

**立法會**  
**Legislative Council**

LC Paper No. CB(1)726/14-15  
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by the Administration)

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**Panel on Environmental Affairs**

**Minutes of meeting**  
**held on Wednesday, 25 February 2015, at 8:30 am**  
**in Conference Room 3 of the Legislative Council Complex**

**Members present** : Hon CHAN Hak-kan, JP (Chairman)  
Dr Hon Kenneth CHAN Ka-lok (Deputy Chairman)  
Hon TAM Yiu-chung, GBS, JP  
Hon Vincent FANG Kang, SBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Cyd HO Sau-lan, JP  
Hon CHAN Kin-por, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Steven HO Chun-yin  
Hon Frankie YICK Chi-ming  
Hon WU Chi-wai, MH  
Hon Charles Peter MOK, JP  
Hon CHAN Han-pan, JP  
Hon Kenneth LEUNG  
Hon KWOK Wai-keung  
Hon Dennis KWOK  
Dr Hon Elizabeth QUAT, JP  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Members absent** : Hon James TO Kun-sun  
Hon Albert CHAN Wai-yip

**Public Officers  
attending : For item IV**

Ms Christine LOH, JP  
Under Secretary for the Environment

Mr Andrew LAI, JP  
Deputy Director of Environmental Protection (3)  
Environmental Protection Department

Mrs Alison LAU  
Assistant Director (Cross-Boundary & International)  
Environmental Protection Department

**For item V**

Ms Christine LOH, JP  
Under Secretary for the Environment

Mr Howard CHAN, JP  
Deputy Director of Environmental Protection (2)  
Environmental Protection Department

Dr Ellen CHAN, JP  
Assistant Director (Environmental Infrastructure)  
Environmental Protection Department

Mr CHEN Che-kong  
Principal Environmental Protection Officer  
(Waste Transfer and Development)  
Environmental Protection Department

**For item VI**

Mr WONG Kam-sing, JP  
Secretary for the Environment

Ms Michelle AU  
Political Assistant to Secretary for the Environment

Mr Howard CHAN, JP  
Deputy Director of Environmental Protection (2)  
Environmental Protection Department

Mr Samson LAI  
Assistant Director (Waste Management Policy)  
Environmental Protection Department

Dr Alain LAM  
Principal Environmental Protection Officer  
(Waste Management Policy)  
Environmental Protection Department

**Clerk in attendance :** Ms Shirley CHAN  
Chief Council Secretary (1)1

**Staff in attendance :** Miss Lilian MOK  
Senior Council Secretary (1)1

Ms Mandy LI  
Council Secretary (1)1

Miss Mandy POON  
Legislative Assistant (1)1

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**I. Confirmation of minutes**

(LC Paper No. CB(1)507/14-15 — Minutes of the meeting held on  
15 December 2014)

The minutes of the meeting held on 15 December 2014 were confirmed.

**II. Information papers issued since last meeting**

2. Members noted that the following papers had been issued since the last meeting –

(LC Paper No. CB(1)540/14-15(01) — Letter dated 10 February 2015  
from Dr Hon Kenneth CHAN  
Ka-lok on impacts of large-scale  
infrastructure projects and sea  
transport on marine ecology  
(Chinese version only)

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LC Paper No. CB(1)553/14-15(01) — Referral from the Public Accounts Committee on issues relating to the monitoring and reporting of air quality and the implementation of air-quality improvement measures")

3. Referring to the letter dated 10 February 2015 from the Deputy Chairman proposing the Panel to discuss the impacts of large-scale infrastructure projects and sea transport on marine ecology, the Chairman advised that the issue had been included in the Panel's list of outstanding items for discussion. As regards the referral from the Public Accounts Committee, the Chairman said that the related issues would be discussed under the subject of "Progress of air quality improvement measures" which had been scheduled for discussion at the Panel's regular meeting for April 2015 tentatively.

**III. Items for discussion at the next meeting**

(LC Paper No. CB(1)560/14-15(01) — List of follow-up actions

LC Paper No. CB(1)560/14-15(02) — List of outstanding items for discussion)

4. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 23 March 2015, at 2:30 pm –

- (a) Policy briefing on environmental initiatives in connection with the Budget Speech 2015;
- (b) Progress of the three Low Emission Zones; and
- (c) Upgrading of San Wai sewage treatment works – phase 1.

**IV. Extension of the Cleaner Production Partnership Programme**

(LC Paper No. CB(1)560/14-15(03) — Administration's paper on "Extension of the Cleaner Production Partnership Programme"

LC Paper No. CB(1)560/14-15(04) — Updated background brief on "Cleaner Production Partnership

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Programme" prepared by the  
Legislative Council Secretariat

LC Paper No. CB(1)560/14-15(05) — Submission from Hong Kong  
General Chamber of Commerce  
(English version only)

LC Paper No. CB(1)560/14-15(06) — Submission from The Chinese  
General Chamber of Commerce  
(English version only)

LC Paper No. CB(1)569/14-15(01) — Submission from The Chinese  
Manufacturers' Association of  
Hong Kong (Chinese version  
only))

5. The Under Secretary for the Environment ("USEN") briefly introduced the Cleaner Production Partnership Programme ("CPPP") which was planned to be extended for five years upon completion of the current phase on 31 March 2015.

6. The Chairman referred members to the written submissions received from different chambers of commerce and the one from the Federation of Hong Kong Industries ("FHKI") which was tabled at the meeting. Members noted that all the deputations expressed support for the proposed extension of CPPP in their submissions.

*(Post-meeting note: The submission from FHKI was circulated to members vide LC Paper No. CB(1)577/14-15(01) on 25 February 2015.)*

Effectiveness of CPPP

7. Noting that a total of 2 427 funding applications from about 1 500 Hong Kong-owned factories had been approved under CPPP from April 2008 to December 2014, Mr Christopher CHUNG enquired about the proportion of Hong Kong-owned factories in Guangdong participating in the programme.

8. The Deputy Director of Environmental Protection (3) ("DDEP(3)") responded that CPPP was a technology promotion initiative which aimed to encourage and facilitate Hong Kong-owned factories in Guangdong and Hong Kong to adopt cleaner production ("CP") technologies and practices. Any Hong Kong registered company operating a factory in Hong Kong or Guangdong was eligible to apply for funding support from CPPP. Although only a small proportion of Hong Kong-owned factories in Guangdong participated in CPPP,

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the programme served as a useful platform for demonstrating CP technologies and sharing of experiences by participating factories. The demonstration of successful CP projects was an effective means to inspire other factories to follow suit. Since the total investment in adopting CP technologies and practices was modest as compared to the considerable environmental and economic benefits gained, it was expected that more and more Hong Kong-owned factories would try out CP technologies, resulting in greater reduction in pollutant emissions and energy consumption in the region. As the Guangdong authorities had been stepping up their efforts to reduce pollution arising from industrial sources, CPPP would facilitate Hong Kong-owned factories to commence CP in a systematic and holistic manner and sustain their business on the Mainland.

9. Mr Christopher CHUNG further expressed concern about the effectiveness of CPPP in improving the regional environment. As some Hong Kong-owned factories had ceased operation in the Pearl River Delta ("PRD") region in recent years, he doubted whether the improvement of the regional environment was attributed to the reduced number of factories. While expressing support for the proposed extension of CPPP, Mr TAM Yiu-chung also sought elaboration on the effectiveness of the programme in minimizing air pollutant emissions and reducing effluent discharge.

10. DDEP(3) advised that the demonstration projects sponsored by CPPP as well as the follow-up investments made by participating factories had brought significant environmental and economic benefits to the PRD region. While CPPP had contributed to the reduction of discharges and air pollutant emissions, the annual saving in the production costs of participating factories had also amounted to over \$1.7 billion, which was significantly higher than the cost of investment in CP technologies and practices. In the past few years, CPPP had focused on the adoption of technologies for reducing volatile organic compounds ("VOC") and nitrogen oxide, which were the culprits for the smog problem of the PRD region. For example, a participating toy manufacturing factory had adopted vacuum paint-spraying system to reduce VOC emissions from its paint-spraying process by 79 tonnes each year while at the same time had also reduced its production cost of about Renminbi ("RMB") 12 million.

11. USEN further advised that according to the reports on demonstration projects sponsored by CPPP, some participating factories had successfully recovered the cost of investment in CP technologies and practices within a short period of time, say one to two years. These successful cases had demonstrated that CP not only helped factories to improve their environmental performance, but also increased productivity and lowered production costs. In view of the considerable environmental and economic benefits gained, wider participation of Hong Kong-owned factories in CP should be encouraged. As trade and

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industry associations were actively promoting CP technologies and practices, more and more Hong Kong-owned factories would invest in CP projects to enhance its overall competitiveness and make a positive contribution to improving the environment.

Geographical coverage of CPPP

12. Ir Dr LO Wai-kowk said that the Business and Professionals Alliance for Hong Kong was in support of the extension of CPPP for another five years up to 31 March 2020. As the revised Environmental Protection Law of the People's Republic of China had taken effect from 1 January 2015, the Administration should strengthen its promotional efforts to enhance the awareness of Hong Kong factory owners on the new environmental standards and statutory requirements to render Hong Kong industries more competitive in opening up business opportunities on the Mainland. In the light of the environmental benefits brought by CPPP, Ir Dr LO enquired whether the geographical coverage of CPPP could be extended to other provinces/municipalities of the Mainland so that Hong Kong-owned factories located in areas outside Guangdong would become eligible for applying for funding support from the programme.

13. USEN responded that the geographical coverage of CPPP had been widened from nine PRD municipalities to the entire Guangdong Province in 2013 when the programme was extended for two years from 1 April 2013 to 31 March 2015. Since Hong Kong and the PRD region were next to each other and regional co-operation was conducive to continuous improvement of the regional environment, CPPP targeted at Hong Kong-owned factories in Guangdong and Hong Kong. The suggestion of extending CPPP to other provinces/municipalities of the Mainland outside Guangdong would involve a substantial policy change and need to be carefully considered.

Participation of environmental technology ("ET") service providers in CPPP

14. Mr WONG Ting-kwong sought elaboration on the participation of ET service providers in CPPP. DDEP(3) advised that ET service providers were encouraged to participate in CPPP to provide professional advice and technical support to Hong Kong-owned factories in Guangdong and Hong Kong to adopt CP technologies and practices. Under CPPP, ET service providers would provide consultancy services and installation services, etc. to participating factories. So far, 191 ET services providers had registered under CPPP and about half were Hong Kong companies. Hong Kong-owned factories which were interested in the CP technologies demonstrated under CPPP could approach relevant ET service providers directly for advice and assistance. CPPP in turn facilitated local ET service providers to gain access to the growing

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environmental market in Guangdong.

15. Mr WONG Ting-kwong expressed concern that the quality of services delivered by different ET service providers in on-site improvement assessment projects and/or demonstration projects might vary. He enquired how the Administration would check and monitor the service performance of individual services providers. DDEP(3) responded that the Administration maintained a registration list of ET services providers for public access. Factories participating in CPPP could engage their preferred ET service providers from the list for implementing on-site improvement assessment projects and/or demonstration projects. If participating factories were not satisfied with their ET service providers, they might lodge a complaint to the Administration for investigation. There had been cases where ET service providers were removed from registration due to unsatisfactory performance. The registration of ET service providers did not constitute any endorsement or recommendation by the Government. It served to provide a reference for participating factories of CPPP in choosing suitable service providers to help with their projects. The engagement of ET service providers were purely commercial decisions by the participating factories.

Funding support for CP projects

16. Noting that the Administration proposed to raise the funding ceiling for each on-site improvement assessment and demonstration project, Mr CHAN Kin-por enquired whether the proposed funding was adequate to meet cost increases over the years and attract Hong Kong-owned factories to try out CP technologies. DDEP(3) responded that the Administration had taken into account the appreciation of RMB, increases in production costs and other relevant factors when working out the total funding required for the new phase of CPPP. The proposed funding ceilings for each on-site assessment and demonstration project which would be increased by about 10% from \$25,000 to \$28,000 and from \$300,000 to \$330,000 respectively were considered appropriate in promoting the adoption of CP technologies and practices under the new phase of CPPP.

17. Mr CHAN Kin-por further pointed out that as Mainland enterprises were required to abide by strict environmental protection standards, there was a considerable demand in the Mainland for technical support and know-how in applying CP technologies and practices. The Administration should assist ET service providers in Hong Kong to form partnership with Mainland enterprises to tap new business opportunities in the growing environmental market in Guangdong and even other provinces/municipalities of the Mainland. He also opined that the Administration should make better use of the database which contained information on different demonstration projects sponsored by CPPP



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to foster the sharing of CP technologies among participating factories and facilitate them to identify potential areas of improvements and relevant improvement options and measures.

18. DDEP(3) agreed that CPPP did not only facilitate factories to improve their performance, but also enhanced business opportunities for ET service providers in Hong Kong to gain access to the Guangdong market. In anticipation of further tightening of the environmental standards in the Mainland, CPPP would assist participating factories to not only meet the prevailing standards but also make continuous improvement in their environmental performance. DDEP(3) further advised that under the new phase of CPPP, a new initiative to facilitate the wider adoption of proven CP technologies in different industries would be introduced. Funding support would be offered to non-profit-making trade and industry associations to carry out trade-specific promotion and publicity activities.

Concluding remarks

19. The Chairman concluded that members were generally supportive of the Administration's proposal to extend CPPP for five years upon completion of the current phase on 31 March 2015.

**V. 5183DR – Refurbishment and upgrading of Sha Tin transfer station**

(LC Paper No. CB(1)560/14-15(07) — Administration's paper on "5183DR – Refurbishment and upgrading of Sha Tin transfer station")

20. The Deputy Director of Environmental Protection (2) ("DDEP(2)") briefed members on the Administration's proposal to upgrade 5183DR – Refurbishment and upgrading of Sha Tin transfer station ("STTS") to Category A at an estimated cost of \$137.5 million in money-of-the-day ("MOD") prices for consideration by the Public Works Subcommittee ("PWSC") with a view to seeking funding approval from the Finance Committee ("FC") subsequently. Subject to approval of FC, the Administration planned to commence the proposed works in October 2015 and complete them by mid-2017. The proposed works and the follow-on operation of STTS would be implemented under a Design-Build-and-Operate ("DBO") contract.

Environmental performance of STTS

21. While expressing support for the refurbishment and upgrading of STTS,

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Mr Tony TSE was concerned about the environmental nuisances arising from the operation of STTS in the neighbourhood and the hygienic conditions of refuse collection vehicles ("RCVs"). He also urged the Administration to ensure that STTS would continue with its waste transfer services during the implementation of the proposed works as the continual operation of STTS was necessary and crucial for efficient transfer of municipal solid waste ("MSW").

22. The Assistant Director of Environmental Protection (Environmental Infrastructure) ("ADEP(EI)") responded that to monitor and strengthen the environmental performance of STTS, the Administration would include in the DBO contract of STTS appropriate provisions to withhold payment to the contractor if there was any non-compliance with the requirements stated in the contract. An independent assessor would also be engaged to conduct comprehensive environmental monitoring and audit to ensure that the environmental performance of STTS was in full compliance with statutory requirements. In addition, the staff of the Environmental Protection Department ("EPD") would undertake contract management, supervision and environmental monitoring throughout the operation stage of STTS. To improve the hygiene condition of RCVs, the vehicle washing facility in STTS would be enhanced to ensure that every RCV would be adequately cleaned before leaving the station to minimize the odour nuisance caused by such vehicles. In the meantime, the extent of street cleansing in the vicinity of STTS would be extended and improvement works for the ventilation and air-scrubbing system in STTS would be conducted.

23. DDEP(2) supplemented that minor refurbishment and modification works for STTS had been carried out in the current follow-on operation contract which was awarded after the original contract expired in October 2009. The Administration would endeavour to continue STTS's effective waste transfer service and minimize any disruption to the operation when the proposed works were carried out.

Capacity of STTS

24. Dr Elizabeth QUAT said that the Sha Tin District Council had been consulted on the refurbishment and upgrading proposal and members in general had no objection to the project. Noting that STTS would be opened up for use by private waste collectors ("PWCs") to cope with the MSW to be diverted from the South East New Territories ("SENT") Landfill after the latter had been designated to receive only construction waste, Dr QUAT expressed concern as to whether the capacity of STTS could accommodate the increased quantities of waste to be delivered by PWCs. Mr Frankie YICK shared Dr QUAT's concern that a large number of RCVs would use STTS after the SENT Landfill received only construction waste, leading to a sudden increase in the quantities of waste

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going through the station. RCVs might therefore have to wait outside STTS for waste treatment for a longer time, thus affecting the operational efficiency of the waste collection trade.

25. DDEP(2) responded that while the current coordination with the Food and Environmental Hygiene Department ("FEHD") to regulate their RCV arrival schedule would continue, the Administration would also introduce a short message system ("SMS") to alert PWCs when STTS experienced surges of RCV arrivals or emergency incidents, thereby enabling them to make necessary adjustment to their delivery schedules so as to avoid extensive queuing up of RCVs outside STTS. Besides, there were about 20 parking spaces within STTS for RCV waiting for unloading waste. ADEP(EI) supplemented that to minimize the impacts of the refurbishment and upgrading of STTS on the operational efficiency of the waste collection trade, the proposed works would be carried out in phases to enable sufficient station facilities in place to continue operation. The Administration would also implement mitigation measures to minimize the potential traffic and environmental problems during the implementation of the proposed works.

26. In response to Dr Elizabeth QUAT's further enquiry about how the Administration would co-ordinate with the waste collection trade to facilitate the diversion of waste through the existing waste collection system, DDEP(2) advised that under the Waste Diversion Plan, there would be a change in the waste catchment of STTS, with some of FEHD's existing refuse collection services re-routed to other waste reception facilities. It was anticipated that, upon the commencement of the SENT Landfill being designated to receive only construction waste, around 300 tonnes of commercial and industrial waste arising from Sha Tin would be delivered to STTS by PWCs, and a scheme of trial use on STTS had been arranged for these PWCs. ADEP(EI) supplemented that the Administration had been working closely with the waste collection trade on the future arrangements for their waste collection services to ensure that the MSW which was delivered to the SENT Landfill would be smoothly taken up by STTS. According to the preliminary assessment, there would be a net increase of about 40 RCVs visiting STTS per day in future, which would not cause significant adverse traffic and environmental impacts.

27. The Chairman enquired whether the Administration, apart from introducing an SMS system, would draw up emergency response plans to arrange PWCs to divert the MSW they collected to other refuse transfer stations ("RTSs") for treatment if STTS was unable to provide waste transfer service. ADEP(EI) advised that an emergency response plan with contingency measures had been in place for the operation of different RTSs to ensure that the large quantities of MSW generated every day would be dealt with effectively.

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28. In response to the Chairman's further enquiry about whether the daily treatment capacity of STTS would be affected during refurbishment and upgrading, ADEP(EI) explained that instead of replacing or upgrading all the waste treatment facilities in STTS in one time, the Administration would first conduct improvement and refurbishment works for standby waste treatment facilities in STTS. She assured members that Administration would endeavour to enable STTS to continue with its effective waste transfer service and the daily treatment capacity of STTS would not be affected when the proposed works were carried out.

Treatment of bulky waste

29. Ir Dr LO Wai-kwok enquired about how bulky waste including furniture items and wooden pallets would be treated in STTS. ADEP(EI) responded that a bulky waste treatment facility with mechanical equipment for shredding bulky waste and recovering useful materials, such as metals and wood chips, would be installed in STTS. The facility would have a treatment capacity of about 150 tonnes of bulky waste per day. The same type of facility would also be installed in the West Kowloon Transfer Station by May 2015.

30. In response to Ir Dr LO Wai-kwok's further enquiry about the recycling of the useful materials recovered by the bulky waste treatment facility in STTS, ADEP(EI) advised that the recovered materials would be delivered to the recycling trade for recovery and recycling. The contractor of STTS would select through open tender competent recyclers to undertake the recycling of the useful materials recovered in STTS. The contractor and the selected recyclers would work out the logistical arrangements for the collection of recyclable waste. Ir Dr LO supported the initiative and urged the Administration to assist the local recycling trade to engage in more value-added processes to turn waste into recycled products.

31. The Chairman enquired whether the Administration would consider installing different types of recycling facilities in STTS to help separate waste and recover recyclable materials. ADEP(EI) advised that a trial on waste sorting had been conducted in another RTS. However, as most of the MSW processed by RTSs was mixed waste, waste sorting at RTSs was time-consuming and not cost-effective. The Administration considered it more effective to encourage the general public to actively practise waste separation at source which could minimize waste disposal and promote resources recovery.

32. The Chairman further expressed concern that a substantial percentage of construction waste to be generated by the refurbishment and upgrading of STTS would be disposed of at landfill. ADEP(EI) explained that most of the waste generated from the refurbishment and upgrading works (92%) would be non-

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inert in nature which was deemed unsuitable for reuse and recycling. She assured members that the Administration would reduce, reuse and recycle inert and non-inert construction waste generated by works projects as far as practicable.

Concluding remarks

33. The Chairman concluded that members were generally supportive of the Administration's proposal to upgrade 5183DR to Category A at an estimated cost of \$137.5 million in MOD prices and members raised no objection to the Administration's submission of the proposal to PWSC for consideration.

**VI. Framework proposal for implementation of municipal solid waste charging**

(LC Paper No. CB(1)560/14-15(08) — Administration's paper on "Framework proposal for implementation of municipal solid waste charging"

LC Paper No. CB(1)560/14-15(09) — Updated background brief on "Municipal solid waste charging in Hong Kong" prepared by the Legislative Council Secretariat)

34. The Secretary for the Environment ("SEN") briefed members that based on the feedback collected during a four-month public engagement as well as its subsequent deliberation, the Council for Sustainable Development ("SDC") had recently published a report setting out its recommendations on how to implement quantity-based MSW charging in Hong Kong. In response to the SDC's report, the Administration had come up with a framework proposal for the implementation of MSW charging in Hong Kong and a staffing proposal to create two supernumerary directorate posts for three years in EPD for the implementation of the framework proposal and for dealing with the upsurge in workload on waste management.

Charging mechanism

35. Noting that the MSW charge was proposed to be collected before the disposal of waste through the sales of designated garbage bag and some households might be provided with designated garbage bags every month as they paid monthly management fees to their property management companies ("PMCs"), Mr Christopher CHUNG and Mr Frankie YICK enquired whether

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the Administration would buy back the unused designated garbage bags from households in order to incentivize them to reduce the quantities of waste generated and encourage proper segregation of recyclables.

36. SEN responded that as recommended by SDC, the MSW charge should be directly related to the quantity of waste disposed of to promote waste reduction and to align with the "Waste Less, Pay Less" principle. In practice, individual households would only purchase adequate number of pre-paid designated garbage bags in different sizes according to the quantities of waste they generated. Ms Cyd HO agreed that MSW charging based on the quantities of waste disposed of by individual households would create more incentive for individual households to reduce waste while MSW charging based on the total weight or volume of garbage disposed of by a building might not achieve the effect.

37. In response to Mr Christopher CHUNG's further enquiries about how the Administration would encourage households to reduce waste and enhance recycling, DDEP(2) advised that the implementation of MSW charging could create financial incentive to encourage people to reduce, separate and recycle waste proactively. To handle the possible increased quantity of recyclable materials, the Administration was progressively developing Community Green Stations ("CGSs") in each of the 18 districts. These facilities would be operated by non-profit-making organizations and the Government would provide funding for their operations. It was expected that progressive CGS development would enhance environmental education and community engagement in support of MSW charging and other waste reduction initiatives.

Charging level

38. Noting that during the public engagement process, most respondents had chosen the lowest charging level option for domestic waste, which was HK\$30 to \$44 per household per month (based on a three-person household), Mr CHAN Kin-por expressed concern about whether the charging level was too excessive. He considered that the MSW charge should not be more than \$300 for a four-person household per year in order not to create heavy financial burden on low-income groups.

39. SEN responded that MSW charging aimed to encourage waste reduction. The charging level should therefore be determined by its effectiveness in inducing behavioural changes to reduce and recycle waste. While the charging level should not be excessive, the MSW charge should be set at levels sufficient to incentivize waste reduction. Given that MSW charging was a quantity-based charging mechanism, members of the public would pay less if they produced less waste. It was therefore expected that after the implementation of MSW

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charging, people would endeavour to reduce, separate and recycle waste proactively.

40. Noting that relief measures were not common in other cities that had implemented MSW charging and granting exemptions to low-income families might lead to controversies, Mr CHAN Kin-por enquired how the Administration would address the needs of people with financial hardship while upholding the principle that everyone should share the responsibility for environmental protection. SEN responded that the Administration would explore the issue in-depth and work out relevant details at a later stage.

Implementation of MSW charging

41. Mr Charles Peter MOK enquired about the timeframe for the implementation of MSW charging. SEN advised that MSW charging involved complex operational issues and time was required for necessary preparation work. As recommended by SDC, a transitional period should be established to allow residential buildings with PMCs using FEHD's refuse collection service to opt for a charging mechanism on the basis of "by volume of waste disposed of by the building". The transitional period was expected to last for a maximum of three years and the Government should conduct a review on the effectiveness of the charging scheme after the first year of implementation. Mr MOK requested the Administration to provide information on the timetable and work plan for the implementation of MSW charging, including the time required for the various preparatory work such as the drafting of the enabling legislation for the charging system.

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42. Mr Paul TSE expressed concern about aggravation of fly-tipping and the environmental hygiene problems that might be caused by the reduced provision of public litter bins after the implementation of MSW charging. Mr Michael TIEN held a different view that with growing civic awareness of Hong Kong people, there might not be a high tendency for fly-tipping or disposing of domestic waste in public litter bins. However, he expressed concern that the reduction in the number of roadside litter bins might cause nuisance to the public who needed to take their rubbish home for disposal. Ms Cyd HO pointed out that the problem of fly-tipping was rampant in many old private buildings without PMCs and urged the Environment Bureau ("ENB") to work with the Home Affairs Bureau to assist owners of these old buildings to set up owners' corporations and engage PMCs to co-ordinate waste disposal activities.

43. SEN acknowledged that MSW charging was complex and would have far-reaching significance and impact on people's daily lives. The Administration would explore and formulate suitable complementary measures

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to tie in with the implementation of the charging scheme. According to the experience of other cities that had implemented MSW charging, local governments would examine the feasibility of gradually reducing the number of roadside litter containers or re-design them to prevent the public from using them to dispose of domestic and trade waste. However, taking into consideration that there was a large number of tourists coming to Hong Kong every year, adequate number of public litter bins should be retained at tourist spots. The Administration would work out detailed arrangements with relevant Government bureaux and departments ("B/Ds").

44. Mr Frankie YICK pointed out that some PMCs had grave concerns about MSW charging as the scheme might give rise to littering or fly-tipping. These PMCs were worried that they might be in conflict with residents when they performed intense surveillance against fly-tipping and traced the source of waste. Although illegal dumping activities could be prevented by enhanced monitoring, issues of neighbourhood relations would emerge inevitably.

45. The Assistant Director of Environmental Protection (Waste Management Policy) advised that EPD had conducted a pilot scheme on MSW charging among seven residential estates with PMCs in April 2014. The findings of the pilot scheme had revealed that building management bodies/owners' corporations would play a critical role in determining the effectiveness of MSW charging in waste reduction. Given that the living patterns of people might vary greatly, while using pre-paid designated garbage bags by household was the ultimate goal, it was difficult to expect all households in Hong Kong would be ready to adopt it once MSW charging was implemented. As such, during the initial stage of implementation of the charging scheme, there should be flexibility to cater for those who were not ready to use pre-paid designated garbage bags. The Administration would engage stakeholders on the implementation details of MSW charging by organizing different stakeholder forums.

46. The Deputy Chairman said that the Civic Party was in support of the early implementation of MSW charging which realized the "polluter pays" principle. While a quantity-based MSW charging system was affirmed as the broad direction, in view of its complexities and far-reaching implications, the Administration should keep the public and the Panel abreast of the implementation progress and detailed arrangements. Noting that a Working Group had been convened by EPD comprising senior representatives of EPD, FEHD, the Housing Department ("HD") and the Home Affairs Department to steer and co-ordinate the preparatory work for MSW charging, he opined that representatives from the Education Bureau should take part in the Working Group to help explore areas for co-operation with schools to organize education campaigns on waste management. Although the pilot scheme on MSW



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charging was on a voluntary basis without mandatory legal requirement, the views of relevant stakeholders solicited and the experiences gained in the programme were valuable for the full implementation of MSW charging. Consideration should also be given to granting exemptions to households which reduced daily MSW disposal to 1 kilogram or lower on a per capita basis.

47. Noting that advanced technology had been adopted in some residential districts of South Korea to keep track of garbage disposal data of individual households, Mr Charles Peter MOK opined that the Administration should explore the feasibility of adopting modern technology to record and trace waste to its source so as to enhance the operational efficiency of the MSW charging scheme. It should also take the lead in building design and urban planning to facilitate the collection of waste and recyclables. SEN agreed that application of innovative technology and new building designs as well as good urban planning were conducive to waste recovery and recycling operations. Like other places, Hong Kong would be heading towards this direction.

48. Given that there were many buildings with mixed residential and commercial uses in Hong Kong, Ir Dr LO Wai-kwok expressed concern that there were practical difficulties in distinguishing between commercial and industrial ("C&I") waste and domestic waste in composite buildings. As such, charge evasion might occur if waste was transferred from a sector to another which was not heavily charged. DDEP(2) responded that during the public engagement process, most respondents chose the option of the lowest charging range for C&I waste (i.e. \$400 to \$499 per tonne). As the proposed charging level of C&I waste would be broadly similar to that of domestic waste, charge evasion should not occur on the basis of differential charging.

Promotion of recycling and source separation of waste

49. In anticipation that following the implementation of MSW charging, the public would have a higher incentive to recycle and separate recyclable materials at source, Dr Elizabeth QUAT enquired whether the Administration would consider prohibiting the disposal of recyclables in pre-paid designated garbage bags to promote waste recycling. Mr WU Chi-wai opined that the Administration should make reference to the MSW charging system of Taipei City where residents were required to separate recyclable materials and non-recyclable waste from the waste stream. To promote recycling and encourage reuse of waste materials, Ir Dr LO Wai-kwok urged the Administration to improve the recycling network to help the public segregate recyclables properly for reuse or recovery.

50. SEN responded that the implementation of MSW charging was only the first step to motivate people to recycle more and discard less. Experiences of

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other cities had shown that in addition to MSW charging, the development of relevant complementary measures, for example, mandatory producer responsibility schemes, landfill disposal bans and "gate fee" (i.e. charging based on the weight of waste disposed of at RTSs or landfills), was essential to create a synergy that encouraged the public to reduce and recycle waste. With reference to the successful source separation experience of Taipei City, where recyclables were collected at designated times and venues, the Administration would step up publicity efforts to promote recycling and separation of recyclable materials and non-recyclable waste at source.

51. SEN further advised that to promote source separation and cleaning of waste at the community level, the Administration would enhance public education on "clean recycling". EPD had also launched the "Waste Less" mobile application to provide information on the locations of some 7 000 recyclable collection points to the public and enable them to act easily on waste reduction and recycling. In the meantime, the Administration would introduce the "Recycling Fund" to provide subsidies to support the sustainable development of local recyclers and upgrade the operational capabilities of the recycling industry. DDEP(2) supplemented that at present, charges were levied on the disposal of construction waste at Government facilities and all PWCs using RTS service were required to pay disposal charges in accordance with the "user pays principle". SEN assured members that the Administration would engage the community in waste reduction and source separation of waste progressively.

52. Referring to recent statistics which showed that the rate of waste disposal was on the rise while the recycling rate was still relatively low, Mr Charles Peter MOK expressed concern about the effectiveness of MSW charging in reducing and recycling waste at source.

53. SEN responded that MSW charging was a powerful tool to encourage the public to reduce waste at source and separate recyclables from the waste stream. With reference to the successful experience of other cities, the overall MSW disposal rate could drop drastically after MSW charging had been implemented. In some countries such as Japan, however, reduced MSW disposal rate might not necessarily be coupled with a very high level of recycling. As such, the Administration attached importance of promotion of recycling in Hong Kong but would not necessarily aim to pursue a very high recycling rate. Rather, efforts on waste reduction and recycling were both required to tackle the waste problem of Hong Kong. While acknowledging the importance of waste reduction at source, Ms Cyd HO urged the Administration to continue with its efforts to expedite the implementation of various measures to promote recycling at the community level.

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54. Taking into consideration that the successful implementation of MSW charging was largely depended on community co-operation and participation, Mr Paul TSE expressed concerned about whether MSW charging could be effectively implemented in Hong Kong where wide public support for the scheme might need to be secured. SEN agreed that public support and civic education were keys to the smooth implementation of MSW charging. The Administration would step up education and publicity efforts before the implementation of MSW charging to raise public awareness and encourage waste reduction, source separation and clean recycling as well as to help entrench the culture of environmental protection and recycling in the community.

55. Mr KWOK Wai-keung expressed in-principle support for MSW charging. Noting that Hong Kong lagged behind other cities in waste management, he urged the Administration to not only implement MSW charging but also roll out other viable measures to promote recycling. Citing the difficulties encountered by a recycling company, he was of the view that more efforts should be made to support recycling operations. The Administration should also proactively foster a favourable environment for the development of the recycling industry and facilitate source separation of recyclables.

56. SEN responded that as stated in the 2015 Policy Address, the Administration would step up its publicity efforts to raise public awareness and encourage reduction and source separation of waste. Promotion activities would be organized to disseminate messages on clean recycling. It was expected that enhanced public awareness on waste management and community co-operation in waste reduction and recycling would contribute to the smooth implementation of MSW charging.

Food waste management

57. Mr Kenneth LEUNG and Ms Cyd HO sought elaboration on the Administration's plan to promulgate the separation and recycling of food waste. SEN responded that food waste was a major constituent of MSW in Hong Kong and a comprehensive plan on food waste management was essential. In February 2014, ENB had published "A Food Waste and Yard Waste Plan for Hong Kong 2014-2022" to articulate specific strategies for tackling organic waste. As the Organic Waste Treatment Facilities Phase 1 would be commissioned later, collected food waste taken to the facilities could be recycled and turned to useful resources. SEN further said that as far as he understood, on-site food waste facilities had been set up in some residential estates to recycle food waste.

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Staffing proposal

58. Mr CHAN Kin-por sought justifications for the staffing proposal to create two supernumerary directorate posts for three years in EPD for the implementation of the framework proposal on MSW charging. DDEP(2) advised that the Administration had reviewed the current establishment of EPD before putting forward the staffing proposal. In view of the complexity and volume of work involved in developing the implementation details of the MSW charging scheme, the Administration considered that none of the divisions under EPD responsible for waste management would be able to absorb the manpower requirement and workload arising from the implementation of MSW charging while taking on other on-going policy formulation and implementation tasks. In this connection, the Administration proposed to create two supernumerary directorate posts at the ranks of Administrative Officer Staff Grade B ("AOSGB") (D3) and Administrative Officer Staff Grade C ("AOSGC") (D2) for three years in EPD.

59. DDEP(2) further advised that the proposed AOSGC post would be designated as ADEP(Special Duties) who would lead a new division to be designated as the Waste Management (Special Duties) Division ("SDD") responsible for the implementation of MSW charging and other evolving preparatory work. As for the proposed AOSGB post, it would be designated as DDEP(4). By overseeing SDD and the Waste Management Division ("WMD"), DDEP(4) would synergize MSW charging with the progressive development of other policy initiatives, such as construction waste charging.

60. Noting that the new supernumerary AOSGB post was proposed to be created for three years from 2015-2016 to 2017-2018 to oversee both WMD and SDD, Mr Kenneth LEUNG enquired whether the duties and responsibilities assigned to the post would be shared among other EPD staff when the post ceased. DDEP(2) advised that the AOSGB post was tasked to oversee the necessary preparatory work for the implementation of MSW charging and help expedite matters that cut across different B/Ds and required high-level co-ordination on the development of major waste management policies. The post would also be responsible for reviewing the Construction Waste Disposal Charging Scheme and steering the progressive development and implementation of CGSs. While the staffing proposal covered the manpower requirement of EPD in the development phase, the long-term manpower requirement during the implementation phase would be reviewed at a later stage taking into account the final design of the charging mechanism, the developed enforcement strategies and other relevant factors.

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61. Dr Elizabeth QUAT sought elaboration on the interface between ENB and other B/Ds in the implementation of the MSW charging scheme. Mr WU Chi-wai also expressed concern about the co-operation among the two proposed directorate posts and other relevant B/Ds in mapping out the implementation details of the charging scheme. In reply, DDEP(2) reiterated that the Working Group comprising senior representatives of EPD and other relevant B/Ds would steer and co-ordinate the preparatory work for MSW charging. It would also give due consideration to the interface issues between the proposed mandatory MSW charging and other public services. Representatives from other B/Ds might also be co-opted into the Working Group where necessary. In addition to the proposed creation of two supernumerary directorate posts in EPD, eight other non-directorate posts and three non-directorate posts would be created under EPD and FEHD respectively for three years from 2015-2016 for the implementation of the framework proposal. Ms Cyd HO urged the Administration to draw up the work plan and deliverables of the Working Group and keep the public informed of the implementation progress.

62. Mr Charles Peter MOK enquired about the frontline staffing support for the implementation of MSW charging. DDEP(2) responded that in addition to the two directorate grade officers, there would also be 21 non-directorate posts of different disciplines to expedite the preparatory work for MSW charging. The Administration would work out the staffing plan for the full implementation of the charging scheme at a later stage.

Concluding remarks

63. The Chairman concluded that members were generally supportive of the staffing proposal to create two supernumerary directorate posts in EPD and members raised no objection to the Administration's submission of the staffing proposal to the Establishment Subcommittee for consideration.

**VII. Any other business**

64. There being no other business, the meeting ended at 10:37 am.