

**立法會**  
***Legislative Council***

LC Paper No. FC142/14-15

Ref : FC/1/1(1)

**Finance Committee of the Legislative Council**

**Minutes of the 7<sup>th</sup> meeting  
held at Conference Room 1 of the Legislative Council Complex  
on Friday, 31 October 2014, at 6:10 pm**

**Members present:**

Hon Tommy CHEUNG Yu-yan, SBS, JP (Chairman)  
Hon CHAN Kin-por, BBS, JP (Deputy Chairman)  
Hon Albert HO Chun-yan  
Hon LEE Cheuk-yan  
Hon James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon LEUNG Yiu-chung  
Dr Hon LAU Wong-fat, GBM, GBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Vincent FANG Kang, SBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Andrew LEUNG Kwan-yuen, GBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Cyd HO Sau-lan, JP  
Hon Starry LEE Wai-king, JP  
Dr Hon LAM Tai-fai, SBS, JP  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung

Hon Albert CHAN Wai-yip  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon James TIEN Pei-chun, GBS, JP  
Hon NG Leung-sing, SBS, JP  
Hon Steven HO Chun-yin  
Hon Frankie YICK Chi-ming  
Hon WU Chi-wai, MH  
Hon YIU Si-wing  
Hon Gary FAN Kwok-wai  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung  
Hon Dennis KWOK  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon SIN Chung-kai, SBS, JP  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, JP  
Hon POON Siu-ping, BBS, MH  
Hon TANG Ka-piu, JP  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Members absent:**

Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Ronny TONG Ka-wah, SC  
Hon CHAN Hak-kan, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Dr Hon LEUNG Ka-lau  
Hon CHEUNG Kwok-che

Hon WONG Kwok-kin, SBS  
Hon Paul TSE Wai-chun, JP  
Hon WONG Yuk-man  
Hon Claudia MO  
Hon CHAN Han-pan, JP  
Hon Kenneth LEUNG  
Hon Martin LIAO Cheung-kong, SBS, JP

**Public officers attending:**

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr WONG Kam-sing, JP	Secretary for the Environment
Mr Howard CHAN Wai-kee, JP	Deputy Director of Environmental Protection (2)
Dr Ellen CHAN Ying-lung, JP	Environmental Protection Department Assistant Director of Environmental Protection (Environmental Infrastructure)
Mr Lawrence LAU Ming-ching	Environmental Protection Department Principal Environmental Protection Officer (Landfills and Development)
Mr Elvis AU Wai-kwong, JP	Environmental Protection Department Assistant Director (Nature Conservation and Infrastructure Planning)
	Environmental Protection Department

**Clerk in attendance:**

Mr Andy LAU	Assistant Secretary General 1
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**Staff in attendance:**

Mr Derek LO	Chief Council Secretary (1)5
Mr Daniel SIN	Senior Council Secretary (1)7
Mr Ken WOO	Senior Council Secretary (1)5
Mr Raymond SZETO	Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)7

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Action

**Item No. 1 – FCR(2014-15)31A**  
**HEAD 705 – CIVIL ENGINEERING**  
**Environmental Protection – Refuse Disposal**  
**164DR – Southeast New Territories Landfill Extension**

**Item No. 2 – FCR(2014-15)32A**  
**HEAD 705 – CIVIL ENGINEERING**  
**Environmental Protection – Refuse Disposal**  
**163DR – Northeast New Territories Landfill Extension**

**Item No. 3 – FCR(2014-15)33A**  
**HEAD 705 – CIVIL ENGINEERING**  
**Environmental Protection – Refuse Disposal**  
**165DR – West New Territories Landfill Extension**

**Item No. 4 – FCR(2014-15)34A**  
**HEAD 705 – CIVIL ENGINEERING**  
**Environmental Protection – Refuse Disposal**  
**177DR – Development of integrated waste management facilities phase 1**

The meeting continued the combined discussion of items FCR(2014-15)31A, FCR(2014-15)32A, FCR(2014-15)33A and FCR(2014-15)34A.

Motion to adjourn discussion on the item FCR(2014-15)34A

2. Mr Albert CHAN moved, without notice, that discussion on the item FCR(2014-15)34A on the development of integrated waste management facilities ("IWMF") phase 1 be then adjourned pursuant to paragraph 39 of the Finance Committee Procedure ("the FC Procedure").

3. The Chairman thereupon put the question on Mr Albert CHAN's motion and directed that each member, when speaking on the question, could speak once for not more than three minutes.
4. At the invitation of the Chairman, Mr Albert CHAN introduced his motion.
5. Mr CHAN Chi-chuen, Mr Gary FAN, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr LEE Cheuk-yan, Mr WU Chi-wai, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Ms Emily LAU and Mr LEUNG Yiu-chung spoke in support of the motion. In gist, these members urged the Administration to consider reshuffling the agenda items to advance less controversial and more urgent items for the Committee's consideration. These members opined that the Administration had not been able to obtain consensus from the public to proceed with IWMF phase 1 and did not consider better options for incineration such as utilizing plasma gasification. Members also doubted the Administration's determination in pursuing waste reduction if the pressure to reduce waste generation at source was relieved by the operation of IWMF phase 1.
6. Ir Dr LO Wai-kwok, Mr TAM Yiu-chung, Mr CHAN Kin-por, Mr Jeffrey LAM, Mr WONG Ting-kwong, Mr WONG Kwok-hing and Mr CHAN Kam-lam spoke against the motion. In gist, these members considered that the items were extensively deliberated in the Panel on Environment Affairs and the Public Works Subcommittee. These members opined that moving motions to adjourn discussions under paragraph 39 of the FC Procedure was in essence a filibustering tactic and was not conducive to effective operation of the Committee. Delays in the approval process would result in unnecessary increases in the project cost of the items due to inflation.
7. The Administration made no comment on Mr Albert CHAN's motion.
8. Mr Albert CHAN gave concluding remarks. The Chairman put the item to vote. On members' request, the Chairman ordered a division and the division bell was rung for five minutes. Thirteen members voted in favour and 30 members voted against the question. The individual voting results were as follows –

*For:*

Mr LEE Cheuk-yan

Ms Emily LAU

Mr LEUNG Kwok-hung

Mr LEUNG Yiu-chung

Ms Cyd HO

Mr Albert CHAN Wai-yip

Mr WU Chi-wai  
Mr CHAN Chi-chuen  
Mr Dennis KWOK  
Mr IP Kin-yuen  
(13 members)

Mr Gary FAN Kwok-wai  
Dr Kenneth CHAN Ka-lok  
Dr Fernando CHEUNG Chiu-hung

*Against:*

Mr CHAN Kam-lam  
Mr TAM Yiu-chung  
Mr WONG Kwok-hing  
Mr Andrew LEUNG Kwan-yuen  
Ms Starry LEE Wai-king  
Mr IP Kwok-him  
Mr Michael TIEN Puk-sun  
Mr Steven HO Chun-yin  
Mr YIU Si-wing  
Ms CHAN Yuen-han  
Mr KWOK Wai-keung  
Dr Elizabeth QUAT  
Mr TANG Ka-piu  
Mr LO Wai-kwok  
Mr Christopher CHUNG Shu-kun  
(30 members)

Dr LAU Wong-fat  
Mr Abraham SHEK Lai-him  
Mr Jeffrey LAM Kin-fung  
Mr WONG Ting-kwong  
Mr CHAN Kin-por  
Mrs Regina IP LAU Suk-yee  
Mr NG Leung-sing  
Mr Frankie YICK Chi-ming  
Mr MA Fung-kwok  
Mr LEUNG Che-cheung  
Mr Christopher CHEUNG Wah-fung  
Mr POON Siu-ping  
Dr Ann CHIANG Lai-wan  
Mr CHUNG Kwok-pan  
Mr Tony TSE Wai-chuen

9. The Chairman declared that the motion was negatived.

Southeast New Territories landfill extension

10. Ms Elizabeth QUAT said that Southeast New Territories ("SENT") landfill extension was necessary and residents were primarily concerned with odour and noise issues. As long as these issues were addressed by the Administration, she would support the extension.

11. Mr NG Leung-sing enquired about the reduction of the operating expenditure of the SENT landfill as mentioned in paragraph 13 of the enclosure to FCR(2014-15)31A and whether fees and charges would be applied according to the "polluter pays" principle immediately once SENT landfill extension was put into operation.

12. Assistant Director of Environmental Protection (Environmental Infrastructure) ("ADEP(EI)") elaborated on the details of the \$22 million decrease in operating expenditure once the SENT landfill stopped admitting municipal solid waste, and said that the fees and charges to be applied to the

SENT landfill would follow the principles of the overall policy on fees and charges for refuse disposal.

13. Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen said that the Administration's measures to deal with odour issues at SENT landfill, such as the establishment of an odour monitoring team, would not improve the situation. They urged the Administration to seek ways to completely eliminate the odour issue.

14. Secretary for Environment ("SEN") said that the odour issue would not be exacerbated by the proposed extension as it was twice the distance from residential households compared with the original SENT landfill, and designated as admitting construction waste only.

15. Ms Emily LAU and Mr Gary FAN said that the Administration had not been effectively addressing the problem of waste spattering onto the road during transportation to the SENT landfill. Ms LAU said that the issues of odour and dust from transportation of waste remained unresolved, and requested the Administration to consider expanding the usage of transporting refuse by sea. Mr FAN said that according to feedback from local residents on Tseung Kwan O, there were incidents of debris such as rocks and wooden planks dropping from vehicles, causing road safety issues in addition to pollution. He asked the Administration to provide relevant information on law enforcement against spattering of construction waste.

16. ADEP(EI) said that the Administration had indeed been expanding on transportation of refuse by sea, such as identifying new barging point in Kai Tak for loading inert fill materials in September. The odour problem would be significantly reduced when the SENT landfill stopped admitting food waste. Moreover, the Administration regularly conducted street cleansing at a high frequency (10 times a day by the Environmental Protection Department ("EPD"), seven times by the Food and Environmental Hygiene Department ("FEHD") and seven times by the Civil Engineering and Development Department) for roads connecting landfills and waste treatment facilities. Also, the EPD had conducted joint law enforcement actions with the Hong Kong Police Force and the FEHD between August 2013 and September 2014. A total of 685 vehicles were stopped and searched, of which 75% of the cases were related to speeding or overweight offences; 197 cases were charged with an offence, where 102 summonses were issued on waste spattering and 95 summonses were issued on leachate dripping.

Refuse transfer stations

17. Mr Michael TIEN said that the primary concern towards landfills was odour, which was caused by food waste in household waste and could be mitigated by compression at refuse transfer stations ("RTS"). He said that if the Administration could ensure that all the waste diverted from SENT landfill would first be compressed at RTS or processed at organic waste treatment facilities before disposal at other landfills committed to this demand, the local communities affected would find the extension of landfills more acceptable. Mr TIEN urged the Administration to review the current charging structure of RTS and landfills in order to provide incentive for private waste collectors to use RTS instead of direct disposal at landfills.

18. SEN said that the Administration would continue its review of fees and charges for disposal at RTS. Deputy Director of Environmental Protection ("DDEP(2)") supplemented that according to the Waste Diversion Plan for SENT landfill, the Administration diverted all FEHD refuse collection vehicles to RTS for compression, reduced the charges for disposal at urban RTS from \$40 per tonne to \$30 per tonne, and opened up the Shatin Transfer Station for use by private waste collectors.

Integrated Waste Management Facilities phase 1

19. Mr LEUNG Yiu-chung expressed disagreement with the Administration's claim, as noted in the Annex A of the supplementary note to the item FCR(2014-15)34A, that the prevailing wind direction affecting emissions of IWMF phase 1 was northeasterly wind. He asked as wind directions were seasonal, whether the Administration had assessed the effects of emissions on nearby communities, such as Cheung Chau, from IWMF phase 1 in the event of southwesterly winds in summer.

20. SEN replied that an environmental impact assessment was conducted for IMWF phase 1 and comprehensive mitigation measures were considered. He assured that the emission performance adopted for IMWF phase 1 followed the European Union standards and its emission would not affect nearby communities regardless of wind directions.

21. Citing the underutilization of refuse incinerators in Taiwan as an example, Mr CHAN Chi-chuen expressed concern that the Administration's approach to reduce waste generation after the construction of IWMF phase 1 would encounter a similar problem. Mr CHAN asked whether the Administration had conducted the assessment on the projected utilization of IWMF phase 1.

22. SEN replied that the refuse treatment capacity of IWMF phase 1, at 3 000 tonnes per day, would still be well below the projected target of Hong Kong's waste generation.

Waste reduction and management

23. Mr LEUNG Kwok-hung said that the odour issue from food waste was not effectively handled by the Administration. He questioned the effectiveness of the Administration's Food Wise Campaign and enquired whether the Administration would consider distributing equipment at housing estates to filter off liquid from household food waste before disposal in order to address the odour issue.

24. SEN said that small-scale equipment for food waste processing would only process limited amount of refuse, and reiterated the Administration's strategies on handling organic waste, including a focus on waste separation, waste reduction at source and the implementation of large-scale organic waste treatment facilities with initial phases planned for commerce and industry.

25. Mr LEE Cheuk-yan opined that the Administration invested disproportionate resource on waste treatment in comparison with promotion of waste reduction, recovery and recycling. The Administration earmarked over \$1 billion per annum in recurrent expenditure for landfill and IWMF operations; whereas for waste reduction there was no comparable commitment in recurrent expenditure. Although \$1 billion was earmarked for launching a Recycling Fund, there was no sustainable and recurrent commitment on the issue. He enquired about the recurrent expenditure related to waste recycling and reduction of waste generation.

26. SEN said that the Administration was committed to the "Hong Kong: Blueprint for Sustainable Use of Resources 2013-2022" ("the Action Blueprint") released by the Environment Bureau in May 2013, which mapped out a comprehensive and balanced strategy to waste management with recycling and reduction of waste generation as integral elements. To this end, the Administration had indeed conducted an assessment on the distribution of recurrent expenditure in various measures on waste reduction at source. DDEP(2) reported that the current recurrent expenditure on measures related to waste reduction at source was approximately \$1.5 billion per annum, and the projected recurrent expenditure by 2022 would be over \$2.5 billion per annum.

27. In response to Dr Fernando CHEUNG, ADEP(EI) said that the recycling rates for solid waste and plastic waste were 48% and 28% in 2011, and 39% and 15% in 2012 respectively. In view of the significant drop,

Dr CHEUNG enquired whether the Administration's waste reduction in the Action Blueprint by 2022 was realistic. SEN replied that while recycling was important in helping to reduce waste generation, the core element of the Administration's waste management strategy, as outlined in the Action Blueprint, was to reduce waste generation at source.

28. Citing Tokyo as an example, Mr Gary FAN commented that the charging rate for construction waste disposed at landfills in Hong Kong was too low. Mr FAN said that this could be viewed as a tacit favour given by the Government for property developers. He enquired about the criteria adopted by the Administration for determining the said rate.

29. SEN pointed out that was already mentioned in the Action Blueprint, the Administration would review the charging rate for construction waste disposed at landfills. DDEP(2) said that the Administration would consult all relevant stakeholders, including green groups and scholars, to review the fees and charges for construction waste disposed at landfills.

30. The meeting was adjourned at 8:09 pm.

Legislative Council Secretariat

10 April 2015