

立法會
Legislative Council

LC Paper No. CB(1) 1824/04-05
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

**Minutes of meeting held on
Monday, 23 May 2005, at 2:30 pm
in the Chamber of the Legislative Council Building**

Members present : Hon CHOY So-yuk (Chairman)
Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon Martin LEE Chu-ming, SC, JP
Hon CHEUNG Man-kwong
Hon Miriam LAU Kin-yee, GBS, JP
Hon Albert CHAN Wai-yip
Hon Audrey EU Yuet-mee, SC, JP
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Dr Hon KWOK Ka-ki
Hon Patrick LAU Sau-shing, SBS, JP

Member attending : Hon KWONG Chi-kin

Members absent : Hon WONG Yung-kan, JP
Hon LAU Kong-wah, JP

**Public officers
attending** : **For item IV**

Environmental Protection Department

Mr K K KWOK
Permanent Secretary for the Environment, Transport and
Works (Environment)

Environmental Protection Department

Mr Raymond FAN
Deputy Director of Environmental Protection (2)

Mrs Teresa WONG
Assistant Director (Waste Management Policy)

Dr Ellen CHAN
Assistant Director (Environmental Infrastructure)

CDM International Inc.

Mr Paul CHUNG
Senior Vice President, China Division Manager

Mr Robert HURDLE
Vice President

Mr Raymond CHAN
Environmental Engineer, Project Manager

Attendance by invitation : For item IV

Green Island International (BVI) Ltd

Mr Don JOHNSTON
Executive Director

Meishang International Group (Macau) Environmental Investment Ltd

Mr CHUNG Wai-wing
Director Project Manager

Hong Kong Institution of Engineers

Ir Dr LO Wai-kwok
Vice President

Democratic Alliance for Betterment and Progress of Hong Kong

Mr CHUNG Kong-mo
Policy Deputy Spokesperson-Environmental Affairs

The Conservancy Association

Ms CHEUNG Lai-ping
Chief Executive

Friends of the Earth (HK)

Mr CHU Hon-keung
Environmental Affairs Manager

WIT Holdings Ltd

Mr Vincent CHENG
General Manager

PSM (HK) Company Ltd

Mr Wilson TSE Yee-lam
Marketing Director

Hong Kong Waste Management Association

Mr Daniel M CHENG
Executive Committee member

Federation of Hong Kong Industries

Mr Joe NG
Representative

Hong Kong General Chamber of Commerce

Mr James R GRAHAM
Chairman, Environment Committee

Advisory Council on the Environment

Prof POON Chi-sun
Chairman of the Advisory Council on the Environment
Waste Subcommittee

Clerk in attendance : Miss Becky YU
Chief Council Secretary (1)1

Staff in attendance : Ms Elyssa WONG
Deputy Head
(Research and Library Services Division)

Mr Jackie WU
Research Officer 1

Ms Rosalind MA
Senior Council Secretary (1)8

Miss Mandy POON
Legislative Assistant (1)4

Action

I. Confirmation of minutes

(LC Paper No. CB(1) 1542/04-05 — Minutes of the meeting held on
25 April 2005)

The minutes of the meeting held on 25 April 2005 were confirmed.

II. Information paper issued since last meeting

2. Members noted that no information papers had been issued since last meeting.

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 1544/04-05(01) — List of follow-up actions
LC Paper No. CB(1) 1544/04-05(02) — List of outstanding items for
discussion)

3. Members agreed to discuss the following items at the next regular Panel meeting scheduled for Monday, 27 June 2005, at 2:30 pm -

- (a) Implementation plan for the Harbour Area Treatment Scheme Stage 2; and
- (b) A proposal to require pre-Euro heavy diesel vehicles to be retrofitted with emission reduction devices.

It was also agreed that deputations would be invited to attend the meeting to give their view on item (a).

4. The Chairman reminded members that a special meeting would be held on Monday, 30 May 2005, at 2:30 pm to discuss the following -

- (a) Item 33CG - Setting up sorting facilities at Tseung Kwan O Area 137 and Tuen Mun Area 38; and
- (b) Development of EcoPark.

IV. Management of municipal solid waste in Hong Kong

5. The Chairman declared that she had earlier been invited by the Meishang International Group (Macau) Environmental Investment Ltd and WIT Holdings Ltd to visit their waste treatment facilities in Pudong and Wuxi respectively.

Meeting with Green Island International (BVI) Ltd
(LC Paper No. CB(1) 1544/04-05(03))

6. Mr Don JOHNSTON briefly explained the Co-combustion Pilot Plant Project jointly undertaken by Green Island International (BVI) Ltd and the Hong Kong University of Science and Technology, which was aimed at integrating thermal treatment of municipal solid waste (MSW) with cement manufacture. He said that a performance report on the project would be submitted to the Environmental Protection Department (EPD) later this year.

Meeting with Meishang International Group (Macau) Environmental Investment Ltd
(LC Paper No. CB(1) 1544/04-05(04) (Chinese version only))

7. Mr CHUNG Wai-wing gave a video presentation on the integrated treatment of MSW adopted by one of the Meishang International Group (Macau) Environmental Investment Ltd (MIGEI)'s factories in the Mainland. The treatment processes involved segregation, recycling, fermentation, composting and co-combustion resulting in electricity generation.

Meeting with Hong Kong Institution of Engineers
(LC Paper No. CB(1) 1544/04-05(05) (English version only))

8. Ir Dr LO Wai-kwok highlighted the salient points in the Hong Kong Institution of Engineers (HKIE)'s submission. He said that HKIE concurred with Government's waste management strategy and acknowledged the need for introducing a MSW disposal charging scheme to serve as an economic incentive for waste reduction and to facilitate the development of viable waste recovery and recycling industries in Hong Kong.

Meeting with Democratic Alliance for Betterment and Progress of Hong Kong
(LC Paper No. CB(1) 1544/04-05(06) (Chinese version only))

9. Mr CHUNG Kong-mo took members through Democratic Alliance for Betterment and Progress of Hong Kong (DAB)'s submission. He said that it had been DAB's stance that the Administration should exhaust all possible means to reduce and recycle MSW waste, including the Product Responsibility Scheme (PRS), before

considering final disposal of the waste. To promote waste recovery, DAB would recommend the setting up of a central waste sorting facility to facilitate a ready supply of recyclable materials, which would help ensure the viability of EcoPark and recycling industries. DAB also supported economic incentives to reduce wastes and measures to restrict the use of products which were not environmentally friendly.

Meeting with Conservancy Association

(LC Paper No. CB(1) 1544/04-05(07) (Chinese version only))

10. Taking members through Conservancy Association (CA)'s submission, Ms CHEUNG Lai-ping said that the public should be made aware of the urgency and seriousness of the waste problem and should be apprised of the pros and cons of different treatment options. She said that the waste generated in Hong Kong should be treated and disposed of locally rather than exporting to other places.

Meeting with Friends of the Earth (HK)

(LC Paper No. CB(1) 1544/04-05(08) (Chinese version only))

11. Mr CHU Hon-keung said that Friends of the Earth (HK) (FOE) supported a sustainable waste management strategy which would effectively reduce and recycle waste before final disposal. He added that more should be done to promote reduced packaging as well as sorting and separation of waste.

Meeting with WIT Holdings Ltd

(LC Paper No. CB(1) 1544/04-05(09) (Chinese version only))

12. Mr Vincent CHENG drew members' attention to the adverse impact of waste incineration as the resultant generation of dioxins and flying ash was a cause of public concern. Therefore, WIT would support measures to reduce and recycle waste as these would not only create job opportunities but also facilitate a circular economy. He said that with the availability of composting techniques, waste could be used as compost for organic farming in Hong Kong, which was a green industry with great potentials for development.

Meeting with PSM (HK) Company Ltd

(LC Paper No. CB(1) 1544/04-05(10))

13. Mr Wilson TSE Yee-lam introduced members to the Plystarch Material manufactured by the company, which was a biodegradable material made from corn starch that could be used to replace plastic. He hoped that the wider use of biodegradable material should be considered in the context of the waste management strategy.

Meeting with Hong Kong Waste Management Association
(LC Paper No. CB(1) 1544/04-05(11) (English version only))

14. Mr Daniel M CHENG said that Hong Kong Waste Management Association (HKWMA) was supportive of the “polluter-pays” principle as well as the “reduce, reuse, recycle, treat and disposal” waste management hierarchy. As such, waste incineration should only be adopted as the last resort after measures to reduce and recycle waste were exhausted.

Meeting with Federation of Hong Kong Industries
(LC Paper No. CB(1) 1544/04-05(13) (English version only))

15. Mr Joe NG took members through Federation of Hong Kong Industries (FHKI)’s submission. He said that FHKI fully supported Government’s three-pronged approach in waste management, namely waste avoidance and minimization; recovery, recycling and reuse; as well as bulk reduction and disposal of unrecyclable waste. It also supported the early establishment of EcoPark which was essential in fostering the vibrant development of local recycling industry. As for the non-recoverable/recyclable waste, FHKI considered that thermal treatment was one of the best options to reduce the volume of waste before final disposal at landfills.

Meeting with Hong Kong General Chamber of Commerce
(LC Paper No. CB(1) 1608/04-05(01) (English version only))

16. Mr James R GRAHAM said that Hong Kong General Chamber of Commerce (HKGCC) was a strong advocate of a holistic package of waste management measures, including landfill charging, incentives for waste reduction at source, recycling, producers’ responsibility, building rehabilitation and alternatives to demolition. He also stressed the need to promote public awareness on the waste problem and to educate the public to reduce, reuse and recycle waste.

Meeting with Advisory Council on the Environment
(LC Paper No. CB(1) 1610/04-05(01) (English version only))

17. Prof POON Chi-sun said that Advisory Council on the Environment (ACE) was in support of Government’s waste management strategy as well as the use of legislative means to implement PRS. He said that Hong Kong should set its own recovery rate and work out practicable means to achieve it. Landfilling should not be relied on as the sole disposal means and the public should be engaged in the process of deciding on the types of treatment technology for the proposed integrated waste management facilities to treat non-recoverable wastes in Hong Kong. He also emphasized the importance of public education in the management of MSW.

18. The Chairman drew members’ attention to the following submissions from deputations not attending the meeting -

- LC Paper No. CB(1) 1544/04-05(12) — Submission from the Chinese General Chamber of Commerce (Chinese version only)
- LC Paper No. CB(1) 1588/04-05(01) — Submission from the Kohan Corporation (English version only)
- LC Paper No. CB(1) 1608/04-05(02) — Submission from the Ebara Corporation

Meeting with the Administration

19. The Assistant Director of Environmental Protection (Waste Management Policy) briefed members on the efforts made in the key aspects of MSW management by highlighting the salient points in the Administration's paper. Mr Robert HURDLE, Vice President of CDM International Inc. (VP/CDM) then gave a power-point presentation on the technical methods available for managing MSW.

(Post-meeting note: The presentation materials were circulated to members vide LC Paper No. CB(1) 1625/04-05(01) on 24 May 2005.)

General discussion

20. Ms Emily LAU enquired whether the business community was in support of the implementation of PRS by way of legislation to tackle the waste problem at source before considering other treatment options, such as incineration. Mr Joe NG/FHKI said that FHKI was supportive of the polluter-pays principle but there was difficulty in defining the term "polluter" which might include importers, retailers as well as consumers. There was hence a need for the Administration to provide clear guidelines in delineating fairly the respective product responsibilities so that PRS could be implemented as soon as possible. He agreed to the need for waste reducing measures before other treatment options, including incineration, were considered. Mr James R GRAHAM/HKGCC affirmed that PRS had had the support from the business community which was in favour of a holistic approach to waste management. PRS had been adopted in many overseas countries but this had yet to be extended to Hong Kong. Given the urgency of the waste problem and the imminent depletion of landfill space, he held the view that waste incineration should be implemented in tandem with PRS and other waste reducing measures since time was running out.

21. Ms Miriam LAU expressed support for a comprehensive waste management strategy comprising waste minimization, recovery and bulk reduction before final disposal of unrecyclable waste. She considered that consumers should be involved in PRS, and that incentives should be provided for the recycling of waste. Referring to the waste reduction, recovery and recycling programmes in Annex A to the information paper, she asked if the Administration had assessed the cost-effectiveness of the programmes, given that these would no longer be subsidized by Government

after PRS was introduced. She said that members would need to be convinced of the cost-effectiveness of these programmes before proceeding with PRS since recycling efforts would be futile if the recycling programmes were not viable. The Permanent Secretary for the Environment, Transport and Works (Environment) (PSETW) explained that some of the programmes in Annex A were pilot projects which might or might not be cost-effective but these had indeed reflected the Administration's commitment in reducing and recycling waste. The implementation of an effective PRS would provide economic incentives to waste recycling and facilitate the recycling industries in the development of a circular economy, thereby obviating the need for Government subsidies. The establishment of EcoPark would also play an important role in fostering the recycling industries. Ms LAU said that the Administration should provide more information on the cost-effectiveness of the recycling programmes.

Admin

22. Mr Martin LEE enquired about overseas practices in implementing PRS. He asked whether a deposit arrangement could be worked out such that the retailers/distributors had to fund the collection and recycling of used products, such as electrical and electronic appliances, returned by consumers when purchasing new products, irrespective whether the used products were initially bought from them. Mr Daniel CHENG/HKWMA shared his experience from a visit to Germany where he was very impressed with their waste recovery system. The waste materials were carefully separated and recycled, leaving a very limited amount of waste to be disposed. The same recovery system could be applied to Hong Kong which had the technology to do so. However, more determination was needed and some financial incentives should be introduced to encourage recycling. As regards the deposit arrangement proposed by Mr Martin LEE, Mr CHENG said that a similar system was also adopted in Germany where a levy would be collected at the time of purchase of new appliances to finance recycling operations. He further pointed out that the use of second hand appliances was very common in overseas countries. Ms CHEUNG Lai-ping/CA expressed support for the implementation of recovery programmes for larger electrical appliances such as refrigerators, similar to the practice of overseas countries.

23. Noting from the presentation materials that Germany, which out performed other countries in waste recovery, had only achieved a waste recovery rate of 50%, Mr LEE Wing-tat asked if the deputations were aware of any countries which had achieved a higher recovery rate. Ms CHEUNG Lai-ping/CA said that many overseas countries had been subsidizing their recycling industries, particularly in the absence of a market for certain recyclable materials. As a result, some of the waste had to be exported. While this might not be the case for Hong Kong as there was still much room for improvement in waste recovery, consideration should be given to ascertain the cost-effectiveness in this regard. Mr Vincent CHENG/WIT said that if waste was separated at source and properly treated with the latest technology, the amount of waste to be disposed of could be kept to the minimum. Mr CHU Hon-keung/FOE said that more could be done in improving the waste recovery rates in Hong Kong. By way of illustration, the recovery of moon cake boxes in the past two years was a huge success and manufacturers had agreed to reduce their packaging for moon cakes in the coming season. He was confident that with more commitment and

cooperation coupled with incentives for recycling, the waste recovery rate in Hong Kong could be further improved. Mr CHUNG Wai-wing/MIGEI said that his company's integrated treatment facility in Shanghai had been treating 1 000 tonnes of MSW each day. Of these, 65% had been recycled, leaving only 35% of unrecyclable waste to be disposed of.

24. Mr Albert CHAN opined that the relative high waste recovery rate in Hong Kong was attributable to poverty rather than environmental awareness. Recyclable materials, ranging from waste papers, bottles and even food, were recovered and recycled by the poor to meet their needs. It therefore seemed that what was best for Hong Kong was waste separation at source and the development of recycling industries rather than incineration and co-combustion. He enquired if the Administration was prepared to go for waste separation, in line with the practice of other places like Taiwan and Japan, instead of advocating incineration. PSETW said that EPD had rolled out a territory-wide programme on separation of domestic waste at source in early 2005. So far, over 140 housing estates had joined the programme and it was expected that the figure would be increased to 180. Assistance from property management companies was being sought on the provision of separation facilities to facilitate waste separation. It was hoped that with the enhanced efforts in waste separation, the waste recovery rate could be improved from the present 40% to 50% by 2014. Mr CHAN held the view that the pace was too slow, and that there was a need for a revised time table to expedite the progress. Consideration should also be given to introducing regulatory measures for waste separation.

25. Mr Patrick LAU enquired about overseas experience in incineration and how the negative side of incineration was dealt with. VP/CDM said that most cities except Hong Kong adopted incineration to a certain extent. United States did not have large-scale incineration because the cost of landfilling was low given the abundant supply of land. In fact, landfilling was the cheapest means of waste disposal as long as land was available. He added that with the advancement in technology, incineration could be performed in an efficient and safe manner. However, the cost of incineration would be higher than landfilling. At Mr LAU's request, the Administration undertook to provide more information on incineration technology and how its emission problem could be dealt with.

Admin

26. Referring to Figure 8 of the presentation materials, the Chairman requested the CDM International Inc. to provide written explanation on why the mixed waste had to go through both mechanical biological treatment and thermal treatment before disposal at landfills.

Admin

27. The Chairman sought members' view on the need to conduct an overseas duty visit to observe the operation of waste management facilities. Members generally considered an overseas visit not necessary given the time constraints and the fact that information on waste treatment facilities was already made available by the Administration. They however considered that a meeting should be held to discuss the Panel's stance on the way forward for the management of MSW. Ms Emily LAU also invited deputations to provide their views on the EcoPark.

(Post-meeting note: On the advice of the Chairman, an informal meeting was scheduled for Thursday, 16 June 2005, at 2:30 pm to discuss the Panel's stance on the way forward for the management of MSW.)

V. Any other business

28. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 1
Legislative Council Secretariat
17 June 2005