

Legislative Council Panel on Environmental Affairs

**Revision of Fees and Charges for
Environment and Conservation Related Services**

Introduction

This paper invites members' advice on the proposed adjustment of fees and charges for certain environment, conservation and energy efficiency related services provided by Government.

Background

2. At the LegCo Panel on Financial Affairs on 13 April, 2000, Members were consulted on proposals to revise various fees and charges for services not directly affecting people's livelihood or general business activities. In this connection, Members suggested that the proposed revision should be considered by the relevant subject Panel of LegCo. At the House Committee meeting held on 14 April, 2000, Members agreed that the respective LegCo Panels should be consulted on whether, and if so how, fees and charges under their purviews should be increased.

Administration's Proposals

3. The proposed increases are enclosed in the following Appendices –

<u>Appendix</u>	<u>Departments which provides chargeable services</u>
I	Environmental Protection Department
II	Agriculture, Fisheries and Conservation Department
III	Electrical & Mechanical Services Department

4. The Administration's general policy is to recover 100% of the cost of providing the service. However, for a variety of reasons, some existing fees fall far short of full cost recovery. It is acknowledged that it would cause some difficulties if fees were increased rapidly to achieve 100% cost recovery. We therefore propose a phased increase, taking account of different circumstances, along the following lines -

- (a) achieve full-cost recovery within seven years for fees with existing cost recovery rate of less than 40% below target, through a 20% increase;

- (b) achieve full-cost recovery within three to seven years for those fees with existing cost recovery rate of between 40% and 70%, through a 15% increase; and
- (c) achieve full-cost recovery within one to three years for those fees with existing cost recovery rate of over 70% of target, through a 10% or lower increase.

The proposed adjustments involve 76 fee items, of which 46 are subject to increases and to 30 decreases. None of the increases exceed 20%.

Financial Implications

- 5. If all the proposed fee adjustments are implemented, there will in fact be a drop of revenue by \$361,056.00 per annum.

Further improvement in Cost-effectiveness

- 6. The Administration will continue to undertake necessary measures to –
 - (a) contain costs by continuing to implement the Enhanced Productivity Programme and taking other efficiency improvement measures; and
 - (b) review whether it is still necessary to provide the various services that require payment of fees and charges.

We will discuss the findings of the review with Members by the end of this financial year.

Implementation Timetable

7. The Administration intends to introduce the fees adjustments to the Legislative Council early in the next legislative session.

Advice Sought

8. Members are invited to comment and endorse the recommendations in paragraph 3 above.

Environment and Food Bureau
May 2000

Environmental Protection Department

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>I. Air Pollution Control Ordinance (Cap. 311)</u>								
<u>Air Pollution Control (Specified Processes) Regulations (3rd Schedule)</u>								
1	Application of Licence	5,330	6,130	800	15%	64%	19,188	Phase in full cost recovery over next 3 years. Cost recovery rates for subsequent years will be 76%, 88% and 100% respectively.
2	Variation of Licence	3,450	3,795	345	10%	78%	5,520	Phase in full cost recovery over next 3 years. Cost recovery rates for subsequent years will be 86%, 93% and 100% respectively.
3	Transfer of Licence	1,600	1,840	240	15%	76%	0	Phase in full cost recovery over next 3 years. Cost recovery rates for subsequent years will be 84%, 92% and 100% respectively.
4	Variation or cancellation of any term or condition	3,450	3,795	345	10%	78%	0	Phase in full cost recovery over next 3 years. Cost recovery rates for subsequent years will be 86%, 93% and 100% respectively.
5	Fee for a certified copy of an entry in the register	165	61	(104)	(63%)	100%	0	Full cost recovery in 2000/01.
<u>Air Pollution Control (Asbestos) (Administration) Regulation</u>								
6	Application for registraton in the register	3,110	3,165	55	2%	100%	311	Full cost recovery in 2000/01.
7	Application for restoration to the register	3,110	3,163	53	2%	100%		Full cost recovery in 2000/01.
8	Annual registration fee	975	557	(418)	(43%)	100%	-34,379	Full cost recovery in 2000/01.
<u>Air Pollution Control (Open Burning) Regulation</u>								
9	Application for and issue of permit to carry out open burning	3,780	3,729	(51)	(1%)	100%	-80	Full cost recovery in 2000/01.
Sub-total							<u>-9,440</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>II. Waste Disposal Ordinance (Cap. 354)</u>								
<u>Waste Disposal (Chemical Waste) (General) Regulations</u>								
10	Waste Producer Registration Fee	325	264	(61)	(19%)	100%	-43,225	Full cost recovery in 2000/01.
11	Fee for a certified copy of an entry in the register of waste producers	165	58	(107)	(65%)	100%	0	Full cost recovery in 2000/01.
<u>Waste Disposal (Permits and Licences) (Forms and Fees) Reg.</u>								
12	Permit for the import/export of waste into/from Hong Kong for single shipment of waste	11,500	11,593	93	1%	100%	0	Full cost recovery in 2000/01.
13	for multiple shipments of waste	18,680	18,429	(251)	(1%)	100%	-560	Full cost recovery in 2000/01.
Licence for provision of waste collection service								
14	Application for new licence	21,190	19,269	(1,921)	(9%)	100%	-3,814	Full cost recovery in 2000/01.
15	Application for renewal of licence	10,600	9,318	(1,282)	(12%)	100%	-20,352	Full cost recovery in 2000/01.
Licence for collection of waste produced by licensee								
16	Application for new licence	4,890	4,528	(362)	(7%)	100%	-342	Full cost recovery in 2000/01.
17	Application for renewal of licence	2,450	2,463	13	1%	100%	245	Full cost recovery in 2000/01.
Licence for provision of waste disposal service								
18	Application for new licence	38,880	29,819	(9,061)	(23%)	100%	0	Full cost recovery in 2000/01.
19	Application for renewal of licence	19,440	14,841	(4,599)	(24%)	100%	-13,997	Full cost recovery in 2000/01.
Licence for disposal of waste produced by licensee								
20	Application for new licence	3,760	2,915	(845)	(22%)	100%	0	Full cost recovery in 2000/01.
21	Application for renewal of licence	1,880	1,512	(368)	(20%)	100%	-5,264	Full cost recovery in 2000/01.
Sub-total							<u>-87,310</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis	
		\$	\$	\$	%	%	\$		
<u>III. Water Pollution Control Ordinance (Cap. 358)</u>									
<u>Water Pollution Control (General) Regulations</u>									
New application or variation of a licence for discharge or deposit from industrial, institutional or commercial premises									
22	flow rate <= 10 m ³ per day	1,120	1,288	168	15%	78%	196,560	Phase in full cost recovery over next 3 years. Cost recovery rates for subsequent years will be 85%, 95% and 100% respectively.	
23	flow rate > 10 m ³ but <= 30 m ³ per day	1,400	1,470	70	5%	89%	23,170	Phase in full cost recovery over next 2 years. Cost recovery rates for subsequent years will be 95% and 100% respectively.	
24	flow rate > 30 m ³ per day	2,960	1,656	(1,304)	(44%)	100%	-266,992	Full cost recovery in 2000/01.	
Renewal of a licence for discharge or deposit from industrial, institutional or commercial premises									
25	flow rate <= 10 m ³ per day	670	737	67	10%	91%	2,144	Full cost recovery in subsequent year.	
26	flow rate > 10 m ³ but <= 30 m ³ per day	890	812	(78)	(9%)	100%	-481	Full cost recovery in 2000/01.	
27	flow rate > 30 m ³ per day	1,350	812	(538)	(40%)	100%	-5,940	Full cost recovery in 2000/01.	
28	Discharge or deposit from industrial, institutional or commercial premises of domestic sewage only	305	111	(194)	(64%)	20%	-3,123	Subsidized fee at 20% recovery as agreed in previous LegCo paper in 97 [PELB(E) 20/01/82/97]	
Discharge or deposit from a domestic sewage treatment plant									
29	Application for new licence or variation of licence	4,700	3,479	(1,221)	(26%)	100%	-9,776	Full cost recovery in 2000/01.	
30	Renewal of licence or new licence at the expiry of licence granted under s.15	2,140	1,454	(686)	(32%)	100%	-5,478	Full cost recovery in 2000/01.	
31	Application for new/variation/renewal of licence for discharge or deposit from domestic premises	305	111	(194)	(64%)	20%	-1,366	Subsidized fee at 20% recovery as agreed in previous LegCo paper in 97 [PELB(E) 20/01/82/97]	
32	Fee for a certified copy of an entry in the register	165	60	(105)	(64%)	100%	0	Full cost recovery in 2000/01.	
							Sub-total	-71,283	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>IV. Noise Control Ordinance (Cap. 400)</u>								
<u>Noise Control (General) Regulations</u>								
	Application for a construction noise permit							
33	for construction work other than percussive piling	575	690	115	20%	25%	333,500	Phase in full cost recovery over next 4 years. Cost recovery rates for subsequent years will be 45%, 65%, 85% and 100% respectively.
34	for percussive piling	530	636	106	20%	31%	47,700	
<u>Noise Control (Air Compressors) Regulations</u>								
35	Application fee for noise emission label for air compressor	350	403	53	15%	71%	14,700	Phase in full cost recovery over next 2 years. Cost recovery rates for subsequent years will be 85% and 100% respectively.
<u>Noise Control (Hand Held Percussive Breakers) Regulations</u>								
36	Application fee for noise emission label for hand held percussive breaker	350	403	53	15%	71%	46,200	Phase in full cost recovery over next 2 years. Cost recovery rates for subsequent years will be 85% and 100% respectively.
						Sub-total	<u>442,100</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>V. Ozone Layer Protection Ordinance (Cap. 403)</u>								
<u>Ozone Layer Protection (Fees) Regulations</u>								
37	Fee for registration as an importer or exporter of scheduled substances	2,790	2,805	15	1%	100%	2,511	Full cost recovery in 2000/01.
38	Fee for licence to import or export a specified consignment of a scheduled substance	910	940	30	3%	100%	24,570	Full cost recovery in 2000/01.
Sub-total							<u>27,081</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>VI. Dumping at Sea Ordinance (Cap. 466)</u>								
<u>Dumping at Sea (Fees) Regulation</u>								
Dumping permit in respect of:								
39	spoil	9,630	7,008	(2,622)	(27%)	100%	-78,003	Full cost recovery in 2000/01.
40	substances or articles other than spoil	19,490	14,120	(5,370)	(28%)	100%	-654,864	Full cost recovery in 2000/01.
41	Copy of an entry in the register	165	58	(107)	(65%)	100%	0	Full cost recovery in 2000/01.
						Sub-total	<u>-732,867</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>VII. Environmental Impact Assessment Ordinance Cap. 499)</u>								
<u>Environmental Impact Assessment (Fees) Regulation</u>								
42	Application for an environmental impact assessment study brief referred to in section 5(1)(a) of the Ordinance	15,400	16,324	924	6%	94%	4,620	Full cost recovery in subsequent year.
43	Application under section 5(1)(b) of the Ordinance for approval to apply directly for an environmental permit	17,700	18,762	1,062	6%	94%	12,180	Full cost recovery in subsequent year.
44	Application under section 6(2) of the Ordinance for approval of an environmental impact assessment report	39,800	42,188	2,388	6%	95%	5,340	Full cost recovery in subsequent year.
45	Application for an environmental permit referred to in section 10(1)(a) of the Ordinance	15,600	16,536	936	6%	92%	33,420	Full cost recovery in subsequent year.
46	Application for a further environmental permit referred to in section 12(1) of the Ordinance	5,690	6,031	341	6%	96%	7,860	Full cost recovery in subsequent year.
47	Application under section 13(1) of the Ordinance for a variation of the conditions of an environmental permit	7,780	8,247	467	6%	97%	1,380	Full cost recovery in subsequent year.
						Sub-total	<u>64,800</u>	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Increase/Decrease of Revenue	Basis
		\$	\$	\$	%	%	\$	
<u>VIII. Fees for Provision of Environmental Protection Information</u>								
48	PEPO	1,590	1,460	(130)	(8%)	100%	} not fixed	Full cost recovery in 2000/01.
49	SEPO	1,220	1,176	(44)	(4%)	100%		Full cost recovery in 2000/01.
50	EPO	735	752	17	2%	100%		Full cost recovery in 2000/01.
51	CEPI	535	569	34	6%	100%		Full cost recovery in 2000/01.
52	SEPI	385	386	1	0.3%	100%		Full cost recovery in 2000/01.
53	EPI	225	224	(1)	(0.4%)	100%		Full cost recovery in 2000/01.
54	CO	315	307	(8)	(3%)	100%		Full cost recovery in 2000/01.
55	ACO	225	221	(4)	(2%)	100%		Full cost recovery in 2000/01.
56	CA	145	150	5	3%	100%	Full cost recovery in 2000/01.	
Total						Total	<u><u>-366,918</u></u>	



Agriculture, Fisheries and Conservation Department

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Additional Revenue p.a.	Basis
		\$	\$	\$	%	%	\$	
I. Fee for special permits for carrying out various activities inside country parks and marine parks/reserves :-								
<u>Country Parks and Special Areas Regulations (Cap. 208)</u>								
1	Permit to sell or let or hire any commodity or article (each month or part thereof)	1,430	1,527	97	7%	100%	0	Full cost recovery in 2000/01.
2	Permit to hold any event organised for the purpose of raising funds, whether for charity or otherwise (each event)	467	500	33	7%	100%	1,914	Full cost recovery in 2000/01.
3	Permit to carry on any activity for the purpose of, or incidental to, any business (per day)	237	253	16	7%	100%	576	Full cost recovery in 2000/01.
4	Permit to display any sign, notice, poster, banner or advertisement (each month or part thereof)	237	253	16	7%	100%	96	Full cost recovery in 2000/01.
5	Permit to construct or erect any building, hut or shelter or excavate any cave (each bldg, hut, shelter/cave)	317	339	22	7%	100%	0	Full cost recovery in 2000/01.
6	Permit to hold any public meeting or sporting competition, make any public speech or address any public meeting (each event)	467	500	33	7%	100%	2,541	Full cost recovery in 2000/01.
						Sub-total	5,127	

Fees Revision 2000/01

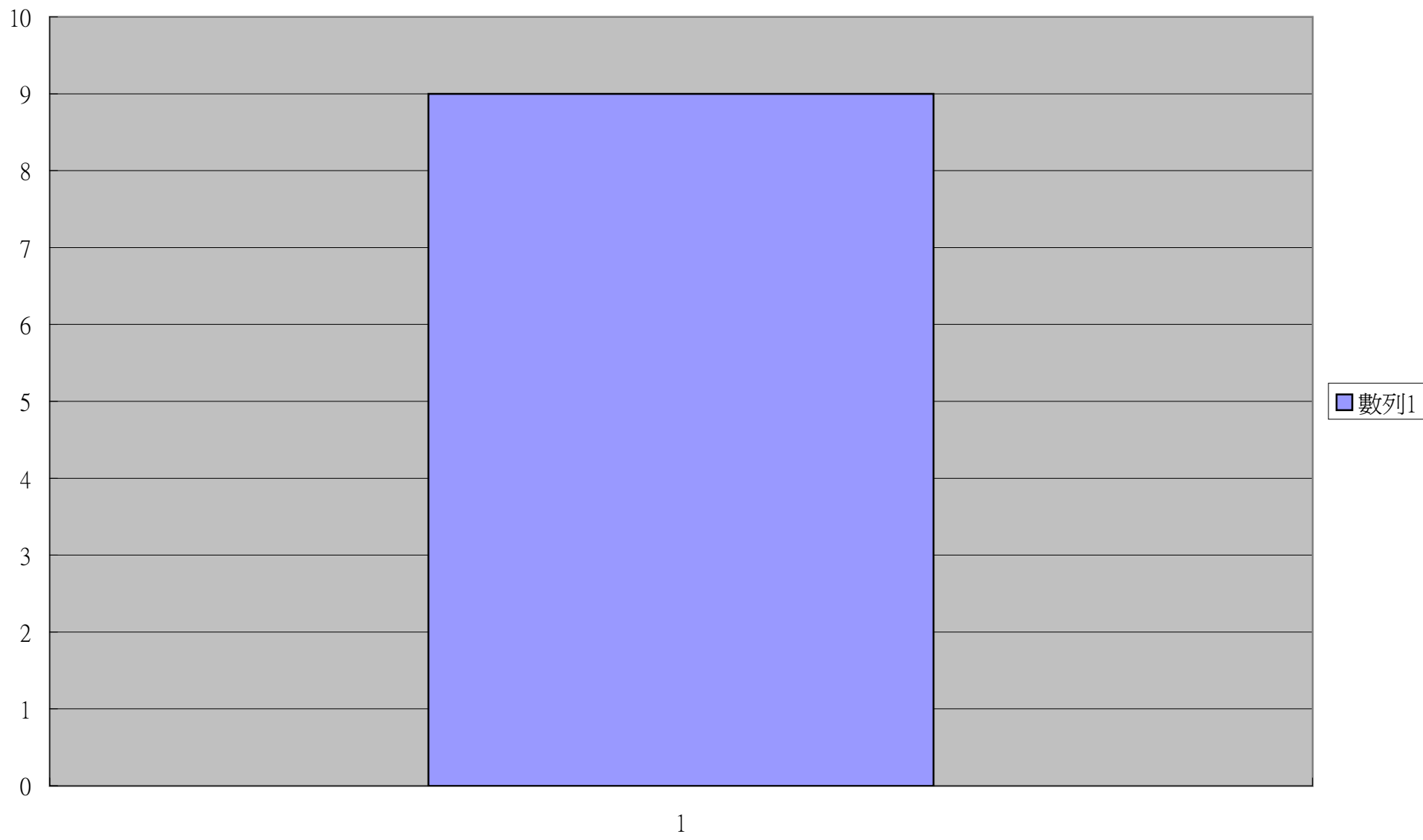
Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	(in %)	% Full Cost Recovery	Additional Revenue p.a.	Basis
		\$	\$	\$	%	%	\$	
	<u>Marine parks and marine Reserves Regulation (Cap.476)</u>							
7	Permit to moor or anchor a vessel (per year)	217	232	15	7%	100%	30	Full cost recovery in 2000/01.
8	Permit to hawk (per year)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
9	Permit to display signs, etc. (for each event)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
10	Permit to barbecue or camp (for each event)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
11	Permit to hold any public meeting, boating or other sporting competition (for each event)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
12	Permit to hold an event for raising funds (for each event)	217	232	15	7%	100%	15	Full cost recovery in 2000/01.
13	Permit to carry on an activity for (commercial) (for each event)	217	232	15	7%	100%	15	Full cost recovery in 2000/01.
14	Permit to operate any power-driven model boat or aeroplane (for each event)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
15	Renewal of permit (other than fishing)	217	232	15	7%	100%	0	Full cost recovery in 2000/01.
						Sub-total	60	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	Increase/Decrease (in %)	% Full Cost Recovery	Additional Revenue p.a.	Basis
		\$	\$	\$	%	%	\$	
<u>II. Sales of tree seedlings</u>								
16	Forest and ornamental trees seedlings 150-300 mm (each seedling)	8.1	8.4	0.3	4%	100%	81	Full cost recovery in 2000/01.
17	Forest and ornamental trees seedlings 301-600 mm (each seedling)	16.2	16.8	0.4	4%	100%	120	Full cost recovery in 2000/01.
18	Forest and ornamental trees seedlings 601-1,750 mm (each seedling)	24.3	25.2	0.9	4%	100%	36	Full cost recovery in 2000/01.
						Sub-total	237	

Fees Revision 2000/01

Fee Item	Description of Fee Item	Existing Fee	Proposed Fee	Increase/Decrease (in Dollar)	(in %)	% Full Cost Recovery	Additional Revenue p.a.	Basis
		\$	\$	\$	%	%	\$	
<u>III. Sale of maps of hiking trails of country/marine parks</u>								
19	Sale of maps of hiking trails, country parks, special areas, marine parks, marine reserves, Ramsar sites and sites of special scientific interest	45	30.5	-14.5	(32.0%)	100%	-870	Full cost recovery in 2000/01.
						Sub-total	-870	
					Total		4,554	



Electrical & Mechanical Services Department

Fees Revision 2000/01

<u>Fee Item</u>	<u>Description of Fee Item</u>	<u>Existing Fee</u>	<u>Proposed Fee</u>	<u>Increase/Decrease (in Dollar)</u>	<u>Increase/Decrease (in %)</u>	<u>% Full Cost Recovery</u>	<u>Additional Revenue p.a.</u>	<u>Basis</u>	
		\$	\$	\$	%	%	\$		
	Specific request for search data not in the basic data set for the Hong Kong energy end-user database	4,986	5,095	109	2%	100%	1,308	Full cost already achieved.	
							Total	1,308	