



香港工業總會
FHKI

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Federation of Hong Kong Industries

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The Honourable Choy So-yuk, JP
Chairman
Panel on Environmental Affairs
Legislative Council
8 Jackson Road
Central
Hong Kong

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Dear Ms Choy,

A Policy Framework for the Management of Municipal Solid Waste in Hong Kong

Thank you for inviting us to offer views on the Government's Policy Framework for the Management of Municipal Solid Waste in Hong Kong. We are pleased to submit the following comments for the Panel's consideration.

Preamble

First of all, we fully recognise the urgency to tackle Hong Kong's municipal solid waste (MSW) problem. In view that relying solely on landfills is not a sustainable option in managing the growing volume of MSW, the FHKI is in support of introducing new policies to encourage and support waste avoidance, minimisation and recycling.

In general, we are in agreement with the Government's strategic objectives:

- to avoid waste generation and to reduce the amount of solid waste that needs final disposal, by adopting measures to facilitate the separation of discarded materials, the recovery and reuse of materials and the recycling of non-reusable materials.
- to apply the "user-pays principle" as a means of reducing volume of waste for disposal; and
- to adopt advanced technologies and practices to treat waste requiring final disposal and to create new economic opportunities through such activities.

In our view, the adoption of a market-driven approach is crucial for achieving these objectives. The Government must ensure that viable and sustainable markets and outlets for recovered and recycled products are in place. This is important in stimulating more companies to engage in recovery and recycling business, thus helping Hong Kong to alleviate the MSW problem. Our specific recommendations in this connection are elaborated in the paragraphs below.

Targets for MSW Management

In its new policy framework, the Government has specified three targets for MSW management, namely:

1. to reduce the amount of MSW generated in Hong Kong by 1% per annum up to the year 2014, based on the 2003 levels.
2. to increase the recovery rate of MSW to 45% by 2009 and 50% by 2014.
3. to reduce the total MSW disposed of in landfills to less than 25% by 2014.

While we find the first two targets agreeable, the Government should take a more aggressive stance on reducing the disposal of MSW in landfills, in order to prolong their life span. It may also need to periodically review the progress, say, every two to three years, to see if there is any room to speed up the targets.

Likewise, the Government should re-examine the desirability of extending the life of the existing landfills. In any case, it should aim to keep the scale of extension to a minimum. The following environmental and financial implications of extending the landfills should be duly considered in such a review:

- Landfills use up large areas of land in Hong Kong, needing HK\$1.5 billion annually to operate and maintain. Worse still, it will require considerable costs for stabilisation of the landfill sites after their closure.
- According to the Policy Framework, the Government will need to spend HK\$8.3 billion on extending the life of the landfills, just for five to 15 years. This does not seem cost-effective, considering the original construction cost of the landfills was only \$6 billion.
- Landfills pose many environmental problems, including emission of methane and unpleasant smell, and risk polluting underground water.

Integrated Waste Management Facilities

On the development of Integrated Waste Management Facilities (IWMF), incineration with heat recovery is a technically feasible and practical option to reduce the volume of MSW for disposal at landfills. Nevertheless, in order to minimise the

environmental impact of such facilities, the Government should incorporate the following factors in the planning process:

- State-of-the-art technology that meets the most stringent emission standards should be employed.
- Mechanisms should be put in place to allow the public to monitor any deterioration in air quality or emission of air pollutants with serious harmful effects on human health.
- Any hazardous materials produced in the incineration process should be properly and carefully treated before they are transported to landfills for final disposal.
- The technology should enable maximum energy recovery, thus avoiding wastage of useful resources generated in the incineration process. In this connection, it is desirable to make available low pressure steam for use by industrial processes, particularly those with a high demand for heating, such as paper recycling. We hope that this will provide an incentive to attract industries to maintain production operations in Hong Kong. In selecting the sites of the future IWMP, the Government should ensure these benefits can be realised.

Eco-Park

In our view, the environmental and recycling sector will have an important role to play in the Government's strategy for MSW management. While we appreciate the establishment of the Eco-Park, which will certainly benefit this emerging industry, the timeframe for the development of this infrastructure currently proposed by the Government is far too slow to meet demand.

According to the Government's plan, the Eco-Park will be developed in two phases, with phase I providing about four hectares of land to be completed and ready for occupation by tenants in late 2006, and the second phase to commence construction until late 2009 after the removal of the fill bank managed by Civil Engineering and Development Department in early 2009.

The Eco-Park is not only an important infrastructure to support the local environmental and recycling sector, but will also serve as a showcase to demonstrate to the world Hong Kong's commitment to environmental protection. This project is already long overdue, and waiting another four years for the commencement of the second phase is unacceptable. We urge the Government to find ways to expedite this project and start the second phase development as soon as phase I is completed.

Promoting the Development of Hong Kong's Environmental and Recycling Sector

The Eco-Park alone is not enough to ensure the local environmental and recycling sector can grow and thrive in Hong Kong. More needs to be done to foster its

development. For instance, the Government should take the lead in using environmental and recycled products so as to stimulate their wider use in the community and create a viable market. On this, we would like to suggest two measures:

- all government departments should implement a green procurement policy whereby no less than 15 per cent of the procured items must be made of recycled materials; and
- the Government should make it a mandatory requirement for its contractors to use environmental and recycled products in all new public works, government buildings and public housing estates.

We also suggest that financial incentives, such as tax rebates, be provided to encourage people and companies to reduce waste and other pollution sources and to use more environmental and recycled products.

Public Education and Community Participation

Waste avoidance and minimization is the most cost-effective way to manage MSW. This will require co-operation and participation of the whole community and a change in consumer behaviour. The Government should continue to engage community and business groups in partnership programmes to promote the adoption of these practices.

Moreover, as separating waste at source will significantly affect the effectiveness of reuse, recovery and recycling, the current publicity campaigns mounted by the Government should be stepped up to increase awareness of its advantages among our citizens and to educate the public how to make the full use of waste separation facilities.

The Government should also widely consult the stakeholders before introducing any producer responsibility schemes to ensure the industries concerned will have adequate time to adjust to any new requirements.

We hope our views given above will be useful to the Panel in discussing a way forward for managing Hong Kong's MSW problem.

Yours sincerely,



Kenneth Ting
Chairman