

立法會
Legislative Council

LC Paper No. CB(1) 565/11-12
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 24 October 2011, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

- Members present** : Hon CHAN Hak-kan (Chairman)
Hon Audrey EU Yuet-mee, SC, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon Miriam LAU Kin-ye, GBS, JP
Hon Andrew CHENG Kar-foo
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, GBS, 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 Starry LEE Wai-king, JP
Hon CHAN Kin-por, JP
Hon IP Wai-ming, MH
Hon Tanya CHAN
- Members absent** : Hon WONG Yung-kan, SBS, JP
Hon Albert CHAN Wai-yip
- Public officers attending** : **For item IV**
Dr Kitty POON
Under Secretary for the Environment

Miss Vivian LAU
Deputy Secretary for the Environment
Environment Bureau

Mr Bernard CHAN
Chairman
Council for Sustainable Development

Dr Winnie LAW
Teaching Consultant
The Kadoorie Institute, The University of Hong
Kong

For item V

Dr Kitty POON
Under Secretary for the Environment

Mr Carlson K S CHAN
Deputy Director of Environmental Protection (3)
Environmental Protection Department

Miss Mary TSANG
Assistant Director (Cross-Boundary and International)
Environmental Protection Department

Mr Tony CHEUNG
Senior Environmental Protection Officer
(Cross-Boundary and International)
Environmental Protection Department

Miss Elsa CHEUK
Acting Principal Assistant Secretary for Transport &
Housing (Transport) 3
Transport and Housing Bureau

Mr Raymond WONG
Assistant Director of Planning/Territorial
Planning Department

Mr Joseph SHAM
Assistant Director (Country & Marine Parks)
Agriculture, Fisheries and Conservation Department

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

Staff in attendance : Mrs Mary TANG
Senior Council Secretary (1)1

Miss Mandy POON
Legislative Assistant (1)1

Action

I. Confirmation of minutes

(LC Paper No. CB(1) 141/11-12 — Minutes of the meeting held on 13 October 2011)

The minutes of the meeting held on 13 October 2011 were confirmed.

II. Information paper issued since last meeting

2. Members noted the following information paper which had been issued since last meeting -

LC Paper No. CB(1) 105/11-12 — Administration's response to the case conference on 3 August 2011 on the development of the Integrated Waste Treatment Facilities

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 143/11-12(01) — List of follow-up actions
LC Paper No. CB(1) 143/11-12(02) — List of outstanding items for discussion)

3. Referring to the list of outstanding items for discussion (LC Paper No. CB(1) 143/11-12(02)), the Chairman said that this had been updated in consultation with the Administration.

4. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 28 November 2011, at 2:30 pm -

- (a) Producer Responsibility Scheme for Waste Electrical and Electronic Equipment;
- (b) The Extension of the Environmental Levy Scheme on Plastic Shopping Bags: The Way Forward; and
- (c) Measures to strengthen the control of emissions from petrol and Liquefied Petroleum Gas vehicles.

IV. Public engagement on "Combating Climate Change: Energy Saving and Carbon Emission Reduction in Buildings"

(LC Paper No. CB(1) 125/11-12(01) — An invitation for response document on "Combating Climate Change: Energy Saving and Carbon Emission Reduction in Buildings" issued by the Council for Sustainable Development

LC Paper No. CB(1) 143/11-12(03) — Administration's paper regarding the Council for Sustainable Development's Public Engagement on "Combating Climate Change: Energy Saving and Carbon Emission Reduction in Buildings")

5. The Under Secretary for the Environment (USEN) said that the Administration had conducted a public consultation from early September to end December 2010 to collect public views on Hong Kong's climate change strategy and action agenda for the coming decade, including the proposed target of reducing carbon intensity by 50% to 60% by 2020 when compared with 2005 as well as a series of possible supply-side options and demand-side measures to help achieve the proposed target. As some 90% of electricity supply in Hong Kong was consumed by buildings, accounting for about 60% of greenhouse gas (GHG) emissions in Hong Kong, there was a strong case for targeting major building user groups (including residential, office, retail and catering sectors) for territory-wide reduction in energy consumption and carbon emission. In this connection, the Council for Sustainable Development (SDC) issued an Invitation for Response (IR) document entitled "Combating Climate Change: Energy Saving and Carbon Emission Reduction in Buildings" to take a bottom-up

approach to engage building users to work together to maximize energy efficiency and minimize carbon emission in buildings.

6. The Chairman, Council for Sustainable Development (C,SDC) said that while there were growing concerns about climate change which would inevitably affect where and how people, plants and animals lived (such as impacts on food production, accessibility and use of fresh water as well as health risk), the general community was not too familiar with measures to combat climate change. The purpose of the public engagement exercise was to impart information and initiate public dialogue on a "3 S Action" (i.e. save energy, save money and save the Earth) to combat climate change. Based on the findings from meetings with various stakeholders as well as reviewing local and overseas experience, SDC put forward an initial list of 11 possible actions with a view to facilitating further discussion in the community. These possible actions could be categorized into "systemic enhancement" and "facilitation of behavioral change". SDC would analyze the views and responses collected during the public engagement process, and aim to submit a report to the Administration for consideration by the first quarter of 2012.

7. Ms Audrey EU opined that instead of adopting a progressive voluntary target of reducing carbon intensity by 50% to 60% by 2020, a more pragmatic approach was to set a target to reduce total carbon emissions. She urged the Administration to work out a roadmap and a timetable for achieving the carbon emission reduction target. Mr LEE Wing-tat echoed that a carbon emission reduction target was more practical than recommendations to improve energy efficiency. USEN said that the Central People's Government announced in November 2009 a voluntary national target to reduce carbon intensity by 40% to 45% by 2020 as compared with 2005. In setting a carbon intensity reduction target for Hong Kong, care had to be taken to ensure that the proposed target was realistic and attainable. The progressive voluntary target of reducing carbon intensity by 50% to 60% by 2020 represented the aspirations of Hong Kong in moving towards a low carbon city and economy. Besides, the target adopted in Hong Kong was already higher than that in the Mainland.

8. In reply to Mr LEE Wing-tat's enquiry about the role of SDC, C,SDC said that SDC was to advise the Administration on the priority areas which should be addressed in promoting sustainable development. By way of illustration, SDC had earlier conducted a very successful public engagement exercise to gauge views on "Building Design to Foster a Quality and Sustainable Built Environment" and most of SDC's recommendations had been accepted by the Administration. In addition to the public consultation on Hong Kong's Climate Change Strategy and Action Agenda conducted by the Administration in September 2010, SDC had decided to conduct a new public

engagement exercise in the wake of the Fukushima incident to trigger further thoughts in using and managing the demand-side of limited and increasingly expensive energy resources as effectively as possible. The public engagement exercise aimed to gauge the views of the community and stakeholders on concerns, incentives and potential action plans on demand-side management of electricity consumption.

Possible actions identified under systemic enhancement

Tightening the Building Energy Code

9. Noting that 90% electricity consumed in Hong Kong was used in buildings, Mr LEE Wing-tat held the view that more should be done to improve energy efficiency of buildings. It was disappointing that the recently enacted Buildings Energy Efficiency Ordinance (Cap. 610) (BEEO) targeted mainly at new buildings. Expressing similar view, Ms Audrey EU opined that legislation should be introduced to control building energy efficiency. USEN agreed that optimizing energy efficiency of buildings was very useful in reducing carbon intensity. Hence, the Administration welcomed SDC's public engagement exercise to collect views and responses from building users on the means to improve energy efficiency of buildings. The Administration would take into account the recommendations to be put forward by SDC in its report before deciding on further actions to improve building energy efficiency.

Recognition for buildings achieving high energy efficiency

10. Miss Tanya CHAN expressed concern about the low application rate under the BEAM Plus certification system, which was used to rate the environmental performance of new and existing buildings types in Hong Kong. This might be attributed to the voluntary nature of the system. She asked if the Administration would step up communication with developers to promote the merits of green building certification and relevant rating standards. The Administration should also take the lead in applying the certification system for its buildings. C,SDC said that the value of buildings would appreciate with the award of BEAM Plus certification on account of their energy-efficient performance. The certification would serve as a sign of excellence and could have a positive effect on the leasing and resale value for buildings. It would also provide a market incentive for more energy-efficient building performance. He agreed that the Administration should take the lead in applying for BEAM Plus certification for its new building projects.

11. Professor Patrick LAU noted that with effect from 1 April 2011, the BEAM Plus certification had become one of the pre-requisites for granting gross area concessions in developments. While agreeing to the need to improve building energy efficiency in Hong Kong, he expressed concern about the financial burden on developers to meet the rating standards under BEAM Plus given the high cost of environmental facilities such as photovoltaic panels. C,SDC took note of Professor LAU's concerns and agreed to take these into consideration when compiling the report.

Proposed actions on facilitation of behaviour change

Energy/carbon audit

12. Referring to the new environmental initiatives of carrying out carbon audits on major Government buildings and public facilities as well as exploring the possibility of setting up a carbon footprint repository, Mr Jeffrey LAM agreed that carbon audit provided a baseline to derive a pragmatic approach to reduce GHG emissions and allowed evaluation of the effectiveness of carbon reduction measures. He however pointed out that carbon audit and carbon footprint repository might be too abstract for the general public to comprehend. The small and medium enterprises (SMEs) were particularly concerned about the cost-implications of carbon audits. He enquired about the Administration's plans to take forward carbon audit, including applicability to SMEs and provision of assistance etc.

13. USEN said that to encourage building owners to carry out energy-cum-carbon audits and energy improvement projects, the Buildings Energy Efficiency Funding Schemes (BEEFS) were launched in April 2009 with the allocation of \$450 million from the Environment and Conservation Fund (ECF). The schemes had been well received and about 6 000 buildings had benefitted from the schemes. Efforts would be made to increase awareness of business enterprises and to encourage them to take part in carbon audits and other carbon emission reduction measures.

14. Mr KAM Nai-wai pointed out that in general, building owners were not interested in energy-cum-carbon audits or energy improvement projects. They were only keen to make use of the funds under BEEFS to upgrade their lift and lighting installations when these were due for replacement. He therefore considered it necessary for the Administration to take the initiative to conduct energy-cum-carbon audits for private buildings with the consent of building owners, and recommend measures to be adopted to optimize energy efficiency and minimize carbon emissions of the buildings. In this way, building owners would not need to go through cumbersome application procedures which might

have prevented them from applying for BEEFS. C,SDC noted that some stakeholders, notably building management committees, which had attended previous forums organized by SDC had expressed concerns about the costs to be incurred from implementation of energy saving measures under various voluntary schemes and their effectiveness. Hence, SDC supported that the Administration should take the lead in carrying out carbon audits and energy efficiency measures in Government buildings/facilities and public housing estates with a view to illustrating to building owners the effectiveness of carbon audits and energy efficiency measures in reducing electricity consumption.

15. Ms Starry LEE enquired about the types of buildings which had benefitted from BEEFS. USEN said that BEEFS had been successful in facilitating behavioral changes in the community on the need to improve energy efficiency of buildings. Building owners who had benefitted from BEEFS were able to reduce electricity consumption while protecting the environment at the same time. She added that the types of buildings which had benefitted from BEEFS included public housing estates not wholly owned by the Hong Kong Housing Authority (HA) and Hong Kong Housing Society, residential, industrial and commercial buildings etc. In reply to Ms LEE's further enquiry on the efforts to be made to promote BEEFS in housing estates and schools, USEN advised that energy efficiency projects for non-governmental organizations and schools were covered under separate funding from ECF.

Adoption of energy-efficient electricity appliances among the trades

16. Mr CHAN Kin-por considered that publicity should be stepped up to promote public awareness on energy efficiency. He enquired if the Administration would set aside funds to assist public organizations such as HA in taking forward energy-efficient measures on a larger scale, including green roofs and installation of lighting with motion sensors in staircases of public housing estates. His views were shared by Ms Miriam LAU. USEN said that much effort had been made to promote energy efficiency in the 18 districts. Joint promotional activities in collaboration with green groups on energy efficiency had also been conducted. The Administration would take into account the recommendations to be made by SDC in taking forward energy saving and carbon emission reduction measures in buildings.

17. Ms Miriam LAU said that according to her own experience, energy savings could be achieved through simple behavioral changes such as switching off lights and computers not in use. Hence, more efforts should be made to promote energy conservation through behavioral changes. She was disappointed at the continued rise in electricity consumption in Hong Kong despite the efforts to promote energy efficiency. This might be attributable to

the higher cost of energy-efficient electrical appliances such as compact fluorescent lamps (CFLs) which were not only more expensive than incandescent light bulbs (ILBs) but also required changes to the existing electrical fittings in some cases. Besides, there were doubts about the performance and durability of some CFLs in the market. Noting that the Mainland was more committed to the development of renewable energy as evidenced by the use of solar energy for most of the street lamps, Ms LAU considered that similar efforts should be made locally. There might be a need for a review of the use of renewable energy.

18. In response, USEN said that the increase in electricity consumption was mainly due to the increase in economic activities and demographic growth in Hong Kong. Moreover, more electricity was consumed nowadays with the wider use of mobile phones and computers. The public engagement exercise would help remind the public of the need for behavioral changes in conserving energy. C,SDC added that as set out in the IR document, there was a need for a better understanding of an individual's energy consumption before efforts could be made to induce behavioral changes. On CFLs, USEN said that most of CFLs available in the market could fit in existing electrical fittings without the need for changes. With the use of CFLs becoming more popular, more types of CFLs would be available in the market. She added that the Administration was trying out the use of light emitting diode (LED) for street lighting. At members' request, the Administration would provide the number of LED street lamps used in Hong Kong.

Admin

Electricity tariff structure review

19. Ms Starry LEE noted that at present, the unit cost of electricity remained the same once the electricity consumption reached a certain level. This provided no incentive for energy conservation. Hence, there was a need to restructure the electricity tariff to facilitate behavioral change and achieve energy savings. She enquired if the Administration had requested the two local power companies to review their electricity tariff structure with a view to driving reduction in electricity consumption through a progressive tariff structure. Professor Patrick LAU supported the introduction of progressive tariff structure to provide the needed incentives to reduce electricity consumption. Ms Audrey EU said that consideration should be given to opening up the electricity market.

20. USEN explained that the current electricity tariff had reflected the cost of electricity generation. The Administration would take note of the recommendations to be made by SDC in reviewing the electricity tariff structure. The Deputy Secretary for the Environment (DSE) said that the tariff

arrangements under the two power companies were governed by the Scheme of Control Agreements (SCA). The electricity tariff for domestic users was already a progressive one as the unit rate would increase with a higher level of electricity consumption. There were nevertheless calls for the two power companies to introduce a progressive tariff structure for commercial users as well. The power companies had been requested to conduct a review. C,SDC added that two possible tariff structures, namely progressive tariff structure and seasonal/time-of-use tariff programme, had been included in the IR document for consideration by stakeholders and building owners. Factors that needed to be taken into consideration included technical feasibility and acceptability of different groups of stakeholders to be affected.

21. Ms Starry LEE cautioned that the proposal to reduce peak demand under a seasonal or time-of-use tariff programme to allow for higher tariff at peak hours might be exploited for profiteering by power companies. DSE clarified that the total amount of permitted return that the power companies might receive in a year was determined in strict accordance with the provisions in SCA, and would not be affected by any changes to the tariff structure.

V. Public consultation on Initial Proposals for the Regional Cooperation Plan on Building a Quality Living Area

(LC Paper No. CB(1) 2971/10-11(01) — Administration's paper on public consultation on the initial proposals for the Regional Cooperation Plan on Building a Quality Living Area)

22. At the Chairman's invitation, USEN gave a power-point presentation on consultation document entitled "Initial Proposals for the Regional Cooperation Plan on Building a Quality Living Area".

(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1) 172/11-12(02) on 25 October 2011.)

23. Noting that the meeting with green groups on the consultation document had been cancelled following the hoisting of Tropical Cyclone Warning Signal No. 8, Ms Audrey EU enquired about the arrangements for re-scheduling the meeting. USEN said that the public forum referred to had been re-scheduled and held at the following week. A number of green groups had participated in the public forum as well as in an expert forum held separately. The

Administration had earlier met with the Advisory Council on the Environment, and would conduct separate sessions with interested environmental groups and trade associations to exchange views on the initial proposals for the regional cooperation plan in the next few weeks.

24. As the initial cooperation proposals straddled various areas, Ms Audrey EU held the view that special committees should be set up to work out the targets, roadmaps and time frames for different proposals as well as to monitor the progress of cooperation. USEN said that a good number of joint working groups on cross-boundary issues had already been set up under the Hong Kong/Guangdong Co-operation Joint Conference, including the Joint Liaison Group on Combating Climate Change. Under the Joint Working Group on Sustainable Development and Environment Protection, a Special Panel on Marine Resources & Conservation had been put in place to consider issues pertaining to maritime ecological protection co-operation, including protecting the habitat of Chinese White Dolphins. Moreover, open forums on the regional cooperation plan had been held in Macau and would also be held in Guangdong. On implementation of measures and initiatives to be recommended under the Plan, USEN said that the necessary funding would be sought by the Administration in accordance with the established procedures. In the event that non-governmental organizations would like to take forward further studies on the regional cooperation plan, support could be sought from funding sources such as ECF.

25. Mr KAM Nai-wai held the view that consultation document was high sounding but vague with no targets for achievement. In the absence of specified targets, the public would find it difficult to provide useful views. USEN said that the consultation document had been prepared based on background researches, topical studies and discussions among the three sides. The public consultation would also seek to gauge views on the need to set targets and to quantify the achievements to be made in providing for a quality living area.

Coordinated spatial development

26. Given the wide scope of the consultation document, Professor Patrick LAU shared other members' views on the need for specific details such as the scale and location of conservation sites, nature of cultural cooperation, supporting infrastructure to facilitate the development of green transport etc. Noting that various plans were being worked out for developing some of the sites in the Greater Pearl River Delta (PRD) Region such as the "Guangdong-Macau Hengqin Cooperation Project Sites", he sought information on these plans to ensure compatibility with the regional cooperation plan.

USEN said that this was the first regional cooperation plan among Guangdong, Hong Kong and Macau to address regional and cross-boundary issues from the perspectives of sustainable development. It had put enhancement of quality living at the heart of regional development. The regional cooperation plan would be drawn up based on the consensus reached by the three sides. The Administration would welcome views on the different aspects of regional cooperation. Meanwhile, more would be done to ensure a low-carbon development in newly developed areas such as Hengqin and Lok Ma Chau Loop Area.

27. Ms Cyd HO noted that a potential candidate for the post of Chief Executive had earlier indicated to village representatives that the Northern New Territories would become the city centre for Hong Kong and Shenzhen. She was concerned that the present public consultation would be pointless if the intention of the new term of Government was to develop Northern New Territories as the city centre rather than conserving the area.

Enhancing environmental quality and ecology/Cooperation on culture and livelihood issues

28. Mr KAM Nai-wai enquired about the plans for the conservation of marine habitat in the Greater PRD Region, particularly the protection of Chinese White Dolphins. Ms Cyd HO opined that there was a need to standardize environmental standards and legislation when fostering cross-boundary cooperation. Noting from previous joint construction projects with the Mainland that the higher standard would prevail if there was a disparity in standard, she enquired if such arrangement would apply to cross-boundary cooperation such as the recycling of reusable materials. As regards cross-boundary cultural cooperation, she stressed the need to ensure that the core values of Hong Kong would not be undermined.

29. USEN said that despite the differences in economic, administrative, and legal structure as well as social and cultural background of Guangdong, Hong Kong and Macao; there was great potential for regional cooperation among the three sides. Efforts would be made to ensure the sustainability of development in the Greater PRD Region. The public consultation document provided for the joint strategies to transform the Greater PRD region into a low-carbon, high technology and low-pollution city cluster of quality living. Legislative procedures, where required, would be followed in implementing the joint strategies.

Facilitating development of green transportation and convenient boundary crossing

30. While not opposing to the initial cooperation proposals, Ms Miriam LAU questioned how and when these proposals, which covered various areas, could be implemented. Referring to the proposal of promoting energy efficiency and emission reduction in transportation systems, Ms LAU was concerned about the disparity in fuel standards between Hong Kong and the Mainland. She pointed out that unlike Hong Kong which had adopted Euro V fuel standards, the Guangdong Province only adopted National III standard which was equivalent to Euro III standards. Besides, Hong Kong had completed the trial of powering local ferries with ultra low sulphur diesel (ULSD) but ULSD was not even available for use by vessels in the Mainland. Expressing similar concerns, Mr KAM Nai-wai opined that emission reduction targets should be set in the development of green transport under the regional cooperation plan.

31. The Deputy Director of Environmental Protection (3) (DDEP(3)) said that Hong Kong was more advanced than Guangdong in terms of vehicle emission and fuel standards. However, it was worth noting that Guangdong had already adopted more stringent vehicle fuel and emission standards than most parts of Mainland except for Beijing. At present, newly registered light duty petrol vehicles and gas vehicles in the PRD Region were required to comply with the National IV emission standards, which were on a par with the Euro IV standards, and the same would apply to diesel vehicles soon. In addition, National IV standard petrol is being supplied at major cities such as Shenzhen, Guangzhou, and Dongguan. As for fuel standards for vessels, DDEP(3) said that these were not as stringent as that for vehicles. By way of illustration, the sulphur content of bunker fuel used by ocean-going vessels was about 4.5% which was much higher than that of 0.001% of vehicle fuels. There were some overseas ports that required ocean-going vessels to switch to cleaner fuels when berthing. Consideration would be given to applying similar requirement to vessels berthing in the ports of the Greater PRD Region as part of the plan to improve regional air quality. To further reduce emissions from vessels over the longer term, the Administration would consider requiring them to switch to fuel with low sulphur content between 0.1% and 0.5% when cruising within PRD waters in conjunction with the Guangdong and Macau authorities.

Others

32. Ms Miriam LAU noted that greening efforts in the Mainland were far better than that in Hong Kong. The result was most evident when one travelled back from the Mainland to Hong Kong. She considered that more should be

done in greening Hong Kong to improve its aesthetics and to enable a quality living area. USEN said that as the focus of the consultation document was on regional cooperation plans such as cross-boundary nature conservation and emission reduction, local issues such as greening would be undertaken by respective Government departments of the three sides, therefore were not included in the draft Plan.

VI. Any other business

33. The Chairman informed members that Mr Albert CHAN had withdrawn his membership from the Panel on Environmental Affairs.

34. There being no other business, the meeting ended at 4:24 pm.

Council Business Division 1
Legislative Council Secretariat
7 December 2011