立法會 Legislative Council

LC Paper No. CB(1) 1441/09-10 (These minutes have been seen by the Administration)

Ref: CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting held on Monday, 25 January 2010, at 2:30 pm in Conference Room A of the Legislative Council Building

Members present: Hon Audrey EU Yuet-mee, SC, JP (Chairman)

Hon CHAN Hak-kan (Deputy Chairman)

Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP

Hon James TO Kun-sun

Hon WONG Yung-kan, SBS, JP Hon Miriam LAU Kin-yee, GBS, JP Hon Andrew CHENG Kar-foo

Hon Albert CHAN Wai-yip

Hon LEE Wing-tat

Hon Jeffrey LAM Kin-fung, SBS, JP Hon CHEUNG Hok-ming, GBS, JP

Prof Hon Patrick LAU Sau-shing, SBS, JP

Hon KAM Nai-wai, MH Hon Cyd HO Sau-lan Hon CHAN Kin-por, JP Hon Tanya CHAN

Members attending: Hon Vincent FANG Kang, SBS, JP

Hon IP Wai-ming, MH

Public officers attending

: For item IV

Dr Kitty POON

Under Secretary for the Environment

Mr Elvis AU

Assistant Director (Water Policy) Environmental Protection Department Dr YEUNG Hung-yiu

Principal Environmental Protection Officer (Sewerage Infrastructure)

Environmental Protection Department

Mr SHIU Wing-yu

Assistant Director (Sewage Services)

Drainage Services Department

Mr Henry CHAU

Chief Engineer (Harbour Area Treatment Scheme)

Drainage Services Department

For item V

Dr Kitty POON

Under Secretary for the Environment

Mr Elvis AU

Assistant Director (Water Policy)

Environmental Protection Department

Dr YEUNG Hung-yiu

Principal Environmental Protection Officer (Sewerage

Infrastructure)

Environmental Protection Department

Mr TSUI Wai

Assistant Director (Projects and Development)

Drainage Services Department

Mr MAK Ka-wai

Chief Engineer (Consultants Management)

Drainage Services Department

Mr LAM Sau-sang

Senior Engineer (Consultants Management) 3

Drainage Services Department

For item VI

Dr Kitty POON

Under Secretary for the Environment

Mr Albert LAM

Deputy Director of Environmental Protection (2)

Environmental Protection Department

Dr Lawrence WONG

Acting Assistant Director (Special Duty) Environmental Protection Department

Clerk in attendance: Miss Becky YU

Chief Council Secretary (1)1

Staff in attendance : Mrs Mary TANG

Senior Council Secretary (1)2

Miss Mandy POON Legislative Assistant (1)4

Action

I. Confirmation of minutes

(LC Paper No. CB(1) 914/09-10 — Minutes of the meeting held on 23 November 2009)

The minutes of the meeting held on 23 November 2009 were confirmed.

II Information paper issued since last meeting

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

III Items for discussion at the next meeting

(LC Paper No. CB(1) 915/09-10(01) — List of follow-up actions LC Paper No. CB(1) 915/09-10(02) — List of outstanding items for discussion)

- 3. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Monday, 22 February 2010, at 2:30 pm -
 - (a) Proposed legislative amendment to enhance the control on illegal depositing of construction and demolition materials; and
 - (b) Clinical Waste Control Scheme Subsidiary Legislation and Code of Practice under the Waste Disposal Ordinance (Cap. 354).
- 4. The <u>Under Secretary for the Environment</u> (USEN) enquired if the Panel would consider inviting deputations to the next regular meeting to express views on the new producer responsibility scheme for waste electrical and electronic equipment

(WEEE), the public consultation exercise of which was underway. Ms Cyd HO pointed out that it was for members, rather than the Administration, to decide whether deputations should be invited. Mr Albert CHAN however welcomed the Administration's forthcoming attitude on the need for public engagement. Given the impact of the scheme on the trades, Mr WONG Yung-kan considered that deputations should be invited to express their views. Referring to the submission from the HK WEEE Alliance tabled at the meeting, the Chairman said that a number of trades would be eager to express views on the scheme. Members agreed to invite deputations to the next regular meeting, and to advance the start time of the next regular meeting from 2:30 pm to 1:30 pm to allow sufficient time for discussion of the agenda items.

5. The <u>Chairman</u> opined that there might be a need for early discussion of the review of the Environment Impact Assessment (EIA) mechanism in view of the controversies surrounding the EIA on the construction of the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link.

IV 341DS – Harbour Area Treatment Scheme, stage 2A – upgrading of Stonecutters Island sewage treatment works and preliminary treatment works

(LC Paper No. CB(1) 915/09-10(03) — Submission from The Conservancy Association (Chinese version only)

LC Paper No. CB(1) 915/09-10(04) — Submission from The Chartered Institution of Water and Environmental Management Hong Kong (English version

only))

LC Paper No. CB(1) 915/09-10(05) — Submission from The Hong Kong Institution of Engineers (English version only)

Relevant papers

(LC Paper No. CB(1) 628/09-10(12) — Administration's paper on 341DS – Harbour Area Treatment Scheme, stage 2A – upgrading of Stonecutters Island sewage treatment works and preliminary

treatment works

LC Paper No. CB(1) 745/09-10(01) — Administration's supplementary

paper on 341DS – Harbour Area Treatment Scheme, stage 2A – upgrading of Stonecutters Island sewage treatment works and preliminary treatment works)

6. The <u>Chairman</u> said that when the same funding proposal was discussed at the last meeting on 15 December 2009, Ms Cyd HO requested that more time should be

allowed to discuss the proposal. To facilitate further discussion, the Administration had been requested to provide a supplementary paper setting out the chronology and details of the works completed, underway and contemplated under the Harbour Area Treatment Scheme (HATS) stage 2 (LC Paper No. CB(1) 745/09-10(01)).

7. <u>USEN</u> said that subsequent to the funding approval of \$9,286.5 million from the Finance Committee (FC) in June 2009 for upgrading part of 341DS to Category A, the Administration would be seeking further funding of \$7,928.9 million for upgrading the remaining part of 341DS. The funding proposal would be submitted for consideration by the Public Works Subcommittee (PWSC) in February 2010 with a view to seeking funding approval from FC in April 2010. The <u>Assistant Director of Environmental Protection (Water Policy)</u> (ADEP(WP)) gave a power-point presentation on the progress of HATS stage 1 and stage 2A while the <u>Chief Engineer (Harbour Area Treatment Scheme)</u> explained the works to be carried out in the remaining part of HATS stage 2A.

(*Post-meeting note*: A set of the power-point presentation materials was circulated under LC Paper No. CB(1) 996/09-10(01)) on 26 January 2010.)

Water quality

- Mr Albert CHAN said that the works to improve the water quality in the harbour were plagued with problems over many years. Despite the substantial amount of money being spent on HATS, the water quality of the harbour had yet to meet the standards good enough for resuming the cross-harbour swimming events, and re-opening the Tsuen Wan beaches which had been closed since the commissioning of HATS stage 1. USEN said that since the commissioning of the advance disinfection facilities in December 2009, the data gathered during the trial period were hinting some improvements in the water quality of Tsuen Wan beaches. The Administration would continue monitoring the beach water quality over the wet season from March to Consideration would be given to re-opening some of the closed beaches if there was sustained improvement in beach water quality . It was envisaged that the commissioning of HATS stage 2A in 2014 would result in further improvement in the water quality of the harbour. The Administration would closely monitor the water quality to see if it would be suitable to resume the cross-harbour swimming events after the full commissioning of HATS stage 2A. ADEP(WP) supplemented that according to the assessment in the Environmental Impact Assessment (EIA) for HATS stage 2A, the water quality of the harbour would be further improved following the commissioning of HATS stage 2A by 2014. Consideration could then be given to resuming the cross-harbour swimming events.
- 9. Mr LEE Wing-tat enquired the effectiveness of HATS stage 1 and stage 2A in achieving the targeted improvements in water quality, particularly in terms of removal of *E. Coli*, such that the public might conduct leisure angling activities along the coastline of the harbour. ADEP(WP) said that the Administration had been monitoring the water quality of the harbour. The environmental performance of HATS stage 1 was generally as expected. With the commissioning of HATS stage 1, the *E. Coli* level had been reduced by about 50%. The use of

chlorination/dechlorination to disinfect the treated effluent was also designed to remove 99.9% of *E. Coli*. from the effluent upon completion of HATS stage 2A. <u>ADEP(WP)</u> added that water quality along the coastline might be affected by pollution arising from expedient connection of some sewage pipes to the stormwater drains at the discharge points near the shore from time to time. <u>Mr LEE</u> enquired if assessment had been made on the impact of chlorination/dechlorination on the marine environment. <u>ADEP(WP)</u> said that trial operation of the advance disinfection facilities using chlorination/dechlorination had commenced in December 2009 at the Stonecutters Island sewage treatment works (SCISTW). Analysis of water quality at the outfalls had revealed that the residual chlorine level was within acceptable limits while residual chlorine was not detectable in the surrounding waters. The results were in line with EIA studies conducted earlier.

10. Mr WONG Yung-kan enquired if any ecological studies had been carried out on the impact of effluent discharge on the marine ecology of surrounding waters. He pointed out that some fishermen from the Mainland had been illegally collecting shellfishes from the polluted seabed in Hong Kong for sale in the Mainland. These shellfishes could be heavily contaminated and not suitable for consumption. ADEP(WP) said that the Administration had taken into consideration possible ecological and fishery impact of effluent discharge on the surrounding waters in the EIA report. In fact, the EIA studies conducted for HATS stage 2A had specifically examined the fisheries and ecology of the surrounding waters. The findings had indicated that the fishery impact would not be significant given the limited fishery resources at the discharge location. Notwithstanding, the Administration would closely monitor the changes in marine ecology of the surrounding waters. As regards illegal fishing, USEN said that the Agriculture, Fisheries and Conservation Department would step up joint enforcement actions with the Mainland authorities.

HATS stage 2A

- 11. Noting that the construction works for HATS stage 2A were divided into several works contracts, <u>Ir Dr Raymond HO</u> enquired about the interface among these contracts. The <u>Assistant Director of Drainage Services (Sewage Services)</u> (ADDS(SS)) said that the HATS stage 2A comprised altogether 12 works contracts. The Administration had split the works into smaller contracts to facilitate the participation of local contractors. The Administration would strengthen management over these contracts to ensure the quality of works.
- 12. <u>Prof Patrick LAU</u> enquired if green roofing would be provided in the treatment facilities at SCISTW. <u>ADDS(SS)</u> said that green roofing would be provided as far as practicable at SCISTW and the eight preliminary treatment works on Hong Kong Island along the sewage conveyance system.
- 13. Mr WONG Yung-kan expressed support for the funding proposal on the remaining works of HATS stage 2A as well as the early implementation of HATS stage 2B. Noting the substantial increase in project cost of the North District sewerage project to be discussed later, he enquired if the Administration was certain with the project costs of HATS stage 2A at this stage. ADDS(SS) said that the

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project costs for HATS stage 2A was an estimated figure. While the cost of the remaining works, including tunneling works and large-scale electrical and mechanical works, had gone up as compared to that of last year, the Administration had allowed for such increases in the current project cost estimate.

HATS stage 2B

- 14. Given that the Mainland and Macau had adopted secondary treatment for effluent, Ms Cyd HO failed to see why Hong Kong should still cling to chemically-enhanced primary treatment and discharge the treated effluent by an inshore outfall, which might have an adverse impact on the surrounding waters. She questioned if there had been any regional collaboration on improving the levels of sewage treatment and quality of effluent in a concerted manner. <u>USEN</u> said that the Hong Kong/Guangdong Joint Working Group on Sustainable Development and Environmental Protection had taken joint measures to reduce the pollution loads. <u>ADEP(WP)</u> said that the study process relating to the water quality in the Pearl River Estuary was underway with a view to providing inputs to formulate regional water quality management plans.
- 15. Ir Dr Raymond HO said that the HATS stages 2A and 2B had been discussed at length at meetings of the Panel and other forums. It might not be meaningful to re-open discussions on issues, such as disinfection using chlorination/dechlorination which had been supported by experts in the field. As the construction works for HATS stage 2A had already commenced, he sought confirmation on whether the site adjacent to SCISTW could be ready for use by late 2010 for the development of the biological treatment facilities (BTF) under HATS stage 2B. Referring to the submission from the Conservancy Association (LC Paper No. CB(1)915/09-10(03)), Prof Patrick LAU enquired whether the provision of BTF under HATS stage 2B could be expedited. ADEP(WP) said that HATS stage 2 was in good progress, with the construction of HATS stage 2A and the planning for HATS stage 2B being carried out The consultancy study on the co-use of the adjacent site to SCISTW by the proposed underground BTF and other aboveground uses had been completed in June 2009. On 25 September 2009, the Administration submitted an application to the Town Planning Board (TPB) to amend the Stonecutters Island Outline Zoning Plan for the development of the proposed BTF. The Metro Planning Committee of TPB had agreed to proceed with the proposed amendment in principle in December 2009. The Administration would proceed with the remaining procedures while allowing sufficient time to go through the statutory plan-making steps. Consultation with the districts had already been done to facilitate smooth processing of the rezoning application. Selection of consultants for the HATS stage 2B review study had also commenced in late December 2009. It was expected that the review study would commence in May 2010 for completion by 2011 to tie in with the rezoning process and more information would be ready at a later stage. At members' request, the Administration would provide supplementary information on the progress of planning work for HATS stage 2B.

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Illegal sewerage connections

- 16. Ms Cyd HO was concerned about the problem of illegal sewerage connections, particularly in dilapidated districts where untreated sewage was discharged direct to the harbour through expedient connections. She considered that concerted efforts from both the Buildings Department (BD) and Drainage Services Department (DSD) were required to tackle the problem. ADEP(WP) said that joint endeavours had been undertaken from time to time. For instance, an inter-departmental working groups comprising representatives from the Food and Environmental Hygiene Department, BD and DSD had been set up to deal with the problem of expedient connection affecting Tsuen Wan Bay area. ADDS(SS) said that DSD had been working closely with the Environmental Protection Department and BD in rectifying expedient connections.
- 17. Ms Cyd HO enquired about the penalties for illegal sewerage connections. ADDS(SS) said that under the Buildings Ordinance (Cap.123) (BO), the Building Authority could request building owners to rectify any defective drains. ADEP(WP) said that owners might be liable to prosecution under BO if their sewerage connections did not comply with the building plans. They might also contravene the Water Pollution Control Ordinance (Cap.358) if their sewage was discharged directly into the harbour through improperly connected sewers. Ms HO considered it necessary for the Administration to step up publicity in districts advising owners' corporations on the need to ensure proper sewerage connections. Meanwhile, enforcement actions should be taken to deter illegal sewerage connections. At members' request, the Administration would provide the prosecution statistics on illegal sewerage connections within the past three years.

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18. <u>Members</u> did not object to the submission of the funding proposal to PWSC in February 2010 for approval by FC in April 2010.

V 359DS – North District sewerage, stage 1 phase 2B

(LC Paper No. CB(1) 915/09-10(06) — Administration's paper on 359DS – North District sewerage, stage 1 phase 2B)

19. <u>USEN</u> briefed members on the Administration's proposal to increase the approved project estimate (APE) of North District sewerage, stage 1 phase 2B by \$55 million from \$130 million to \$185 million in money-of-the day prices. The <u>Assistant Director of Drainage Services (Projects and Development)</u> (ADDS(PD)) gave a power-point presentation on the reasons of the higher-than-expected project costs.

(*Post-meeting note*: A set of the power-point presentation materials was circulated under LC Paper No. CB(1) 996/09-10(02)) on 26 January 2010.)

20. <u>Mr CHEUNG Hok-ming</u> noted with concern the substantial percentage of increase in project costs. Given that a consultancy study had to be conducted prior to

implementation of the project, he queried the extent of deviation from the original APE. He was particularly concerned about the additional cost of \$14 million due to technical and on-site constraints, which in his view should have been anticipated by the consultants in working out the APE concerned. He enquired about the measures taken to prevent similar recurrences in view of the number of sewerage projects in the pipeline. ADDS(PD) explained that construction works at the sites for two sewage pumping stations had revealed that the actual profile of underground rock stratum was considerably more varied than that observed in earlier investigations. The total length of piles for the two sewage pumping stations had therefore been increased by about 220 metres. The Chief Engineer (Consultants Management) (CE(CM)) added that the earlier investigations were unable to reveal the actual ground investigations, because of the presence of trees at the site. As a result, 21 out of the 31 piles for the sewage pumping stations had to be increased in length by at least 10 meters each. In order to obtain a more accurate ground profile in future projects, more holes would be bored and trees relocated where necessary to facilitate the ground investigation works.

- 21. ADDS(PD) further explained that the situations in several sites where branch sewers would be laid were also more constrained than originally envisaged. was largely due to the presence of uncharted utilities and insufficient width of pedestrian alleys between buildings. Separately, in the course of ongoing liaison with the local community, a few residents had expressed concerns on the temporary obstruction of some access roads, and suggested DSD to adopt alternative solutions to To this end, DSD had explored, on a limited scale, the minimize the traffic impacts. use of trenchless construction for some of the sewers instead of open excavation to overcome these problems. Given the positive feedback on the effectiveness of the trenchless method in minimizing traffic impacts, CE(CM) said that DSD had recommended the extension of application of the trenchless method from 0.3 km to 0.9 km of the problematic sewer section. While additional works due to technical and on-site constraints were not uncommon in works projects, DSD would exercise tight control over the use of more costly alternative solutions. ADDS(PD) added that the Administration had reviewed the cost estimates of the sewerage projects in progress, and considered it unlikely for the cost of these other projects to increase significantly due to similar technical issues.
- 22. Prof Patrick LAU enquired about the measures to expedite connection of individual village houses to the communal sewerage network. He hoped that necessary assistance would be provided to residents in this respect. ADDS(PD) said that residents had been consulted on the sewerage connection, including the alignment of the branch sewers and the location of the terminal manholes at different stages of The Senior Engineer (Consultants Management) 3 added that as the sewers connecting to the communal sewerage network were within one metre below ground, the connecting works would unlikely be technically challenging in normal circumstances. <u>CE(CM)</u> said that a working group comprising representatives from the Home Affairs Department, Lands Department and villages would be set up to work out the arrangements for the connecting works where necessary. unfavorable ground conditions were encountered in the connecting works, the alignment of the connecting sewers would be altered in consultation with the residents. DSD would maintain close liaison with the residents on the connecting works

throughout the project.

- 23. The <u>Chairman</u> enquired about the percentage of village houses which had been connected to the communal sewerage network upon completion of a village sewerage project. <u>CE(CM)</u> said that DSD would endeavour to connect all village houses in the unsewered areas to the communal sewerage network. However, geotechnical and other types of constraints might render it infeasible to connect some village houses in more remote or low-lying areas to the communal sewerage network. So far, about 80% of villages houses in sewered areas had been connected to the communal sewerage network, depending on locations. Efforts would be made to extend the sewerage network to new houses within the villages where possible. At members' request, <u>the Administration</u> would provide supplementary information on the details of the connecting works in respect of village sewerage projects, including the percentage of village houses which had been connected to the communal sewerage network in sewered areas, reasons as to why it was infeasible to connect every village house in a sewered area to the communal sewerage network.
- 24. In concluding, the <u>Chairman</u> said that members did not object to the submission of the proposal for consideration by PWSC.

VI A new producer responsibility scheme for waste electrical and electronic equipment

(LC Paper No. CB(1) 915/09-10(07) — Administration's paper on a new

producer responsibility scheme for waste electrical and electronic

equipment

LC Paper No. CB(1) 915/09-10(08) — Paper on producer responsibility

scheme for waste electrical and electronic equipment prepared by the Legislative Council Secretariat (background brief))

- 25. <u>USEN</u> briefed members on the background to and proposals in the Consultation Document on a new producer responsibility scheme (PRS) for waste electrical and electronic equipment (WEEE) (the WEEE Scheme). The <u>Acting Assistant Director of Environmental Protection (Special Duty)</u> (Atg ADEP(SD)) explained the open approach adopted by the Administration in formulating the WEEE Scheme and the shared responsibility for proper management of WEEE.
- Mr Vincent FANG criticized the Consultation Document for being too vague with limited details on the WEEE Scheme. The public was only made aware of the need to share the costs for the collection and treatment of WEEE, but not the operation of the Scheme, such as definition of WEEE, levels of fees etc. Ms Cyd HO echoed that the Consultation Document only explained the cost recovery mechanism but not the collection and treatment of WEEE, which contained highly toxic materials. She considered that the Administration should set out in an appendix to the Consultation Document details on the collection, treatment and recycling of WEEE. Additional

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information on the legislative amendments required as well as the number of job opportunities to be created as a result of the implementation of WEEE Scheme should be provided. The Administration should also provide land for the storage and treatment of WEEE in view of the toxic nature of the waste. The fees under the WEEE Scheme should be set according to the "polluter-pays" principle on a revenue neutral basis. Mr IP Wai-ming opined that the Administration was using an open approach to absolve from its responsibility for WEEE. He stressed the need for the Administration to provide land as well as the necessary technological support and training to the recycling industries to ensure proper collection and treatment of WEEE. There was also a need to explain how the fees collected would be used to support the recycling of WEEE, and address possible district objections against the provision of WEEE treatment plants etc.

Coverage of the Scheme

- Mr CHAN Hak-kan said that Members belonging to the Democratic Alliance for Betterment and Progress of Hong Kong had all along been supportive of the introduction of the WEEE Scheme. In order for the Scheme to succeed, the Administration should clearly define the meaning of WEEE and work out the charging mechanism, including levels of fees. The collection, treatment and disposal of WEEE should also be compatible with the mode of operation of recycling industries in Noting that the Scheme would cover television sets, washing machines, Hong Kong. refrigerators, air conditioners and computer products (the regulated WEEE), Mr CHAN considered it necessary to provide a clear definition on computer products as many mobile phones had built-in micro-computers. USEN said that the regulated WEEE accounted for 86% by weight of the total WEEE generated in Hong Kong. They also contained more hazardous substances than other electrical and electronic Reference would be made to overseas practices in the collection, treatment and disposal of WEEE. As regards the computer products to be covered under the Scheme, USEN said that these would include desktops, laptops, printers, scanners and monitors, but not mobile phones with built-in micro-computers. Administration had an open mind on the coverage of the Scheme and would welcome views from the public in this respect.
- 28. Mr CHAN Kin-por asked if the coverage of the WEEE Scheme could be extended to cover regulated WEEE used on a commercial scale. <u>USEN</u> said that the Scheme was not meant to cover bulky WEEE used on a commercial scale since different levels of treatment would be required. <u>Atg ADEP(SD)</u> added that the Scheme would include all WEEE proposed to be regulated, irrespective of whether these were used at home or at a work place, except for products designed specifically for commercial and industrial use such as very large computer systems. Overseas experience showed that a demarcation of such products could be based on size, capacity, electricity consumption etc. The Administration would adopt an open approach in formulating the implementation details of the Scheme taking into account views collected from the public consultation exercise.

Cost recovery mechanism

- 29. Mr CHAN Kin-por noted that the Consultation Document had only set out the overseas experience in handling of WEEE, but not the detailed charging mechanism under the WEEE Scheme. He cautioned that unlike the environmental levy scheme on plastic bags under which consumers could avoid the levy by bringing their own bags, they ought to pay the end-of-life fee for purchasing new regulated products. While he found the anticipated increase of 2% to 3% in retail price as a result of implementation of the Scheme acceptable, this might not be the case for some consumers. USEN said that a survey had been conducted on the level of fee to be charged under the Scheme. The findings of the survey revealed that about half of the interviewees (49.2%) considered a fee up to 2.5% of the retail price to be reasonable, whereas another quarter (23.9%) found 2.5% to 5% of the retail price to be reasonable. In line with the "polluter-pays" principle, the costs for waste collection, recycling processes and other administrative matters would be recovered under the Scheme on a self-financing basis. An appropriate level of fee under the WEEE Scheme was difficult to specify at this stage because the actual costs would depend on a basket of factors, including the specific features of the Scheme. Nevertheless, the fees should reflect the extent of treatment required for different sizes and components of WEEE rather than the retail prices.
- Mr CHAN Hak-kan enquired about the cost recovery mechanism given the different costs associated with the collection, treatment, disposal of WEEE. Atg ADEP(SD) said that similar to other PRS, the costs incurred from the Scheme would be shared among stakeholders. When purchasing new regulated products, consumers would need to contribute to the costs of collecting and treating the regulated WEEE. Importers, distributors or retailers would need to ensure that regulated products to be sold were affixed with specified labels, representing the contributions to the costs of WEEE Scheme. When a new regulated product was purchased by a consumer, retailers would need to take back their equivalent old equipment (including equipment bought before the introduction of the WEEE Scheme without the specified labels) free of charge on a "new for old" basis. The Government would appoint one or multiple WEEE Management Contractors (WMCs) through open tender to provide WEEE collection and recycling services. Retailers should properly dispose of WEEE collected from its take-back programme through the appointed WMCs. The collection and treatment costs of regulated WEEE would be paid for through the fees collected from the specified labels.
- 31. While supporting the WEEE Scheme in principle, Mr LEE Wing-tat did not consider it proper to achieve the recycling objective through a mandatory charging arrangement. Instead, the Administration should set out the roles of importers, distributors and retailers in the recycling process. He was also concerned about the collection and recycling of WEEE bought prior to the implementation of the Scheme. USEN explained that importers and distributors could first pay the fee and affix the specified label to the regulated products at the time when they were brought into Hong Kong for local sales. This cost could ultimately be recovered along the supply chain, wholly or partially, from consumers. Alternatively, it was also possible for the labelling to be done and the fee to be collected by retailers at the point of sales when a

transaction was completed. The public would be invited to comment on whether a separate "visible" fee payable by consumers when purchasing new equipment or an "invisible" fee should be incorporated into the retail price.

Impact on the trades

- 32. Mr Vincent FANG said that the trades did not support the proposals to introduce a control regime on the import/export of used regulated products and regulated WEEE. They were concerned about the fee arrangements for specified labels for regulated products. On the other hand, retailers were opposed to the take-back of old equipment upon purchase of new regulated products on a "new for old" basis. Mr CHAN Hak-kan also expressed concern about the impact of the licensing requirements for processing and storage of used regulated WEEE on the livelihood of existing recyclers.
- In response, USEN said that there was a need to apply permit controls to the import and export of used regulated products and regulated WEEE taking into account the valid concerns that WEEE might be exported to developing countries that lacked safety, environmental awareness and proper technology to handle WEEE safely. added that the WEEE Scheme was meant to provide an enhanced collection network for the re-use and recycling of regulated WEEE. The disposal of regulated WEEE would be handled by appointed WMCs providing collection and recycling services. The proposed introduction of licensing requirements for processing and storage of used regulated products and regulated WEEE aimed to ensure that potential environmental hazard arising from these activities would be properly managed. would be exercised to avoid any adverse impact on the livelihood of second-hand dealers and recyclers. The Scheme should be self-financing in the long term based on the "polluter-pays" principle. The Administration would monitor, in the light of the Scheme, whether private investments would be forthcoming to fund and operate local WEEE treatment plants on a commercial basis, or whether other supporting measures were required to kick start the development of competent local WEEE processing capacity. The issue would be further considered taking into account the outcome of the consultation and other relevant factors.

Reduction and treatment of WEEE

- 34. <u>Mr LEE Wing-tat</u> enquired about the amount of regulated WEEE that could be reduced as a result of implementation of the WEEE Scheme. The <u>Deputy Director of Environmental Protection (2)</u> said that the Scheme was meant to enhance collection, treatment and disposal of regulated WEEE. It would also assist in enhancing public awareness on the need for waste reduction through the introduction of specified labels. <u>USEN</u> said that at present, about 20% of locally generated WEEE were disposed of in landfills. It was expected that about 30 000 tonnes of the total 70 000 tonnes of regulated WEEE generated each year would be recycled under the Scheme.
- 35. Referring to a visit by the trades to observe the PRS on WEEE in Japan, Mr Vincent FANG noted that consumers in Japan wishing to dispose of WEEE were required to acquire pre-paid tickets according to the type and size of the equipment.

After removal of usable parts and toxic chemicals, the waste equipment would be compressed to reduce the volume before disposal, which in his view was the simplest and direct way to handle WEEE. However, the Consultation Document lacked details on how the fees collected would be used for proper treatment and disposal of regulated WEEE. He stressed that the Administration should be responsible for providing collection and recycling services for regulated WEEE since the commercial sector was unlikely to have the technological know-how to treat regulated WEEE which contained hazardous materials that were harmful to the environment. Hence, the treatment plants should be operated by Administration to ensure proper handling of WEEE. Mr Jeffrey LAM added that the Administration should provide training for the environmental industries, and monitor the recycling of regulated WEEE.

36. <u>USEN</u> said that consumers in Japan were legally required to return their WEEE to retailers or other outlets and to pay an end-of-life fee for their used products. However, such was not considered feasible in the Hong Kong situation. This was because unlike Japan which was a major manufacturing country whose manufacturers took a significant role in promoting and managing the collection and treatment of WEEE, Hong Kong did not have a strong industrial base and had to rely on import of regulated products. The end-of-life fee might become a disincentive to some consumers and encourage the illegal dumping and free-riding by placing products in the municipal waste system. In the end, it would be the law-abiding consumers who would be funding the cost of the Scheme. Consideration could be given to the imposition of an appropriate fee on all new regulated products imported for sale into Hong Kong to recover the cost of the mandatory WEEE Scheme. The method of cost recovery would be subject to consultation.

Way forward

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37. To facilitate discussion at the next meeting on 22 February 2010, the Panel requested the Administration to provide supplementary information on the anticipated number of regulated WEEE to be collected under the scheme, the land and technological support to be provided by the Administration to ensure proper collection and treatment of regulated WEEE, the basis upon which the end-of-life fee was arrived at and whether the fee collected would be sufficient to support the recycling of regulated WEEE, the employment opportunities to be created under the Scheme, the measures to address possible district objections against the provision of WEEE treatment plants etc.

VII Any other business

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

Council Business Division 1
<u>Legislative Council Secretariat</u>
23 March 2010