## Chairman and Panel Members,

The principle of "Polluter Pays" is a key regulatory and market mechanism which can achieve the following:

- 1. Educate the community on the true cost of waste disposal.
- 2. Provide financial incentive for the reduction of waste.
- 3. Provide an equitable financial arrangement by which the community can recoup the cost of waste disposal.

These are powerful reasons for the polluter pays principle and need no further elaboration. They can be understood and supported by any right thinking citizen.

WWF unequivocally agrees that the "Polluter Pays" principle should be applied to sewage charges in Hong Kong. Nothing in our subsequent comments should in any way be taken as a qualification of this view.

Having said that, we also say the following.

Hong Kong should adopt clearly defined effluent discharge standards for all flow rates of sewage, as is now the case in Mainland China, in order to pursue sewage treatment in a strategic manner, instead of the current ad hoc manner. Hong Kong has strict effluent discharge standards for small sewage discharges, but no standards for larger discharges, let alone the huge discharges of the SCISTW. This does not make sense.

WWF is disappointed that the Government has not committed to secondary treatment of sewage at the SCISTW, as recommended in 2000 by the International Review Panel. Secondary treatment is the norm in developed countries including China. The Government claims that it has committed to secondary treatment at some later stage but this so-called commitment is vague and uncertain; it should commit to secondary treatment of all sewage in Hong Kong and offer a clear timetable for secondary treatment at SCISTW, with land identified for the purpose and set aside.

WWF is resolutely opposed to the Advance Chlorine Disinfection Facility for HATS Stage 2A. Chlorination is out of favour in sewage treatment because of the creation of by-products which are harmful to human health and the environment. In order to mitigate this, it is proposed that the chlorination be followed by de-chlorination. However, the success of this requires accurate monitoring and control of dosage of the large amounts of chemicals involved. Nowhere has this been attempted on the scale being proposed at SCISTW. By the Government's own estimates, SCISTW's consumption of chlorine bleach would be the equivalent of over 6% of the entire consumption of industrial bleach in the USA. This will make Hong Kong the world capital of bleach.

Recent DSD information shows that even with HATS 2A fully operational, water quality at the seven Tsuen Wan beaches would not be good enough for re-opening. In other words, the Government is now proposing the world's largest chlorine disinfection facility, costing millions of dollars of public money and with potentially harmful effects on the marine environment, with the objective of re-opening seven little used beaches, an objective that is now not achievable by HATS 2A alone.

When HATS Stage 2B materialises, the huge chlorination facility will become largely redundant. We urge members of the Panel to closely examine the true financial costs of the chlorination facility and the scale of the redundancy involved. WWF considers it preferable to abandon chlorine disinfection as a part of HATS 2A.

The Panel is aware that WWF has prepared a briefing paper for members on HATS Stage 2. The Government has prepared a point-by-point response to this briefing paper. WWF will be providing members a rebuttal in due course; please be patient. As members will know, these have been busy times for NGOs. Our days have been filled with such matters as trying to get through, in four weeks, a 3,500-page EIA report on the amusing notion of putting an LNG terminal in an area designated as a Marine Park.