the charge or any part of the charge within the period so specified.

(4) The Director may in writing authorize-

- (a) any designated officer to exercise the powers and perform the duties conferred or imposed on the Director under subsection (2)(a) to (d);
- (b) any facility operator to exercise the powers and perform the duties conferred or imposed on the Director under subsection (2)(c) or (d).

(4A) The Director or an authorized officer may also exercise the following powers-

- (a) refuse to accept any waste at a designated waste disposal facility in such circumstances as the Director thinks fit;
- (b) subject to subsection (4B), require any person who delivers any waste to a designated waste disposal facility to state the nature of the waste and give such other information as the Director considers necessary to determine whether or not to accept the waste at that facility;
- (c) close temporarily a designated waste disposal facility or any part of it for such period as the Director considers necessary by posting a notice of closure in such conspicuous places in the facility as the Director may determine. (L.N. 165 of 2004; L.N. 3 of 2005)

(4B) If a person delivering any waste to a designated waste disposal facility informs the Director that the waste is construction waste, the Director shall not require the person to state whether the construction waste falls within any type specified in column 3 of Schedule 2. (L.N. 165 of 2004)

(5) Any person who without reasonable excuse fails to comply with an order, requirement, direction, instruction or signal given under subsection (2) or (4A), commits an offence and is liable to a fine at level 6. (L.N. 165 of 2004)

Chapter:	354L	WASTE DISPOSAL (DESIGNATED WASTE DISPOSAL FACILITY) REGULATION	Gazette Number	Version Date
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Schedule:	1	DESIGNATED WASTE DISPOSAL FACILITIES	L.N. 231 of 2008	01/01/2009
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Remarks:

* Italicized parts are not yet in operation.

[sections 2 & 8 & Schedule 2]
(L.N. 165 of 2004)

Item	Name	Address	Boundaries delineated by drawing number/plan number
1	West New Territories (WENT) Landfill	Lung Kwu Tan Road, Nim Wan, Tuen Mun, N.T.	Drawing number WENT/GEN/102 Rev. B (Contract Document Vol. 3 of 12)
2	South East New Territories (SENT) Landfill	Shek Miu Wan, Tseung Kwan O, N.T.	Drawing number 90872/SP10/014B
3	North East New Territories (NENT) Landfill	Wo Keng Shan Road, Ta Kwu Ling, N.T.	Drawing number 90303/CON-01 TO 04
4	Chemical Waste Treatment Centre	51 Tsing YI Road South, Tsing Yi, N.T.	Plan number KT 1047-DA
5	Island East Transfer Station (IETS)	10 Sun Yip Street, Chai Wan, Hong Kong.	Drawing number 7A/A/001 Rev. D
6	Kowloon Bay Transfer Station (KBTS)	11 Cheung Yip Street, Kowloon Bay, Kowloon.	Drawing number T91211 Rev. A (L.N. 260 of 1998)
7	Shatin Transfer Station (STTS)	2 On Hing Lane, Shatin, N.T.	Drawing number 7286/0001 Rev. C (L.N. 260 of 1998)
8	Island West Transfer Station (IWTS)	88 Victoria Road, Kennedy Town, Western District, Hong Kong.	Drawing number 90833/SP15/04 (L.N. 260 of 1998)
9	West Kowloon Transfer Station (WKTS)	1 Ngong Shung Road, Kowloon.	Drawing number 90364/TEN/01 Rev. D (L.N. 260 of 1998; L.N. 118 of 2002)
10.	North Lantau Transfer Station (NLTS)	PLA No. TW353, Siu Ho Wan, North Lantau, N.T.	Plan number NANTA 80-A (L.N. 260 of 1998)
11.	Outlying Islands Transfer Facilities-Cheung Chau Station (OITF-CCS)	1 Cheung Kwai Road, Cheung Chau, N.T.	Plan number ISA 477-A (L.N. 260 of 1998)
12.	Outlying Islands Transfer Facilities-Mui Wo Station (OITF-MuiWS)	35 Mui Wo Ferry Pier Road, Mui Wo, Lantau, N.T.	Plan number IS 3099-D (L.N. 260 of 1998)
13.	Outlying Islands Transfer Facilities-Peng Chau Station (OITF-PCS)	GLA IS 296 & GLA IS 335, Tai Lei Island, Peng Chau, N.T.	Plan number IS 2860-DA & Plan number IS 3093-D (L.N. 260 of 1998)
14.	Outlying Islands Transfer Facilities-Hei Ling Chau Station (OITF-HLCS)	Western tip of Hei Ling Chau, adjoining the cargo pier, Hei Ling Chau, N.T.	Plan number ISA 490-E (L.N. 260 of 1998)
15.	Outlying Islands Transfer Facilities-Yung	Yung Shue Wan, Lamma Island, N.T.	Plan number IS 3273-D (L.N. 118 of 2002)

16.	Shue Wan Station (OITF-YSWS) Outlying Islands Transfer Facilities-Sok Kwu Wan Station (OITF-SKWS)	Sok Kwu Wan, Lamma Island, N.T.	Plan number IS 3161-D (L.N. 118 of 2002)
17.	Outlying Islands Transfer Facilities-Ma Wan Station (OITF-MaWS)	Pak Wan, Ma Wan, N.T., adjoining Sewage Treatment Plant.	Plan number TWA 1058-E (L.N. 118 of 2002)
18.	Northwest New Territories Transfer Station (NWNITS)	Shung Tat Street, Yuen Long, N.T.	Plan number TM 3791-Db (L.N. 118 of 2002)
19.	Tuen Mun Area 38 Temporary Construction Waste Sorting Facility	Southern side of Tuen Mun Area 38, near River Trade Terminal, Tuen Mun, N.T.	Plan number P 20332-1 (L.N. 165 of 2004)
20.	Tseung Kwan O Area 137 Temporary Construction Waste Sorting Facility	Southern side of Tseung Kwan O Area 137, N.T.	Plan number P 20332-2 (L.N. 165 of 2004)
21.	Tseung Kwan O Area 137 Fill Bank	Eastern side of Tseung Kwan O Area 137, N.T.	Plan number P 20332-3 (L.N. 165 of 2004)
22.	Tuen Mun Area 38 Fill Bank	Tuen Mun Area 38, near River Trade Terminal, Tuen Mun, N.T.	Plan number P 20332-4 (L.N. 165 of 2004)
*[23.	<i>Sai Ying Pun Temporary Public Filling Barging Point</i>	<i>Eastern Street North, Sai Ying Pun, Hong Kong.</i>	<i>Plan number P 20332-5 (L.N. 165 of 2004)]</i>
24.	(Repealed L.N. 231 of 2008)		
*[25.	<i>Kai Tak Temporary Public Filling Barging Point</i>	<i>Middle of the Former Kai Tak Runway, adjacent to the Taxiway Bridge, Kowloon City, Kowloon.</i>	<i>Plan number P 20332-7 (L.N. 165 of 2004)]</i>
26.	Mui Wo Temporary Public Fill Reception Facility	Mui Wo Ferry Pier Road, Mui Wo, Lantau, N.T.	Plan number P 20332-8 (L.N. 165 of 2004)
27.	Chai Wan Public	11 Ka Yip	Plan number FM 10019-32

Fill Barging Point

Street,
Chai Wan, Hong
Kong.

(L.N. 231 of 2008)

Chapter:	354L	WASTE DISPOSAL (DESIGNATED WASTE DISPOSAL FACILITY) REGULATION	Gazette Number	Version Date
Schedule:	2	TYPES OF CONSTRUCTION WASTE ACCEPTED AT DESIGNATED WASTE DISPOSAL FACILITIES	L.N. 231 of 2008	01/01/2009

[sections 3A, 4 & 8]

Item	Designated waste disposal facility	Type of construction waste accepted
1.	Landfills specified in items 1, 2 and 3 of Schedule 1	Construction waste containing not more than 50% by weight of inert construction waste.
2.	Outlying islands transfer facilities specified in items 11, 12, 13, 14, 15, 16 and 17 of Schedule 1	Construction waste containing any percentage of inert construction waste.
3.	Sorting facilities specified in items 19 and 20 of Schedule 1	Construction waste containing more than 50% by weight of inert construction waste.
4.	Public fill reception facilities specified in items 21, 22, 23*, 25*, 26 and 27 of Schedule 1 (L.N. 231 of 2008)	Construction waste consisting entirely of inert construction waste.

(Schedule 2 added L.N. 165 of 2004)

Note:

* Not yet in operation



Chapter:	354M	WASTE DISPOSAL (REFUSE TRANSFER STATION) REGULATION	Gazette Number	Version Date
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Schedule:		SCHEDULE	L.N. 166 of 2002	12/12/2002
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[sections 3 & 10]

CHARGES FOR DISPOSAL OF WASTE AT REFUSE TRANSFER STATIONS

Item	Refuse transfer station	Particular	Charge for load of waste	
			Peak hours	Non-peak hours
1.	Island East Transfer Station at 10 Sun Yip Street, Chai Wan, Hong Kong. (Boundary delineated in Drawing number 7A/A/001 Rev. D)	(a) For each load of 1 tonne or less	\$40	\$40
		(b) For each load of more than 1 tonne	\$0.40 per 0.01 tonne or part thereof	\$0.40 per 0.01 tonne or part thereof
		(c) For each load of waste in respect of which the Director is of the opinion that- (i) it is impracticable to ascertain the actual weight of the load; or (ii) to ascertain the actual weight of the load will cause public health problems	\$40	\$40
2.	West Kowloon Transfer Station at GLA-NK564, East of the Container Port Road South, Near Stone Cutters Island, West Kowloon (Boundary delineated in Drawing number 90364/TEN/01 Rev. D)	(a) For each load of 1 tonne or less	\$30	\$30
		(b) For each load of more than 1 tonne	\$0.30 per 0.01 tonne or part thereof	\$0.30 per 0.01 tonne or part thereof
		(c) For each load of waste in respect of which the Director is of the opinion that- (i) it is impracticable to ascertain the actual weight of the load; or (ii) to ascertain the actual weight of the load will cause public health problems	\$30	\$30

3.	North Lantau Transfer Station at PLA No. TW 353, Siu Ho Wan, North Lantau, N.T. (Boundaries delineated in Plan number NANTA 80-A)	(a)	For each load of 1 tonne or less	\$110	\$110
		(b)	For each load of more than 1 tonne	\$1.10 per 0.01 tonne or part thereof	\$1.10 per 0.01 tonne or part thereof
		(c)	For each load of waste in respect of which the Director is of the opinion that- (i) it is impracticable to ascertain the actual weight of the load; or (ii) to ascertain the actual weight of the load will cause public health problems (L.N. 251 of 1998)	\$110	\$110
4.	Island West Transfer Station at 88 Victoria Road, Kennedy Town, Western District, Hong Kong (Boundaries delineated in Drawing number 90833/SP15/04)	(a)	For each load of 1 tonne or less	\$40	\$40
		(b)	For each load of more than 1 tonne	\$0.40 per 0.01 tonne or part thereof	\$0.40 per 0.01 tonne or part thereof
		(c)	For each load of waste in respect of which the Director is of the opinion that- (i) it is impracticable to ascertain the actual weight of the load; or (ii) to ascertain the actual weight of the load will cause public health problems (L.N. 56 of 2001)	\$40	\$40
5	Northwest New Territories Transfer Station at Shung Tat Street, Yuen Long, N.T. (Boundaries	(a)	For each load of 1 tonne or less	\$38	\$38
		(b)	For each load of more than 1 tonne	\$0.38 per 0.01 tonne or part thereof	\$0.38 per 0.01 tonne or part thereof
		(c)	For each load of waste in respect of which the Director is of the opinion that- (i) it is impracticable to ascertain the actual	\$38	\$38

s delineated
in Plan
number
TM
3791-Db)

weight of the load; or
(ii) to ascertain the actual
weight of the load will
cause public health
problems (L.N. 119 of
2002)

6	Outlying Islands Transfer Facilities- Ma Wan Station at Pak Wan, Ma Wan, N.T., adjoining Sewage Treatment Plant (Boundarie s delineated in Plan number TWA 1058-E)	(a) For each load of 1 tonne or less	\$68	\$68
		(b) For each load of more than 1 tonne	\$0.68 per 0.01 tonne or	\$0.68 per 0.01 tonne or
		(c) For each load of waste in respect of which the Director is of the opinion that-	part thereof \$68	part thereof \$68
		(i) it is impracticable to ascertain the actual weight of the load; or		
		(ii) to ascertain the actual weight of the load will cause public health problems (L.N. 119 of 2002)		

(L.N. 56 of 2001)

IMPLICATIONS OF THE PROPOSAL

Environmental Implications

We must pursue the Waste Diversion Plan in order to ensure that all waste (including MSW and construction waste) can be properly disposed of. As diversion of MSW from the SENT Landfill is implemented, the daily disposal at the SENT Landfill is expected to reduce by about 50%. This may have the effect of lengthening its lifespan allowing the region to be served by a disposal facility in its proximity for a slightly longer period but such effect will be minimal because it will take some preparatory lead time before MSW may be diverted away.

2. On the other hand, the SENT Landfill and other designated waste disposal facilities should be operated in strict accordance with the relevant environmental legislation. On top of that, with implementation of the proposal, it is anticipated that the environmental and traffic impacts caused by the SENT Landfill to the neighbouring community will be reduced. The other complementary measures (including promoting the use of RTSs and introducing equipment standards for RCVs) will help ensure that the diverted MSW can be absorbed by the existing waste disposal system without causing unacceptable environmental and traffic problems to the other districts. Only that the proposal itself will not reduce waste to be landfilled, the Government will continue to pursue other measures to reduce waste at source.

Sustainability Implications

3. The proposal, if implemented, will remove the potential source of odour problem that may arise from the SENT Landfill and improve the environmental performance of RCVs using the landfills and RTSs. Nevertheless, suitable mitigation measures should be adopted for any potential secondary environmental impacts.

4. We must also closely monitor to ensure that MSW diverted away from the SENT Landfill can be absorbed within the existing network of designated waste disposal facilities including the RTSs. Detailed sustainability assessment will also be conducted as appropriate. The concern of the public, in particular the sentiments of stakeholders, should also be handled with care.

Economic Implications

5. The proposal will result in the diversion of MSW for disposal from the SENT Landfill to more distant facilities, thereby incurring extra costs to the waste collection trade. The extra cost can be partially mitigated by freeing up more RTS capacity in the urban area and reducing the fee for some RTSs. But eventually part of the increased costs will be passed onto the waste producers (some domestic households but mostly commercial and industrial establishments), who will have to pay more for waste disposal. Nevertheless, the direct cost impact on overall businesses should be rather modest, as expenses on waste collection should account for only an insignificant portion of the overall non-staff business operating cost. Separately, the Government's commitment to subsidize the retrofitting of RCVs to meet the proposed new equipment standards for RCVs should contribute positively to the professionalism of the waste collection trade.

Financial and Civil Service Implications

6. After the SENT Landfill ceases to receive MSW, the balanced geographical distribution of the three strategic landfills for MSW will be frustrated and that will lead to higher collection costs for the Government (and the waste collection trade). In general, some private waste collectors may opt to directly haul MSW to the WENT and NENT Landfills for disposal but most of them would deliver the landfills through the RTS network. In a crudely estimated scenario, after the full implementation of the proposal –

- (a) the Government's recurrent expenditure on MSW collection and treatment would increase substantially. On the one hand, there will be net savings of about \$24 million per annum for operating the WENT and NENT Landfills and correspondingly scaling down operation of the SENT Landfill. But there will also be additional cost of about \$95 million per annum for handling more MSW through the RTS network. Re-routing of FEHD's collection services will also require additional resources which cannot be fully ascertained at this stage. So far, FEHD has completed preliminary planning for part of the collection services that require re-routing; and
- (b) estimated revenues of \$35 million per annum would be generated from the seven RTSs after incorporating the fees proposed in paragraph 14 of the main text. This is \$4 million less (per annum) in case we maintain the current fees and set the fee for STTS at marginal cost.

On the other hand, the Finance Committee has approved funding of \$18.8 million at its meeting on 15 November 2013 for providing a one-off subsidy to assist private RCV owners to retrofit their vehicles for meeting the new equipment standard requirements as proposed under paragraph 16 of the main text.