Position paper on decommissioning of Cheoy Lee Shipyard at Penny’s Bay
Submission to Legco Panel on Environmental Affairs
12 March 2002

In response to the EIA report on the captioned project commissioned by the Civil Engineering Department and published in February 2002, the Conservancy Association would like to set out its position as follows:

1. From an environmental perspective, the current proposal of off-site treatment for all dioxin-contaminated soil first by a new thermal desorption plant at To Kau Wan, then final disposal of residues at Tsing Yi Chemical Treatment Works, is a high risk option compared with some other available options. This is indeed the consultant’s view when they commented in section 3.8 of the report about the “disadvantage of associated additional costs and wider risks and impacts” if the thermal desorption plant has to be located off-site.

2. The lowest-risk option would be on-site treatment of all contaminated soil without the need for multiple handling and transport. The report recognized that this option is technically feasible and desirable (see Table 4.53) except for the risk that the treatment may not be fully completed before the opening of the Disney Park – assuming that the latter will be completed on schedule.

3. It is unfortunate that an artificial deadline for completing the on-site treatment of contaminated soil is imposed before the scale of contamination is known, hence pushing the Administration to recommend a higher risk treatment strategy than is otherwise necessary. However, before one accepts this constraint as inevitable and overwhelming, it is essential for Legco members to ask this question: will the cost and risk associated with delaying the opening of the theme park (which may or may not be completed on schedule for other reasons) outweigh the cost and risk associated with adopting a higher risk off-site treatment strategy under all circumstances?

4. The EIA report has neither attempted to answer the above question nor provided sufficient data for the above question to be analyzed. For example, it is not clear what commercial undertaking the government has given to the theme park development company, or whether there is any escape clause in the existing contract for site handover should there be any unforeseen environmental risk, or whether the government alone will bear all environmental risk even if they are totally unforeseen. Due to the nature and scale of the contamination problem, it is logical for the Administration to approach the theme park company (of which it is a significant shareholder) and
discuss how each party may share the liability and loss, if any, should the lowest risk option of on-site treatment is chosen.

5. Before Legco makes a decision on this issue, we suggest that the Administration be asked to (a) provide an answer with supporting data on the question set out in point 3 above, and (b) discuss the various treatment options with the theme park company and report back on the likely split of potential costs and liabilities associated with the various treatment options.

6. Regardless of how this contamination issue is resolved, the Conservancy Association believes that this issue raised a wider question on the quality of planning, and the quality of decision making on major infrastructure projects in Hong Kong. There is a danger that more of the same problems will surface if political commitments on land-use and work programmes are made before the due process of planning and EIA is allowed to carry through in a truthful and professional manner. The society at large will then have to pay higher costs and risks for second-rated solutions designed under politically imposed constraints.