

立法會
Legislative Council

LC Paper No. CB(1)369/16-17
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 28 November 2016, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

Members present : Hon Tanya CHAN (Chairman)
Dr Hon Junius HO Kwan-yiu, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, 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, BBS
Hon WU Chi-wai, MH
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK Wing-hang
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP

Hon Martin LIAO Cheung-kong, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying
Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim

Members absent : Hon WONG Ting-kwong, SBS, JP
Hon LEUNG Kwok-hung
Hon Frankie YICK Chi-ming, JP
Hon MA Fung-kwok, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon CHIANG Lai-wan, JP
Hon Alvin YEUNG
Hon HO Kai-ming
Hon Holden CHOW Ho-ding
Hon Kenneth LAU Ip-keung, MH, JP

Public Officers attending : **For item V**

Mr WONG Kam-sing, GBS, JP
Secretary for the Environment

Mrs Vicki KWOK
Deputy Director of Environmental Protection (2)
Environmental Protection Department

Mr WONG Hon-meng
Assistant Director (Waste Reduction and Recycling)
Environmental Protection Department

Mr Jimmy KWOK, BBS, MH, JP
Chairman
Advisory Committee on Recycling Fund

Mr Tony LAM
Director, Corporate Services
Hong Kong Productivity Council

Ir Raymond FONG
General Manager
Hong Kong Productivity Council

For item VI

Ms Christine LOH, JP
Under Secretary for the Environment

Mrs Alice CHEUNG, JP
Deputy Director of Environmental Protection (3)
Environmental Protection Department

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

Mr Brian LAU
Principal Environmental Protection Officer (Air Policy)
Environmental Protection Department

Clerk in attendance : Ms Angel SHEK
Chief Council Secretary (1)1

Staff in attendance : Miss Winnie LO
Assistant Legal Adviser 7

Ms Doris LO
Senior Council Secretary (1)1

Mr Jason KONG
Council Secretary (1)1

Miss Mandy POON
Legislative Assistant (1)1

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I. Application for late membership

(LC Paper No. CB(1)158/16-17(01) — Letter dated 2 November 2016 from Hon SHIU Ka-fai (Chinese version only))

The Chairman referred to the application from Mr SHIU Ka-fai for late membership of the Panel. She reminded members that, according to Rule 23(b) and (c) of the House Rules, a request for late membership on grounds other than indisposition or absence from Hong Kong should be put to the Panel, and the Panel should accept such applications only when sufficient grounds had been provided.

2. At the invitation of the Chairman, Mr SHIU Ka-fai stated that having reviewed his commitments in committee work of the Legislative Council ("LegCo"), he considered that he had the capacity to participate in the Panel's work. Mr Andrew WAN expressed that the Panel should be consistent in considering the grounds of applications for late membership, so whether Mr SHIU's application would be accepted might set a precedence for future cases. While expressing support for Mr SHIU's application, Mr Kenneth LEUNG wished that Mr SHIU would ensure sufficient participation in the committees he had joined. Pointing out that the Panel's membership was already very large such that the time required for discussion at each meeting would likely be lengthened, Dr YIU Chung-yim had reservation about accepting new members.

3. The Chairman invited members to consider and indicate whether they supported Mr SHIU Ka-fai's application for late membership. The Chairman then put the matter to vote. 14 members voted in favour of the application, one member voted against it and one member abstained. The Chairman declared that Mr SHIU Ka-fai's application be accepted.

II. Confirmation of minutes

(LC Paper No. CB(1)65/16-17 — Minutes of the meeting held on 18 October 2016)

4. The minutes of the meeting held on 18 October 2016 were confirmed.

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III. Information papers issued since last meeting

5. Members noted that the following papers had been issued since the last meeting:

(LC Paper No. CB(1)42/16-17(01) — Updated submission from Save Lung Mei Alliance regarding the development of an artificial bathing beach at Lung Mei in Tai Po (Chinese version only)

LC Paper No. CB(1)54/16-17(01) — Two letters dated 28 October 2016 respectively from Hon Charles Peter MOK and Hon Kenneth LEUNG suggesting issues to be discussed by the Panel in 2016-2017 session (Chinese version only)

LC Paper No. CB(1)162/16-17(01)— Information paper on "Proposed Amendment to Schedule 1 to the Hazardous Chemicals Control Ordinance (Cap. 595)" provided by the Administration)

IV. Items for discussion at the next meeting

(LC Paper No. CB(1)158/16-17(02) — List of follow-up actions

LC Paper No. CB(1)158/16-17(03) — List of outstanding items for discussion)

6. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 19 December 2016 at 8:30 am:

- (a) Actions to combat illegal land filling and fly-tipping of construction and demolition waste; and

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- (b) Proposal to tighten emission standards of newly registered vehicles.

7. Referring to the item in paragraph 6(a) above, the Chairman drew members' attention that in the previous session, Panel members had proposed to receive public views on the subject. She suggested to first receive the Administration's report on the latest developments at the next regular meeting, and then consider whether and how to follow up the issues. Members raised no objection.

8. Mr LEUNG Yiu-chung requested to include discussion of environmental issues arising from disposal of construction and demolition waste into rivers under the item in paragraph 6(a) above. If this was not feasible or appropriate, he suggested including this matter in and expedite the discussion of related items (i.e. items 13 to 15 and 17) on the list of outstanding items for discussion ("the List") to facilitate early discussion on related issues. Dr Priscilla LEUNG also requested that discussion of item 17 on improving the water quality of Victoria Harbour on the List be advanced from the fourth quarter to the third quarter of 2017. The Chairman said that she would relay members' suggestions to the Administration.

9. Members noted that two items (i.e. item 20 on the review of the Environmental Impact Assessment Ordinance (Cap. 499), and item 21 on the environmental impacts on Hong Kong arising from disposal of chemicals into Dasha River) were proposed by the Administration to be deleted from the List. Mr Dennis KWOK and Mr Kenneth LEUNG strongly requested to retain item 20. The Chairman indicated that she would further liaise with the Administration on retaining both items. She would also request a further written response in respect of item 21 from the Administration as appropriate.

V. Implementation of the Recycling Fund

(LC Paper No. CB(1)158/16-17(04) — Administration's paper on "Implementation of the Recycling Fund"

LC Paper No. CB(1)158/16-17(05) — Background brief on "Recycling Fund" prepared by the Legislative Council Secretariat)

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Briefing by the Administration

10. The Secretary for the Environment ("SEN") and the Chairman, Advisory Committee on Recycling Fund ("C/RFAC") briefed members on the objective of the Recycling Fund ("the Fund"), which was set up with a non-recurrent commitment of \$1 billion, to promote the recovery and recycling of waste by facilitating the recycling industry to upgrade its operational capacities and efficiency for its sustainable development, and RFAC's advisory role relating to the administration and operations of the Fund. With the aid of a powerpoint presentation, the Director, Corporate Services, Hong Kong Productivity Council ("D(CS)/HKPC") briefed members on the implementation progress of the Fund, and measures to facilitate the recycling industry to make use of the Fund.

11. Members noted that as at mid-November 2016, a total of 48 projects (out of 137 applications received) had been approved under the Enterprise Support Programme ("ESP") (including the Small-scale Standard Projects ("SSPs")) and the Industry Support Programme ("ISP") established under the Fund, involving a total funding of around \$54 million.

(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1)202/16-17(01) on 28 November 2016.)

Discussion

Issues relating to the submission and processing of applications to the Fund

Processing time of applications

12. Mr Tommy CHEUNG declared interest that he owned a company that submitted an application to the Fund in February 2016. He said that it had taken over half a year before the application was approved in around September 2016. He asked about the reasons why it took so long to process the application, and how long it would normally take for processing applications to the Fund. While understanding that responsible use of public money should not be compromised for the sake of expediency, he was worried that the long processing time would not meet the operation needs of the recycling industry, in particular those small enterprises. The Chairman asked if the approval process could be expedited.

13. C/RFAC advised that the Secretariat of the Fund ("the Secretariat") set up under HKPC was responsible for the initial vetting of applications before submission to RFAC for consideration and approval. The timing

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required for vetting applications depended on, to a certain extent, the complexities of the applications. It would take longer time if the applicant was required to produce additional information. In most cases, the applicants had failed to provide sufficient documentary proofs. Even if the applications were approved, some projects would require verification of the stated baseline quantities before the projects could begin. As for the meeting of RFAC itself, it might take two days to consider all the applications in details if necessary.

Application procedures

14. Members including Mr CHAN Hak-kan, Mr KWOK Wai-keung, Mr KWONG Chun-yu, Mr Wilson OR and Mr CHAN Chi-chuen expressed grave disappointment about the low rate of successful applications approved under the Fund due to the lengthy and complicated application procedures. They urged the Administration to streamline the application procedures, and provide necessary information and appropriate assistance to facilitate applications by stakeholders.

15. Mr CHAN Hak-kan referred to a media report in which some applicants complained about the hurdles and lengthy processing time of applications under ESP. For example, without regard to the difficulties typically encountered by small and medium enterprises ("SMEs") in opening new bank accounts, applicants were each required to open and maintain a separate bank account solely and exclusively for processing all receipts and payments of the project concerned. Mr Wilson OR shared similar views that there were too many constraints and requirements in the application and vetting procedures. Mr KWOK Wai-keung took the view that as most of the recyclers in the industry were SMEs generally not well versed in dealing with complicated application procedures, the Fund should better cater for these recyclers, lest it might eventually benefit only large corporations with the manpower and resources to prepare for the applications. Mr KWONG Chun-yu opined that the time-consuming procedures had created undue administrative burden on small recyclers who were already very busy making a living.

16. DDEP(2) said that the Administration, RFAC and the Secretariat had, since the launch of the Fund, kept under review the operational experience of the Fund, and introduced various facilitation measures, including streamlining the application procedures, setting up the new category of SSPs under ESP, waiving the requirement for opening a designated bank account, and allowing partial reimbursement of expenses of an SSP in the middle of the project period upon meeting significant milestones, etc. The facilitation measures were expected to relieve the administrative workload of SMEs in

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making applications, and encourage more applications that merited support under the Fund. SEN added that the Administration fully acknowledged the difficulties of general recyclers in making applications to the Fund and had kept on communicating with them to improve the procedures.

Emergence of unauthorized intermediaries

17. Mr CHAN Chi-chuen referred to the advertisements of some intermediaries who claimed to have successfully helped applicants to apply for grants under the Fund. He asked if the Administration knew the existence of these intermediaries, the consultant/service fees they charged, and the number of successful applications submitted with their assistance. Mr CHAN and Mr LEUNG Yiu-chung urged the Secretariat to step up its efforts in providing advice and assistance to applicants in order not to make leeway for such intermediaries to take advantages of the Fund to make profits.

18. D(CS)/HKPC advised that the Fund had not authorized any intermediaries to act on its behalf to provide services to applicants in making their applications, and any consultant/service fees so incurred would not be covered by the grants of the Fund. He reiterated that the Secretariat had all along been providing helpdesk support and organizing briefing sessions to offer direct advice and guidance to recyclers in submitting project proposals.

Assistance to applicants in making applications

19. Mr CHU Hoi-dick asked about the status of the remaining 89 applications which were unsuccessful or not yet approved. He sought whether the Secretariat/RFAC would strictly reject an application if it could not meet certain criteria, such as compliance with the land lease conditions, or would allow time for the applicant concerned to make rectifications or obtain approval from relevant authorities. Mr Wilson OR also asked if the Secretariat would inform the unsuccessful applicants about the reasons of rejecting their applications, and provide appropriate advice and assistance.

20. D(CS)/HKPC indicated that most unsuccessful applications were declined for lacking supporting documentation. Some cases could not meet certain essential conditions, such as compliance with the short-term tenancy conditions or possession of relevant licences. In such cases, the applicants concerned needed to seek approval from relevant authorities before their applications could be further processed. The Secretariat would inform the applicants concerned about the reasons for declining their applications, and might for some cases allow reasonable time for them to rectify the issues and resubmit their applications when ready.

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Admin 21. At the request of Mr Wilson OR, the Administration agreed to provide the reasons for rejecting applications to the Fund in the past.

22. In response to Mr HUI Chi-fung's enquiry on measures to facilitate more applications, C/RFAC advised that RFAC and the Secretariat would further enhance communications with the recycling industry, continue to organize more briefings and seminars, and share information on successful applications on the Fund's webpage for their reference.

Effectiveness of the Recycling Fund

Support to the recycling industry

23. Referring to the restriction under ESP that the grantees were not allowed to use the grant on their existing recycling operations, Mr CHAN Hak-kan doubted that the grant of merely about \$90,000 each for some cases was hardly adequate for starting up new operations. He questioned the effectiveness of the Fund in addressing the operational and financial difficulties of general recyclers. Specifically, Mr Andrew WAN doubted that the small sum of grant for the projects to collect plastic bottles from the community for recycling was hardly sufficient for the grantees to achieve the targets and deliverables of the projects. He also asked about the end treatment of the plastic bottles collected under these projects.

24. D(CS)/HKPC explained that the grant for each application under SSPs was subject to a funding ceiling of \$150,000 or 50% of the approved expenditure, whichever was the less. The category of SSPs was introduced as a streamlined programme under ESP for SMEs to implement certain small-scale standard projects which involved lower project costs, such as for procurement of small-scale equipment/hardware for enhancing processing and collection of recyclables. The said projects involving the collection of waste plastic bottles were among the SSPs approved. Funding for SSPs would count towards the cumulative funding ceiling of \$5 million and the maximum number of three approved projects per enterprise under ESP. C/RFAC advised that an objective of the projects to collect waste plastic bottles was to promote clean recycling in the community. The waste plastic bottles collected would have sufficient recycling outlets as they were properly cleansed and hence with better quality.

25. Mr CHU Hoi-dick asked if the Administration would consider introducing a mechanism for providing price subsidies to recyclers in case the international market prices of designated recyclables dropped to specified levels. In response, DDEP(2) said that the objective of the Fund was to

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facilitate the recycling industry to upgrade its operational capabilities and efficiency with a view to promoting its sustainable development in the long run, but not to directly subsidize individual recycling business which would not be able to provide any incentive to recyclers to improve their mode of operation.

26. Mr KWOK Wai-keung opined that scientific and technological developments would have far-reaching implications on the recycling industry, yet there was an absence of related projects approved under the Fund. He asked about the Administration's plan to take forward such initiatives, as well as Hong Kong's talent supply in the relevant field.

27. DDEP(2) stressed the Administration's on-going support for science and technological developments in the recycling industry. She said that HKPC conducted periodic technological studies on matters relating to the industry, and shared the study findings with the industry, as appropriate, on new technologies that could enhance its operations.

28. Mr HUI Chi-fung took the view that improving recyclers' business skills, such as cost control, was the key to meeting the policy objective of promoting sustainable development of the recycling industry. He asked if the Fund would support relevant initiatives.

29. SEN said that it was the main purpose of ISP to enhance the overall capability and productivity of the recycling industry through multi-pronged initiatives. Potential projects included programmes for promoting recycling technology, and upgrading occupational safety and health standard of the industry, etc. As an example, C/RFAC quoted an approved project under ISP by Hong Kong Environmental Protection and Recycle Industry Sustainable Development Association Limited to develop an online platform for recyclers to share market information and to enhance their operational capability and efficiency. The platform was expected to commission in two to three years' time, if all went well.

Reducing landfill burden

30. Mr LEUNG Yiu-chung, Dr KWOK Ka-ki and Dr Elizabeth QUAT enquired how the Administration would measure the effectiveness of Fund in reducing landfill burden, and whether it had set any indicators and targets in this regard. Specifically, Dr YIU Chung-yim asked if the quantities of waste plastic disposed of at landfills had declined since the implementation of the Fund in 2015. He quoted the information provided by the Administration in August 2016 (LC Paper No. CB(1)1172/15-16(02)) that prior to the launch of the Fund, the quantities of waste plastic disposed of at landfills in 2012, 2013

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and 2014 had been on the increase (i.e. 668 000 tonnes, 681 000 tonnes and 736 000 tonnes respectively), due to the declining recovery rates of waste plastics in the same period when the prices and demand of raw plastic materials dropped significantly.

31. DDEP(2) stated that the Fund was among various Government's initiatives to support the development of a robust recycling industry in order to increase the recovery and recycling of waste and achieve the ultimate goal of reducing disposal at landfills. To assess the effectiveness of the Fund in this regard, the Administration could make projections based on the target quantities of recyclables to be recovered under the projects, which would amount to over 70 000 tonnes taking into account the projects approved so far. She added that the grantees would be required to report on a regular basis about the relevant milestones reached, and the Secretariat would conduct on-site spot checks and random inspections to verify the deliverables and targets as reported by the grantees. As regards waste plastics, C/RFAC advised that, for instance, a certain project under ESP was expected to contribute to the recovery of about 2 400 tonnes waste plastics for producing about 1 680 tonnes of Polyethylene recycled pellets.

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32. At the request of Dr YIU Chun-yim, the Administration agreed to provide a comparison of the latest annual quantity (in terms of tonnes) of waste plastics disposed of at landfills after the implementation of the Fund in October 2015, against that of the preceding years from 2012 to 2015.

Commercial values of recyclables and recycling outlets

33. Mr Kenneth LEUNG pointed out that a vast majority of recycled materials were exported abroad or to the Mainland. Hence, the business operations of recyclers were vulnerable to price fluctuations and import controls in these markets. He asked if the Administration had any measures to boost the local demand for recycled products so as to enhance the local recycle chain, such as according priority under ESP to projects that involved the processing of recyclables and manufacturing of recycled products of higher quality for sale locally. Pointing out that some social enterprises had received support under the Environment and Conservation Fund ("ECF") to manufacture recycled products, Dr Elizabeth QUAT also asked if the Administration would provide support under the Fund to social enterprises in marketing such products locally or opening up overseas markets for these products.

34. C/RFAC indicated that the Fund welcomed applications from local recyclers to bring in new technologies or overseas experiences for developing recycled products of higher quality and commercial values. He expected that

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there would be more applications of this kind when there were more precedent cases of successful applications as reference. SEN supplemented that in addition to private enterprises, social enterprises were similarly welcomed to apply for the Fund.

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35. Quoting the example of Japan that had enacted designated legislation on promoting green procurement, Mr KWONG Chun-yu emphasized the role of the Government in promoting the development of a domestic market for locally produced environmentally-friendly products made from recycled materials. At his request, the Administration agreed to supplement on the Government's policies and initiatives, such as green procurement policy, for promoting domestic consumption of locally produced environmentally-friendly products made from recycled materials.

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36. At the request of Dr Elizabeth QUAT, the Administration agreed to supplement information on the outlets for the different types of recyclables processed by approved projects under ESP including SSPs set out in Annex D to the Administration's paper (LC Paper No. CB(1)158/16-17(04)).

Interface with initiatives of food waste reduction and recycling

37. Mr Andrew WAN noted that there was only one project relating to food waste (i.e. the project to enhance the collection and treatment of starch food waste for production of animal feed) among the approved projects under ESP. In view of the upcoming municipal solid waste charging scheme, he asked if the Administration would set aside a certain proportion of grants under the Fund for projects relating to recycling of municipal food waste. Dr Helena WONG asked if the Fund would provide funding support to leftover food donation programmes organized on a trial basis by some non-profit making and community organizations.

38. SEN indicated that the Administration had initiated a variety of programmes to take forward the strategies, namely reduction at source, reuse and donation, recyclable collection and food waste-to-energy, under "A Food Waste & Yard Waste Plan for Hong Kong 2014-2022". He advised that the network of Organic Waste Treatment Facilities would first accord priority to recycling the food waste generated from commercial and industrial food establishments in the first phase, to be followed by that from households subject to availability of waste treatment capacity. Given that the Fund's objective was mainly to assist the recycling industry, he recommended that the non-profit making and community organizations concerned could apply for ECF instead to support leftover food donation programmes.

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Monitoring of the Recycling Fund

39. Mr CHAN Chun-ying considered it imperative for RFAC/HKPC to diligently play the gate-keeping role to monitor the progress of approved projects, project results and disbursement of funds, and advise appropriate actions to be taken against non-compliances, so as to ensure proper use of public money under the Fund. He asked about the situation of enforcement against non-compliances so far.

40. D(CS)/HKPC replied that no non-compliance cases had been detected so far since the launch of the Fund in 2015. A robust monitoring mechanism had been in place, which included the requirement of the submissions of progress reports and audited accounts prepared by independent auditors engaged by the grantees.

Administrative fees payable to the Hong Kong Productivity Council

41. Dr Helena WONG and Mr CHAN Hak-kan pointed out that HKPC charged \$84.1 million (i.e. about 8.4% of the Fund's size) for programme management, technical evaluation and project monitoring for the Fund, plus \$15.8 million for publicity and promotional activities, and conducting related periodic market development and technological studies. They queried the reasonableness for the high fees charged by HKPC, which were disproportional to the mere amount of around \$54 million granted out from the Fund so far. Dr WONG asked how long would HKPC be engaged to manage the Fund. Mr CHAN urged the Administration to review and adjust the fees to HKPC, or consider disbursing the fees on a pro-rata basis to tie in with the sum granted out. Mr Andrew WAN enquired about the cost-effectiveness of the fees given to HKPC.

42. DDEP(2) advised that the fees were for the management of the Fund for seven years, covering five years' operation of the Fund, plus an addition of two years for monitoring the approved projects after the Fund ceased to accept applications. HKPC had set up a dedicated team for the management of the Fund. Further, as the implementation partner to the Fund, HKPC would shoulder part of the administrative and monitoring costs of the Fund at an amount of about \$1.89 million as in-kind contributions in terms of professional manpower support to supervise, monitor and review the work of the Secretariat.

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VI. Proposal to control volatile organic compounds in fountain solutions and printing machine cleansing agents

(LC Paper No. CB(1)158/16-17(06) — Administration's paper on "Proposal to Control Volatile Organic Compounds in Fountain Solutions and Printing Machine Cleansing Agents"

LC Paper No. CB(1)158/16-17(07) — Background brief on "Control of volatile organic compounds" prepared by the Legislative Council Secretariat)

Briefing by the Administration

43. The Under Secretary for the Environment ("USEN") briefed members on the Administration's proposal to expand the types of regulated products under the Air Pollution Control (Volatile Organic Compounds) Regulation (Cap. 311W) ("the VOC Regulation") to cover (a) fountain solutions and (b) printing machine cleansing agents, in an on-going effort to achieve further reduction in the emission of VOC for better air quality.

44. USEN sought members' support to the Administration's proposal of introducing the relevant amendments to the VOC Regulation to LegCo in the fourth quarter of 2017, for implementation with effect from 1 January 2018.

Discussion

Scope of regulation

45. Dr Helena WONG noted that the proposed control over the VOC contents of fountain solutions and printing machine cleansing agents imported to or manufactured in Hong Kong was expected to contribute to a reduction of 370 tonnes of VOC annually, which was equivalent to just one-fourth of the total amount of VOC emitted from these two sources in 2014 (i.e. 1 500 tonnes). She asked if the Administration would consider extending the control to related end products of printed materials imported into Hong Kong, as well as other VOC sources.

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46. Dr KWOK Ka-ki asked if the Administration would regulate the VOC contents of household commodities including paints, preservatives, etc. Further, given that many printing operations had been conducted on the Mainland, Dr KWOK also asked about the possibility of imposing control on printed materials from the Mainland if the printing process of the materials involved VOC containing products.

47. The Assistant Director (Air Policy) ("AD(AP)") advised that non-combustion sources (i.e. mainly VOC containing products such as paints, consumer products, printing inks, adhesives and sealants) and road transport sectors were the top two sources of VOC emissions in Hong Kong. The Administration had put in place various measures to reduce local VOC emissions at sources. In particular, various VOC containing products had already been subject to the control of the VOC Regulation in phases starting from 2007. Between 1997 and 2014, total VOC emissions in Hong Kong decreased by 65% mainly due to the control of emissions from non-combustion sources and road transport sectors. Given that VOC was emitted during the printing process when fountain solutions and printing machine cleansing agents were applied, regulating the VOC content of these two products would suffice. On Mr CHU Hoi-dick's enquiry, AD(AP) stated that the proposal was expected to reduce 370 tonnes of VOC annually and the proposal was found to be technically feasible and acceptable by the printing trades.

48. The Deputy Director of Environmental Protection (3) ("DDEP(3)") supplemented that 170 types of products, including many commonly used consumer products such as paints, hairspray, and insecticides, had been subject to the VOC Regulation so far, and the Administration would continue to explore additional measures to control VOC emissions from non-combustion sources.

Enforcement and prosecution

49. Mr CHU Hoi-dick enquired about the number and details of prosecutions instituted against offences under the VOC Regulation since it had come into effect in 2007. Dr YIU Chung-yim was concerned that the requirement to use fountain solutions and printing machine cleansing agents with lower VOC contents might have implications for the operation and production costs of the printing industry and thus provide incentives of non-compliances. He asked if there would be any foreseeable difficulties in enforcement and adducing evidence for prosecutions against non-compliances.

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50. AD(AP) advised that the Environmental Protection Department ("EPD") instituted 25 prosecutions in accordance with the VOC Regulation, among which there were 23 convictions. Of the convicted cases, three cases involved non-compliance with the requirement of product notification to be given to EPD by manufacturers or importers of regulated architectural paints prior to the sale or use of the paints in Hong Kong. Other cases mainly involved regulated products with VOC contents exceeding the prescribed limits set out in the VOC Regulation.

51. AD(AP) further advised that EPD had conducted inspections and sample tests for enforcement of the VOC Regulation, and would also take appropriate actions in response to reports of non-compliance. It had been effective in detecting non-compliance cases and the sample test results could generally produce sufficient evidence for prosecution and conviction purposes. Further, he indicated that the Administration had engaged the printing industry when formulating the proposed control for fountain solutions and printing machine cleansing agents under the VOC Regulation, with a view to ensuring its feasibility including the supply of products compliant with the proposed VOC content limits.

Regional efforts in reducing emission of volatile organic compounds

52. Dr KWOK Ka-ki enquired about the progress of regional efforts in dealing with VOC problems, in particular the implementation of control over VOC emissions on the Mainland. Mr CHU Hoi-dick asked about the VOC emission reduction targets for 2020 for Hong Kong and the Pearl River Delta Region, and the current progress of achieving the targets.

53. AD(AP) advised that the governments of Hong Kong and Guangdong had all along been collaborating on improving regional air quality, including setting emission reduction targets for major air pollutants including VOC. To achieve the VOC reduction targets, both governments had put in place control measures targeting the major emission sources. As industrial emissions were another key contributor to VOC emissions on the Mainland beside non-combustion sources, the mainland authorities had put in place targeted measures in this regard. Hong Kong's VOC reduction targets were 5% by 2015 and 15% by 2020, with 2010 as the base year. Due to a reduction in the consumption of paints, lowered VOC contents in paints, and the drop in sales volume of printing inks in recent years, VOC emissions had already been reduced by 14% comparing to the level in 2010. AD(AP) further indicated that the governments of Hong Kong and Guangdong had started a joint mid-term review of the emission reduction plan, and it was expected that a new VOC emission reduction target for 2020 could be finalized in the first half of 2017. In view of this, the Chairman asked the

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Administration to brief the Panel on the review outcome when available.

54. The Deputy Chairman noted that in setting the VOC content limits for fountain solutions and printing machine cleansing agents, the Administration had made reference to the corresponding limits of South Coast Air Quality Management District of California of the United States (i.e. 50 grams per litre ("g/l") and 100 g/l respectively) and adopted less stringent limits of 80 g/l and 500 g/l respectively for the said sources. He asked about the corresponding limits adopted by the mainland authorities, and how the limits set for the two sources on the Mainland would affect regional VOC emissions, as many printing operations were conducted on the Mainland.

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55. In response, AD(AP) agreed to supplement information on the prescribed VOC content limits respectively for fountain solutions and printing machine cleansing agents under the existing regulatory regime of the Mainland.

Conclusion

56. Concluding the discussion, the Chairman said that members generally supported the Administration's proposal of introducing the relevant legislative amendments to LegCo.

VII. Any other business

57. There being no other business, the meeting ended at 4:35 pm.