

立法會
Legislative Council

LC Paper No. CB(1) 853/11-12
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 28 November 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 WONG Yung-kan, SBS, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon Andrew CHENG Kar-foo
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, 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

Member attending : Hon Vincent FANG Kang, SBS, JP

Members absent : Hon CHEUNG Hok-ming, GBS, JP
Hon Tanya CHAN

Public officers attending : **For item IV**

Mr Edward YAU
Secretary for the Environment

Mr Samson LAI
Assistant Director (Waste Management Policy)
Environmental Protection Department

Dr Alain LAM
Principal Environmental Protection Officer (Waste
Management Policy)
Environmental Protection Department

For item V

Mr Edward YAU
Secretary for the Environment

Mr Samson LAI
Assistant Director (Waste Management Policy)
Environmental Protection Department

For item VI

Dr Kitty POON
Under Secretary for the Environment

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

Mr MOK Wai-chuen
Assistant Director (Air Policy)
Environmental Protection Department

Mr YAM Yat-shing
Senior Environmental Protection Officer (Mobile
Source)³
Environmental Protection Department

For item VII

Dr Kitty POON
Under Secretary for the Environment

Mr Elvis AU
Acting Deputy Director of Environmental
Protection (2)
Environmental Protection Department

Mr C C LAY
Assistant Director (Conservation)
Agriculture, Fisheries and Conservation Department

Mr Simon CHAN
Senior Conservation Officer (Biodiversity)
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) 422/11-12 — Minutes of the special meeting held on 20 October 2011)

The minutes of the special meeting held on 20 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) 352/11-12 — Referral from the Public Complaints Office dated 14 November 2011 regarding the extension of the South East New Territories Landfill

III. Items for discussion at the next meeting

- (LC Paper No. CB(1) 424/11-12(01) — List of follow-up actions
LC Paper No. CB(1)424/11-12(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Wednesday, 21 December 2011, at 2:30 pm -

- (a) Strategy for Controlling Emissions from Vessels; and
(b) Tightening emission standards of newly registered vehicles to Euro V level.

IV. A new Producer Responsibility Scheme for Waste Electrical and Electronic Equipment

- (LC Paper No. CB(1) 424/11-12(03) — Administration's paper on a new Producer Responsibility Scheme for Waste Electrical and Electronic Equipment
LC Paper No. CB(1) 424/11-12(04) — Paper on a new producer responsibility scheme for waste electrical and electronic equipment prepared by the Legislative Council Secretariat (updated background brief))

4. The Secretary for the Environment (SEN) briefed the Panel on the outcome of public consultation on introducing legislation to implement a mandatory producer responsibility scheme (PRS) for the proper management of waste electrical and electronic equipment (WEEE) (the Scheme). As the Administration had completed analysis of the feedback, it would like to seek Members' views on the proposed way forward for the Scheme. The Assistant Director of Environmental Protection (Waste Management Policy) (ADEP(WM)) gave a power-point presentation on the outcome of public consultation.

(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1)473/11-12(01)) on 28 November 2011.)

5. Mr Vincent FANG did not agree with the Administration that there was majority support for most of the mainstream proposals in the Consultation Document. He pointed out that no consensus had been reached by the trades on the implementation of PRS for WEEE. In fact, retailers and wholesalers of electronic and electrical (E&E) products were all opposed to the Scheme.

Managing the movement of WEEE

6. Ms Miriam LAU said that there was general support for the principles of PRS for WEEE, but there were also concerns on the implementation details which would affect both retailers and consumers alike. The retail trades was particularly concerned about the requirement for retailers to take back from consumers the old equipment free of charge on a "new for old" basis for proper disposal. The proposed mandatory take-back requirement had reflected the lack of understanding on the part of the Administration regarding movement of WEEE, the collection and recycling of which were mostly handled by second-hand dealers and/or recyclers. The requirement for retailers to deliver used equipment to the WEEE Management Contractor (WMC) would not only create additional compliance cost and logistical burden, but also affect the livelihood of over a thousand second-hand dealers and recyclers. Therefore, retailers were strongly against the take-back requirement and called for a new logistical arrangement for the collection and delivery of WEEE. SEN said that the Administration, retailers and consumers all had their responsibilities under the PRS for WEEE. ADEP(WM) said that a business impact assessment (BIA) had been conducted on the proposed take-back requirement. While individual retailers might not be directly involved in the collection of WEEE, they usually had their own contractors to provide take-back service to consumers. Retailers would not have to operate new collection service on their own because they could continue to engage their own contractors to do so.

7. Apart from the possible impact on second-hand dealers and recyclers, Ms Starry LEE was also concerned that the Scheme might aggravate the problem of fly-tipping of WEEE. Expressing similar views, Mr KAM Nai-wai enquired about the arrangements for disposal of WEEE and the means to prevent fly-tipping. SEN said that the objective of PRS for WEEE was to ensure proper management and treatment of WEEE. To monitor and control the movement of WEEE, a control regime would be put in place such that only genuinely reusable E&E products could be exported for reuse. Dumping of WEEE to Hong Kong from other jurisdictions would also be prohibited with appropriate import control. As regards disposal channels, SEN said that WMC would be under obligation to operate no less than four regional collection hubs to accept used or waste E&E products for treatment. A ban would also be introduced such that disposal of untreated WEEE at landfills would not be

allowed.

8. Mr CHAN Kin-por opined that implementation of PRS for WEEE would not be able to change the consumers' behaviour of disposing of used E&E products through second-hand dealers who did not possess the required expertise for proper treatment, particularly detoxification, of these products. Professor Patrick LAU echoed that instead of introducing a complicated WEEE Scheme which required wide participation of retailers and consumers, consideration should be given to just simply requiring second-hand dealers and recyclers to provide treatment for WEEE. SEN said that at present, over 80% of locally generated WEEE was collected and sold through second-hand dealers to developing countries for re-use and recovery of valuable materials. However, this export strategy was unsustainable because the demand for used E&E products in developing countries was expected to decline as their living standard improved and controls on importing WEEE tightened. There was a need to develop a local solution to manage the WEEE problem as soon as practicable in the spirit of PRS, which indeed was an integral of the waste management strategy to reduce, recycle and reuse waste. He added that consumers could still choose to sell their used E&E products to second-hand dealers after the implementation of the Scheme. The trading of used E&E products would facilitate the reuse of such used products. Second-hand dealers and recyclers would also benefit from an enhanced collection network for the recycling of WEEE.

Proper treatment of WEEE

9. Mr CHAN Kin-por enquired about the means through which resultant toxic waste from treatment of WEEE could be disposed of locally. ADEP(WM) said that there should be a new WEEE treatment plant to be developed through a "Design, Build and Operate" contract arrangement at an earmarked site of about three hectares at the EcoPark. The successful bidder would take up the role as WMC with responsibility not only for designing, building and operating the WEEE treatment plant, but also for collecting WEEE for treatment. There would be proper detoxification processes in the WEEE treatment plant or other competent facilities like the Chemical Waste Treatment Centre. Where the toxic waste could not be treated locally, it would be sent overseas for proper treatment, as was the case of treatment of used rechargeable batteries for mobile phones. Given the uncertainty associated with the generation of WEEE, Ms Miriam LAU was concerned about the viability of acquiring a competent WMC through open tender to provide collection and treatment services for WEEE. Expressing similar view, Mr CHAN Kin-por considered that the Administration should provide these services itself.

10. Mr Vincent FANG noted that more than 70 000 tonnes of WEEE were generated in Hong Kong per year. However, WMC would only be obliged under contract terms to provide collection and treatment services for a target of a minimum of 30 000 tonnes per annum. The remaining 40 000 tonnes of WEEE would have to be dealt with by second-hand dealers and recyclers. He expressed concern that second-hand dealers and recyclers might not have the technical know-how on proper treatment of WEEE. SEN said that at present, there were a few recyclers in Hong Kong that provided WEEE recycling services albeit their businesses mainly focus on computer products or off-specification equipment from commercial and industrial sources. It was believed the principle of treating locally generated wastes locally would lead to a sizeable expansion of the current scale of WEEE treatment, facilitate a circular economy, promote technological upgrades in local WEEE treatment and create job opportunities.

Sharing of cost among stakeholders

11. Mr LEE Wing-tat was not convinced that consumers should be required to bear all the cost to be incurred under the Scheme while manufacturers and importers were not required to do so. He considered that arrangements should be worked out to share the cost among different stakeholders, including manufacturers and importers. His views were shared by Mr IP Wai-ming. Ms Cyd HO echoed that to ensure the use of more environment-friendly materials or means for the production of E&E products to facilitate future disposal, manufacturers should be required to share the cost under the Scheme. Sharing similar views, Mr WONG Yung-kan expressed concern that with the emergence of more advanced technology and affordable E&E products, the rising trend of WEEE was expected to continue. Hong Kong, as an importer of E&E products, should require manufacturers and importers to produce and import more environment-friendly products. These members enquired about the respective roles of manufacturers, importers, distributors, retailers and consumers under the Scheme.

12. SEN responded that under the Product Eco-responsibility Ordinance (Cap. 603), manufacturers, importers, wholesalers, retailers, consumers or any other parties were all required to share the responsibilities for the reduction, recovery or recycling of prescribed products. It was also worth noting that producers included all stakeholders involved in waste generation. According to the outcome of public consultation, there was general support for introducing legislation to implement a mandatory PRS for the proper management of WEEE. Under the Scheme, some stakeholders would be required to undertake physical responsibilities while others to share the financial responsibilities. It might not be practicable to hold manufacturers of E&E products responsible under the

Scheme since these products were not manufactured in Hong Kong.

13. Ms Audrey EU was not convinced that the Administration should place the financial burden on consumers and retailers rather than manufacturers, importers and wholesalers of E&E products who were more capable of bearing the cost. Apart from the proposed import and export control on WEEE, consideration should be given to imposing a recycling fee on importers and distributors for the import of E&E products. Mr IP Wai-ming echoed that the Administration had been complicating the issue of managing the WEEE problem. He cautioned that the Administration would have much difficulty in taking forward other waste reduction measures, such as the Waste Charging Scheme, if it failed to take into account consumers' interests. ADEP(WM) said that as revealed in the BIA study, most importers and distributors of E&E products were also engaged in the sales of these products at the retail level. Hence, they would also be responsible for collecting the recycling fee and providing the take-back service. SEN added that there was a price to be paid for handling of wastes under the "polluter-pays" principle. Nevertheless, the Administration would consider members' request for holding importers and distributors of E&E products responsible for the collection and treatment of WEEE. It was also ready to look into the issue of proper WEEE management through legislating on the restriction of hazardous substances with other relevant government departments while developing the Scheme.

14. To ascertain how stakeholders, other than consumers and retailers, would share the eco-responsibilities, Ms Starry LEE enquired about the overseas experience on control of WEEE. ADEP(WM) said that Japan had adopted an end-of-life fee while most European countries had adopted a pre-paid recycling fee collected either at import or at retail level. In the case of Hong Kong, collecting the recycling fee at the retailers' end would be more preferable because the alternative of collecting the fee at import would possibly require a costly system to handle the refund for re-exports as it involved public money. At members' request, the Administration would provide the overseas experience on PRS for WEEE regarding the fee collection arrangement.

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15. Mr KAM Nai-wai said that Members belonging to the Democratic Party (DP) had all along supported the early implementation of PRS. While agreeing that consumers had their share for handling of WEEE, the Administration as well as distributors/retailers also had an equal share in this respect. As regards the indicative range of fees of around \$100 for small appliances and around \$200 to \$250 for bulky ones, Mr KAM considered the fees acceptable but was concerned that these would be subject to change, as the full cost could not be ascertained before the DBO contract for WMC was awarded. In this connection, he asked if the Administration would consider

capping the fees at a certain percentage of the selling prices of E&E products, using the indicative range of fees as reference and taking into account consumers' affordability. Ms Starry LEE shared the concern about the uncertainty of fee levels. Ms Audrey EU also enquired about the expected amount of fees to be collected under the Scheme, and how the Administration would make use of the fees.

16. In response, ADEP(WM) said that the exact fee level would be determined after completion of the tender for WMC. He stressed that the fee was not a revenue generating measure, but to cover the cost incurred from the Scheme. Differential rates would apply and products requiring more complicated treatment processes or containing less valuable recyclables would be charged with a higher fee. The charging system, including the fee collection mechanism, would be simple and easy to understand. A realistic assessment would be made on the fee level when better information was available. It was not considered appropriate to peg the fee levels to the selling prices of E&E products. SEN assured members that the fees would only aim at recovering cost and not generating revenue. The fee levels would be prescribed in legislation and subject to approval of the Legislative Council.

A separate scheme for computer products

17. Referring to the proposal of establishing a separate scheme for computer products, Ms Cyd HO opined that this might be worth considering as the detoxification treatment for computers was quite different from other E&E products such as refrigerators and air-conditioners. She enquired about the rationale for the Administration to reject such proposal. ADEP(WM) explained that different treatment processes would be applied to different types of WEEE. The proposed setting up of a separate scheme for computers was not pursued because it would frustrate the principle of having one set of statutory requirements applying to all E&E products covered under the Scheme. Besides, there were other practical considerations, including the feasibility of financial self-sufficiency.

18. In concluding, the Chairman said that members generally supported the principles of PRS for WEEE, but were concerned about the implementation details of the Scheme, particularly on the sharing of cost among stakeholders, feasibility of acquiring a competent WMC, assistance to be provided by the Administration, and fee level. He hoped that the Administration would take these issues into consideration in preparing the legislation on the Scheme.

V. Extension of the Environmental Levy Scheme on Plastic Shopping Bags

(LC Paper No. CB(1) 424/11-12(05) — Administration's paper on extension of the Environmental Levy Scheme on Plastic Shopping Bag

LC Paper No. CB(1) 424/11-12(06) — Paper on Environmental Levy Scheme on Plastic Shopping Bags prepared by the Legislative Council Secretariat (updated background brief)

19. ADEP(WM) gave a power-point presentation on the proposed way forward in extending the Environmental Levy Scheme on Plastic Shopping Bags (the Levy Scheme).

(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1) 473/11-12(02)) on 28 November 2011.)

20. Mr Vincent FANG opined that the Administration should not be complacent with the estimated 90% reduction in plastic shopping bags (PSBs) distributed by registered retail outlets under the first phase of the Levy Scheme, as they only represented a relatively small percentage of the total number of retail outlets in Hong Kong. In fact, the Levy Scheme was a failure given the increases in the amount of non-woven bags disposed of at landfills by 96%, the use of garbage bags by 60%, and the import of raw plastics by 27%. It was expected that the proposal to extend the Levy Scheme from the existing some 3 000 registered retail outlets to over 60 000 retail outlets in Hong Kong using the "retention" approach (i.e. retailers to retain the PSB charge) would create undue burden to existing registered retailers and other retailers alike. He pointed out that registered retailers under the first phase of the Levy Scheme had invested a lot in setting up computer systems for the collection of levy under the "remittance approach" (i.e. retailers to remit the levy collected to the Administration). The proposed switch from "remittance" to "retention" approach would render the investments obsolete. On the other hand, small and medium enterprises might have difficulty in coping with the requirements under the extended Levy Scheme. Instead of using the "polluter-pays" principle as an excuse, the Administration should make better use of the revenue to invest on environmental initiatives. More efforts should be made to optimize the EcoPark to facilitate the recycling of waste. SEN said that whether the first

phase of the Levy Scheme was a success would be for the public to decide. While the Levy Scheme might have room for further improvements, it had successfully inculcated a "Bring Your Own Bag" (BYOB) culture within the community to reduce the excessive use of PSBs. As regards non-woven bags, SEN said that while there was an increase in the use of these bags, their disposal was equivalent to 0.04% of the total PSB disposal at landfills.

Excessive use of flap-top bags and non-woven bags

21. Referring to the proposed inclusion of flat-top bags under the extended Levy Scheme, Mr KAM Nai-wai enquired if flat-top bags used for breads in bakery shops would be exempted. ADEP(WM) said that under the extended Levy Scheme, a PSB would not be subject to the PSB charge if it was used to contain solely "foodstuffs" (including food, drink, medicine or other items for human or animal consumption) which were not packaged in a way that they were securely segregated from the outside environment. By defining the scope of exemption as proposed, the Administration should be able to address the community's concerns about certain forms of packed food, notably lunch boxes, which could have a practical hygiene concern albeit already in some form of packaging. Clear guidelines would be provided to facilitate the public and stakeholders in understanding the compliance requirements under the extended Levy Scheme.

Retailers to retain the PSB charge

22. Mr KAM Nai-wai said that DP Members welcomed the proposed extension of the Levy Scheme to further enhance public awareness on environmental protection. He was however concerned that under the "retention" approach, existing registered retailers (being mostly chain operators) could achieve savings and earn additional income which should otherwise be remitted to the Administration under the current "remittance" approach. He was not convinced that the Administration should forgo the current levy income of some \$25 million when the current regime was operating smoothly over the past two years without any complaint from registered retailers. Besides, the "retention" approach might give the public an impression that the PSB charge would change from public money to proceeds of private businesses. He also questioned the rationale behind the Administration's decision not to pursue the "dual" system (i.e. status quo for existing registered retailers and application of "retention" approach to newly covered retailers).

23. In response, ADEP(WM) said that the "dual" system was not practicable because in theory, registered retailers could deregister from the Levy Scheme. The different statutory requirements for retailers to collect the same

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PSB charge under the "dual" system would also confuse the public on the whole purpose of the mandatory PRS. If a "dual" system were to be adopted, the "remittance" approach would only apply to existing chain operators of supermarkets, convenience stores as well as personal health and beauty stores. It would not apply to new entrants of chain operators with a similar business nature and scale, or other chain operators selling other products, such as apparels. The objective of such differential treatment was unclear and arbitrary. Putting in place such a system could therefore lead to concerns on wider issues, such as level-playing field in the retail industry and equality among retailers before the law. In the absence of justifications to establish a legitimate aim for such differential treatment, a "dual" system was not recommended as the way forward for the extended Levy Scheme. To facilitate better understanding, the Administration was requested to provide an analysis on the legal concerns in adopting a "dual" system.

24. Mr KAM Nai-wai was not convinced of the Administration's explanation. He pointed out that the first phase of the Levy Scheme to cover only registered retailers was already a differential treatment. Instead of de-registration under the "dual" system, chain operators could indeed circumvent the current regime through registration under different names. It was also worth noting that the efforts made by registered retailers in complying with the "remittance" approach would become futile as a result of the switch. Based on the survey conducted by DP, 60% of interviewees supported that PSB charge collected by registered retailers should be remitted to the Administration. As such, DP Members supported the adoption of a "dual system" under the extended the Levy Scheme. Concerns regarding possible legal challenges associated with the differential treatment under the "dual" system could be addressed in the law drafting stage.

25. Given that the "remittance" approach had been working well with existing registered retailers, Ms Audrey EU enquired about the feasibility of a "dual" system using the scale of operation as the dividing line such that the "remittance" approach would apply to large chain operators and the "retention" approach to small and medium enterprises. This was modeled on the first phase of the Levy Scheme and hence should not contravene the law. SEN clarified that the current regime was applicable to chain operators selling specified products. Having regard to the practical concerns in adopting a "dual" system, he called for the support of members on the way forward in extending the Levy Scheme as proposed by the Administration.

26. Ms Starry LEE supported the extension of the Levy Scheme to cover all retailers, and the adoption of the "retention" approach given that small and medium enterprises would find it difficult to comply with the "remittance" approach. To address the concerns about possible legal challenges arising from

a "dual" system, she enquired about the feasibility of requiring chain operators to use the PSB charge collected to set up a fund for charity and environmental protection purposes. The public would find it more acceptable if the PSB charge was used for public purposes rather than proceeds of private businesses. SEN said that it was not the intention that retailers should benefit from the extension of the Levy Scheme, but to further address the problem of excessive use of PSBs in Hong Kong. To strike a balance between the need to extend the coverage to all retailers, which were mainly small and medium enterprises, and the operational difficulties faced by them, some adjustments to the current Levy Scheme would be necessary. These included the proposed "retention" approach which was welcomed by the affected trades as a more practical way in discharging their duties under the extended Levy Scheme. The "dual" system was not considered feasible on account of the legal and practical concerns. He nevertheless agreed to convey Ms LEE's suggestion to the trades.

27. Mr WONG Yung-kan enquired about the penalties for non-compliance with the extended Levy Scheme, and the efforts made to enhance public awareness of the objectives and features of the Levy Scheme to reduce the excessive use of PSBs. He supported that the PSB charge collected by chain operators should be used for public education on environmental protection. SEN said that much effort had been made to promote public awareness on the need for environmental protection and positive results had been achieved. The first phase of the Levy Scheme had been successful in inducing behavioral change in the community to reduce the excessive use of PSBs. The Administration would enhance its effort in publicity and public education, and it would continue to keep the relevant trade engaged on the compliance requirements and exemptions provisions. ADEP(WM) said that as in the current Levy Scheme penalties would be imposed on retailers providing free PSBs to customers. There had been five convicted cases since the implementation of the Levy Scheme with the actual fines sentenced by the court being \$2,000 for each count of offence. The Administration would take into account the severity of contraventions when devising the level of penalties which should commensurate with adequate deterrent effect.

Legislative timetable

28. Ms Cyd HO enquired about the legislative timetable for the extended Levy Scheme. ADEP(WM) said that the Administration would proceed with the drafting of the relevant legislation after consultation with Members and the trades, with a view to introducing the legislation as soon as possible in the next legislative session.

29. In concluding, the Chairman said that members generally supported the extension of the Levy Scheme to cover all retailers in Hong Kong. However, there were requests for clear guidelines on the compliance requirements and exemptions, as well as the implementation of a "dual" system under the extended Levy Scheme. He urged the Administration to take into account members' views in drafting the legislation on the implementation of the second phase of the Levy Scheme.

VI. A proposal to strengthen the control of emissions of petrol and liquefied petroleum gas vehicles

(LC Paper No. CB(1) 353/11-12(01) — Administration's paper on a proposal to strengthen the control of emissions of petrol and liquefied petroleum gas vehicles)

30. The Under Secretary for the Environment (USEN) briefed members on the proposal to strengthen the control of emissions of petrol and liquefied petroleum gas (LPG) vehicles, and provide one-off subsidy for owners of LPG taxis and light buses to replace the catalytic converters in their vehicles. The Assistant Director of Environmental Protection (Air Policy) (ADEP(AP)) gave a power-point presentation on the proposal.

(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1)473/11-12(03) on 28 November 2011.)

Maintenance problems of petrol and LPG vehicles

31. As LPG taxis had been introduced some 10 years ago, Mr KAM Nai-wai expressed concern about the problem of excessive emissions of older LPG vehicles. Instead of providing a one-off subsidy to help owners to replace the catalytic converters and associated components of their LPG taxis and light buses, he asked if the Administration was prepared to introduce electric taxis, as in the case of Shenzhen. It was also worth noting that the service life of catalytic converters was only about 18 months, after which owners of LPG taxis and light buses would have to pay for the subsequent replacements. Ms Cyd HO concurred that with the emergence of newer and cleaner vehicles, there might not be a need to continue relying on the use of LPG vehicles as taxis and light buses. The Deputy Director of Environmental Protection (3) (DDEP)(3)) said that the emission performance of LPG vehicles was comparable to that of petrol vehicles, but the cost of LPG was much lower than

petrol and diesel. Besides, there were not many diesel models that could meet the emission standards, which were the same as those for petrol vehicles, while the compliant models were very expensive. Therefore, LPG taxis were still considered more cost-effective and viable. USEN added that the transport trades could apply for funding under the Pilot Green Transport Fund to try out electric vehicles (EVs) for use as taxis. However, the use of electric taxis remained a challenge as taxis usually ran on a 24-hour basis, leaving little time for re-charging which would take at least a few hours at any one time. The durability of vehicle batteries was another concern owing to high mileage of taxis. Reference would be made to the experience on the trial use of EVs funded by the Pilot Green Transport Fund.

32. Ms Audrey EU noted with concern that some research findings had revealed that the retrofitting of catalytic converters might have the effect of increasing the emissions of nitrogen oxides from vehicles. ADEP(AP) said that all vehicles, irrespective of the fuels used, required proper maintenance to avoid excessive emissions. While the catalytic converters in petrol and LPG vehicles were very effective in reducing emissions, they would need to be replaced from time to time. Moreover, these were a special type of catalytic converters that could oxidize harmful air pollutants (such as carbon monoxide and hydrocarbons) into carbon dioxide and water, and reduce nitrogen oxides back to nitrogen and oxygen.

33. Ms Cyd HO said that some bus drivers had raised concerns about the air quality within the bus cabin which was indeed affected by roadside emissions, particularly nitrogen dioxide which was one of the causes for drowsiness. She enquired about the measures to deal with the air quality within bus cabin. DDEP(3) agreed that roadside air quality would definitely affect the air quality inside bus cabin. It was therefore important to tackle roadside air pollution in order to improve the air quality inside bus cabin. The introduction of the ban on idling engines would help address the problem of both roadside and cabin air quality.

Roadside remote sensing equipment

34. Given the busy traffic in Hong Kong, Mr KAM Nai-wai was skeptical about the effectiveness of roadside remote sensing equipment in screening out in-use petrol and LPG vehicles that emit excessively. ADEP(AP) said that the roadside remote sensing equipment was a mature technology to screen out vehicles with excessive emissions. It had been used in Hong Kong as early as 1993 to monitor emissions from petrol vehicles. To ensure the accuracy of sensing, two sets of roadside remote sensing equipment would be used for cross-referencing in the screening process. The Environmental Protection

Department (EPD) had cross-checked findings of roadside remote sensing equipment with dynamometer emission test results and found no vehicles being mis-diagnosed as having excessive emissions by the remote sensing equipment.

35. To ascertain the reliability of roadside remote sensing equipment, Ms Audrey EU considered a field visit necessary to observe the pilot testing of the equipment. She also enquired if the trades had been properly consulted on the Administration's proposal and if so, whether a consensus had been reached. USEN said that the consultation exercise on the proposal was launched on 15 November 2011 for a period of two months until 15 January 2012. Details of the proposal had been uploaded onto the website of EPD. Consultation sessions would also be held for stakeholders, including the relevant transport trades and the vehicle maintenance sector. So far, the response received had been positive. The Administration planned to report the outcome of consultation to the Panel in the first quarter of 2012. Ms EU said that the Panel might need to invite deputations to express views on the proposal.

36. Noting that the roadside remote sensing equipment could only be used to check vehicles in single lane traffic, Ms Cyd HO questioned its applicability in Hong Kong given the limited number of roads with single lane traffic. ADEP(AP) said that there over a hundred locations across the territory to which the roadside remote sensing equipment could apply.

37. The Chairman said that as the public consultation on the proposal was still underway, it would be more appropriate for the Panel to await the outcome of consultation before considering the way forward.

VII. Proposed exemption under the Genetically Modified Organisms (Control of Release) Ordinance (Cap. 607)

(LC Paper No. CB(1) 424/11-12(07) — Administration's paper on proposed exemption under the Genetically Modified Organisms (Control of Release) Ordinance (Cap. 607))

38. USEN briefed members on the proposal to exempt genetically modified (GM) papaya and genetically modified organism (GMO) contained in a veterinary vaccine from the application of sections 5 and 7 of the Genetically Modified Organisms (Control of Release) Ordinance (Cap. 607) (the Ordinance). The Chairman drew members' attention to a submission from Greenpeace on the subject.

(Post-meeting note: The submission from Greenpeace was circulated to members vide LC Paper No. CB(1) 472/11-12 on 29 November 2011.)

Exemption of genetically modified papaya

39. Ms Cyd HO said that environmental groups had raised concerns about the proposed exemption which would cover all kinds of GM papayas, including new varieties of GM papayas to be developed in future. As the effects of new GM papayas on the biological diversity of local environment were unknown, the proposed blanket exemption would have safety implications and risks. As such, she would object to the exemption as presently proposed. The exemption, if granted, should only apply to existing GM papayas grown in Hong Kong. This would save local farmers from seeking prior approval from the Director of Agriculture, Fisheries and Conservation (DAFC) before growing or maintaining GM papayas in their fields, the cost of which was over \$14,000 per application. To alleviate the concerns about GM papayas, the Administration should consider providing non-GM papaya seeds to local farmers to eradicate GM papayas at source.

40. The Acting Deputy Director of Environmental Protection (2) (AtgDDEP(2)) said that following the enactment of the Ordinance, the Agriculture, Fisheries and Conservation Department (AFCD) had conducted a risk assessment to ascertain the possible adverse effect of GM papaya on the conservation and sustainable use of biological diversity in the local environment. Based on the risk assessment, AFCD concluded that GM papaya would unlikely pose any adverse biosafety effect on the biological diversity of local environment, mainly because papaya was an exotic species with no close relatives in Hong Kong, making the release of GM papaya to the environment unlikely to have effect on the local biodiversity. The Expert Group, which was set up to advise DAFC on the administration of the Ordinance (including the granting of exemptions), was consulted on the legislative proposal in July 2011 and supported the proposed exemption on GM papaya.

41. The Assistant Director of Agriculture, Fisheries and Conservation (Conservation) (ADAFC(C)) added that the concerns raised by Ms HO had been considered by the Expert Group which comprised members from different sectors including the farming, biotechnology, environmental protection, academic and trading sectors. It was worth noting that GM papayas were made with similar molecular construct consisting of three sets of genes, namely the promoter, the target and the marker genes. Irrespective of their varieties, the genetic makeup of papayas remained largely the same and hence the risk associated with the release of GM papayas into the environment would be very

low. Besides, papaya was in effect an exotic species with no close relatives in Hong Kong, its release into the environment would most unlikely affect the local biodiversity. In other words, the risk of a possible adverse biosafety effect arising from exempting GM papaya under the Ordinance was very low.

42. Ms Audrey EU recalled that environmental groups had expressed reservations about a blanket exemption for all GM papayas. Expressing similar concern about the blanket exemption for all GM papayas, Mr KAM Nai-wai questioned how the Administration could foresee the possible biosafety effect of new varieties of GM papayas on the local environment. He considered that proper risk management on the release of GM papayas into the environment should be carried out. He also sought elaboration on overseas experience in granting blanket exemption to all GM papayas, and the methodology in conducting risk assessment on such exemption. ADAFC(C) said that the objectives of the Ordinance were to protect local biological diversity from possible adverse impacts of transboundary movement of GMOs intended for release into the environment. As papaya was an exotic species, it would not be covered under the Ordinance. As regards overseas experience, ADAFC(C) said that GM papayas were approved in countries like the Mainland, United States and Malaysia. The Administration would provide more information on the planting of GM papayas in other countries.

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43. Ms Cyd HO however pointed out that the countries referred to in the preceding paragraphs were mostly exporters of GM papayas. As Hong Kong was not an exporter, there was a need to control the release of GM papayas into the local environment. While not opposing to exempting existing GM papayas in order not to cause nuisances to residents who grew papayas in the territory, she reiterated that it would not be appropriate to provide blanket exemption for all GM papayas. Instead, more specific provisions on the exemption for GM papayas should be set out in the relevant subsidiary legislation. She called for members' support for setting up a subcommittee to examine the relevant subsidiary legislation when it was introduced into the Legislative Council.

44. Mr KAM Nai-wai enquired about the feasibility of imposing a labelling requirement for GM papayas. USEN explained that the objectives of the Ordinance were to give effect to the Cartagena Protocol on Biosafety to the Convention on Biological Diversity, as well as to control the release into the environment and the import and export of GMOs. The issue of food labelling should be handled by relevant bureaux and departments, and the Administration would provide more information on this if members so requested. Mr KAM said that he was not prepared to support the proposed exemption if there was no coordination within the Administration in respect of food labelling requirement for GM papayas.

VIII. Any other business

45. There being no other business, the meeting ended at 5:12 pm.

Council Business Division 1
Legislative Council Secretariat
13 January 2012