

立法會
Legislative Council

LC Paper No. CB(1)53/13-14
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

**Minutes of special meeting
held on Friday, 26 July 2013, at 10:00 am
in Conference Room 2 of the Legislative Council Complex**

- Members present** : Hon Cyd HO Sau-lan (Chairman)
Hon CHAN Hak-kan, JP
Hon CHAN Kin-por, BBS, JP
Hon Albert CHAN Wai-yip
Hon Claudia MO
Hon Steven HO Chun-yin
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Hon Charles Peter MOK
Dr Hon Kenneth CHAN Ka-lok
Hon KWOK Wai-keung
Hon Dennis KWOK
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
- Members absent** : Hon Christopher CHUNG Shu-kun,
BBS, MH, JP (Deputy Chairman)
Hon Vincent FANG Kang, SBS, JP
Hon CHAN Han-pan
Dr Hon Elizabeth QUAT, JP
Hon CHUNG Kwok-pan
Hon Tony TSE Wai-chuen

**Public Officers : For item I
attending**

Mr WONG Kam-sing, JP
Secretary for the Environment

Dr Ellen CHAN, JP
Assistant Director (Environmental Infrastructure)
Environmental Protection Department

Mr David WONG
Assistant Director (Environmental Compliance)
Environmental Protection Department

Mr LAM Chun-keung
Head of Intelligence Bureau (Acting)
Customs and Excise Department

Mr Vincent WONG
Group Head (Ports Control)
Customs and Excise Department

**Attendance by : For item I
invitation**

Hong Kong Recycle Materials & Re-production Business
General Association Ltd

Dr Jacky LAU
President

Hong Kong Telford Envirotech Group Ltd

Mr LEE Hing-tak
Manager Director

The Federation of Environmental and Hygienic Services

Ms Joanne LEE
Director General of Environmental Protection

Friends of the Earth (HK)

Ms Miranda YIP
Assistant Manager - Environmental Affairs

Professional Power Youth Committee

Mr Winston LEE
Vice Convenor

Federation of Hong Kong Recycle

Mr CHAN Sik-kwan
Chairman

The Association of the New Territories Open Storage
Operators Ltd

Mr WONG Kin-ching
Directorate

Hong Kong Waste Management Association

Mr Barry LEE
Chairman

Clerk in attendance : Ms Miranda HON
Chief Council Secretary (1)1

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

Miss Mandy POON
Legislative Assistant (1)1

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I. Issues relating to Hong Kong's municipal solid waste recycling rate and handling of imported waste

(LC Paper No. CB(1)1620/12-13(01) — Administration's paper on "Issues relating to Hong Kong's municipal solid waste recycling rate and handling of imported waste"

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LC Paper No. FS32/12-13

— Fact sheet entitled "A summary of media reports on issues relating to handling of imported recyclable materials" prepared by the Legislative Council Secretariat (Chinese version only))

At the Chairman's invitation, eight deputations presented their views on issues relating to the municipal solid waste ("MSW") recycling rate and the handling of imported recyclable materials. A summary of deputations' views is in the **Appendix**.

2. Members also noted the following submissions from the deputations not attending the meeting –

(LC Paper No. CB(1)1611/12-13(01) — Submission from Green Sense (Chinese version only)

LC Paper No. CB(1)1627/12-13(01) — Submission from Greeners Action (Chinese version only))

Discussion

3. The Secretary for the Environment ("SEN") gave a power-point presentation on Hong Kong's municipal solid waste ("MSW") recovery rate and the handling of imported waste.

(Post-meeting note: A set of the power-point presentation materials was circulated vide LC Paper No. CB(1)1626/12-13(01) on 29 July 2013.)

4. The Head of Intelligence Bureau (Acting), Customs and Excise Department ("AtgHIB/C&ED") said that the Customs and Excise Department ("C&ED") had been acting in accordance with the Import and Export Ordinance (Cap. 60) in monitoring the import and export of articles in and out of Hong Kong. Actions would be taken against illegal or non-compliant imports in accordance with the Basel Convention and such articles would be returned to their country of origin.

Estimation of the MSW recovery rate

5. Ms Claudia MO said that while there had been media reports which casted doubt on the accuracy of the MSW recovery rate in Hong Kong, the Environment Bureau had not been clear in its response to the allegations. She sought clarification on whether there was any imported waste, in particular

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waste plastics, being disposed of at landfills in Hong Kong.

6. SEN responded that in general, the data used for estimating the MSW recovery rate was mainly sourced from the figures of waste treatment facilities and recyclers, export statistics of recyclables, results of interview surveys, etc. Since the launching of the Operation Green Fence ("OGF") which had tightened inspection of imported waste and recyclables in the Mainland, the Environmental Protection Department ("EPD") had strengthened its monitoring efforts at landfills and refuse transfer stations ("RTS"). EPD had not found large loads of imported plastic recyclables being transported to landfills or RTS for disposal. The whereabouts of the returned containers would be monitored closely until they were shipped out of Hong Kong. Of the 189 returned container loads, 102 loads had been shipped out of Hong Kong and the remaining 87 loads had been arranged for departure.

7. The Assistant Director of Environmental Protection (Environmental Infrastructure) ("ADEP(EI)") added that EPD would try to differentiate between locally generated and imported waste plastics. EPD's monitoring actions subsequent to the implementation of OGF in March 2013 indicated that the waste plastics disposed of at landfills were locally generated, highly contaminated and of no recyclable value and these amounted to about 120 tonnes. EPD had not found any disposal of large amounts of imported plastic recyclables among MSW disposed of at landfills.

8. Mr KWOK Wai-keung was concerned that some of the imported recyclables were disposed of at landfills after sorting. He enquired if the imported plastic recyclables were cleansed locally as waste water would be generated in doing so. He said that the Hong Kong Federation of Trade Unions would support that the recycling of locally generated recyclables should be conducted in Hong Kong but not the transshipment of recyclables. He also questioned the recycling rate of 48% in Hong Kong and enquired about the means to differentiate between the recycling rate of locally generated and imported plastic recyclables. Dr Jacky LAU/Hong Kong Recycle Materials & Re-production Business General Association Ltd ("HKRMRBGA") said that there were different gradings of imported plastic recyclables. Graded A plastic recyclables were clean and free from contamination but those graded C or below would require sorting and cleansing. Mr LEE Hing-tak/Hong Kong Telford Envirotech Group Ltd said that following the launching of OGF, there had been tightened control of imported recyclables and non-compliant recyclables were not allowed entry by the Mainland.

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9. Mr Steven HO declared interest that his family was engaged in the transport of waste papers. He said that there was a need to define imported waste and to explain the grading of recyclables. More assistance should be provided to facilitate recyclers in the recycling of waste, similar to that of other countries. There was also a need to clarify the MSW recovery rate and to understand the standards adopted by the Mainland and other countries in the grading of recyclables.

10. SEN responded that a steering committee chaired by the Chief Secretary had been set up to promote the sustainable development of the recycling industry. ADEP(EI) added that the total quantity of MSW recovered for recycling in each year was derived from the sum of (i) the annual total of recyclables exported from Hong Kong to other places for recycling as compiled by the Census and Statistics Department ("C&SD") (based on export declarations submitted by exporters to C&ED) and (ii) the annual total of MSW recycled locally (estimated from the statistical surveys on local recyclers conducted by EPD). Noting the substantial fluctuation in domestic exports figures on plastic recyclables in recent years, EPD had commissioned an independent consultant in late 2012 to conduct a detailed study to ascertain the production, recovery and disposal of waste plastics in Hong Kong.

11. Dr Kenneth CHAN sought elaboration on the consultancy study commissioned by EPD which was expected to be completed by the end of the year. ADEP(EI) explained that the main purpose of the study was to ascertain the production, recovery and disposal of waste plastics in Hong Kong. The consultants engaged in the study would be communicating with the recycling trades on the import and export of plastic recyclables. Based on the findings of the study, EPD would decide whether the existing formula should be used in the calculation of the MSW recovery rate, having regard to the substantial fluctuation in domestic exports figures on plastic recyclables. Dr CHAN said that the Panel should follow up the findings of the study.

12. The Chairman sought clarification on whether the MSW recovery rate had included the export of recyclables which were transshipped through Hong Kong. ADEP(EI) confirmed that the MSW recovery rate had not included the export of recyclables transshipped through Hong Kong. There might however be consolidated or mixed container loads which contained recyclables imported from other places, were treated in Hong Kong but exported and declared as locally generated recyclables.

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Control on waste disposal at landfills

13. Ir Dr LO Wai-kiwok noted that according to the Federation of Hong Kong Recycle, about 8% to 10% of the imported recyclable materials (or 300 000 tonnes) would be disposed of in the landfills in Hong Kong after sorting. He sought the Administration's clarification on the waste disposal statistics. SEN explained that in line with international practices adopted by other places, Hong Kong's existing legislation strictly prohibited the disposal of imported waste locally. Mr CHAN Sik-kwan/Federation of Hong Kong Recycle said that as some of the imported plastic recyclables were treated and compressed in Hong Kong, there would be waste generated in the process. Such waste would be treated as locally generated waste and disposed of in the landfills in Hong Kong. ADEP(EI) said that the sorting, cleansing and grinding processes were applied to locally generated plastic recyclables. She was not aware that these processes had been performed on imported recyclables in Hong Kong, but EPD would be following up with responsible parties. The compression of plastic recyclables referred to by Mr CHAN Sik-kwan/Federation of Hong Kong Recycle might be in relation to consolidated or mixed container loads. The Assistant Director of Environmental Protection (Environmental Compliance) ("ADEP(EC)") added that based on the comparison of the disposal quantity of MSW and waste plastics at Annex 2 to the information paper, waste plastics constituted about 20% of the disposal quantity of MSW, or about 1 800 tonnes per day. The disposal quantity of waste plastics had remained consistent throughout the past years. The allegation that there were 300 000 tonnes of waste plastics being disposed of in Hong Kong every year could not be substantiated as there was no evidence of disposal of large amounts of waste plastics among the MSW landfilled.

14. Mr WU Chi-wai pointed out that there was a need for tracking the import and export of plastic recyclables in and out of Hong Kong. More should be done in the source separation of waste in preparation for the MSW charging scheme. He also enquired about the means to differentiate between locally generated waste and imported waste. SEN agreed on the need for sustainable use of resources and the promotion of waste recycling and reduction. ADEP(EC) said that EPD had all along been closely monitoring the waste delivered to landfills and RTS. Together with C&ED, it would continue to enhance co-operation and information sharing with the Mainland enforcement authorities to combat illegal trans-boundary movements of waste and malpractices.

15. Mr WU Chi-wai also considered it necessary that enforcement should be taken against the import of waste. ADEP(EC) explained that while the import and export of recyclable materials for recycling purpose was allowed under the Waste Disposal Ordinance (Cap 354) ("WDO"), the import of such materials for disposal in Hong Kong was in violation of the law. EPD was vigilant in taking

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enforcement action against such activities. Enforcement actions would be taken in accordance with WDO against importers of waste for disposal in Hong Kong and offenders would be liable to a fine of \$200,000 and imprisonment for six months on first conviction and a fine of \$500,000 and imprisonment for two years for subsequent conviction. The offender was also required to remove the imported waste and returned them to the country of origin. Following the launching of OGF by the Mainland, the EPD had written to shipping companies notifying them of the existing controls on recyclables.

16. Ms Claudia MO enquired if there was a professional estimate on the amount of waste generated from the sorting of imported recyclable materials in Hong Kong, given the discrepancy in waste disposal statistics. ADEP(EC) said that there was no professional estimate on the amount of waste generated from the sorting of imported recyclable materials in Hong Kong. Of the 9 000 tonnes of MSW generated per day, there were about 6 000 tonnes of domestic waste and 3 000 tonnes of commercial and industrial waste, the overall composition of MSW comprised 1 800 tonnes of waste plastics. ADEP(EI) said that landfill surveys were conducted twice a year to analyze the composition of the waste disposed of in landfills. Members were welcome to observe the conduct of the survey when this was carried out later in the year. Mr CHAN Sik-kwan/Federation of Hong Kong Recycle pointed out that the imported plastic recyclables which were graded C or below were often mixed with other wastes and such recyclables would be disposed of at landfills after sorting.

17. Ir Dr LO Wai-kwok sought a breakdown on the amount of recyclables such as waste plastics, wood and papers which were generated, recycled, exported and disposed of at landfills. He requested that more assistance be provided to recycling operations in the development of a circular economy. There should also be closer cooperation with the Mainland in this respect.

Tightened inspection of imported waste and recyclables in the Mainland

18. Ir Dr LO Wai-kwok was concerned about the stockpiling of imported recyclables in Hong Kong following the launching of OGF in the Mainland and the possibility that such articles might end up in the landfills in Hong Kong. SEN said that since the launching of OGF, Mainland authorities had strengthened the control on imported recyclables, including the verification of customs declaration documents. Any non-compliant imported shipments, such as consolidating recyclables from different countries of origin (commonly known as "consolidated container loads") or mixing different types of recyclables (commonly known as "mixed container loads"), would be subject to stringent inspection and management requirements of the Mainland enforcement authorities.

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19. Dr Helena WONG sought the deputations' views on the impact of tightened import control on the recycling trades. Mr LEE Hing-tak/Hong Kong Telford Envirotech Group Ltd said that in the more advanced countries such as Germany, measures were in place to ensure the standard of recyclables being shipped for treatment overseas. If the recyclables were graded A or B, there should not be much waste generated after sorting. He also did not support tightened import control on transshipment of recyclables as these would not be treated in Hong Kong. Dr Jacky LAU/HKRMRBGA said that the traders involved in the transshipment of recyclables were not themselves recyclers. He supported the introduction of a licensing system for waste recyclers to enable effective monitoring. SEN reiterated that existing legislation strictly prohibited the disposal of imported waste locally. The container loads of recyclables rejected by the Mainland under OGF would be shipped out of Hong Kong.

Import and export control of waste and recyclables in Hong Kong

20. Dr Helena WONG was concerned that Hong Kong, being a free port, would not have much control over imports. As a result, waste materials could be imported from different countries to Hong Kong. With the tightened control over imported recyclables by the Mainland, there should be corresponding measures to be taken by Hong Kong to tighten import control as otherwise, the container loads of recyclables would end up in the landfills in Hong Kong. She considered it necessary that guidelines be formulated to specify the standard of plastic recyclables that could be allowed for import to Hong Kong. There should also be legislation banning the import of wastes to Hong Kong. She stressed that assistance should be given to local recyclers in the recycling of locally generated waste and not imported waste.

21. Dr Helena WONG further enquired about the number of recycling operations which were importing plastic recyclables graded C or below. Mr LEE Hing-tak/Hong Kong Telford Envirotech Group said that the inspection of imported waste and recyclables had been tightened in the Mainland following the launching of OGF. AtgHIB/C&ED said that importers would not specify the grading of the plastic recyclables imported by them. ADEP(EC) supplemented that efforts would be made to step up the inspection on imported plastic recyclables. Importers would unlikely import recyclables which were of no value in Hong Kong.

22. The Chairman noted from Annex 1 to the information paper that the quantity of imported plastic recyclables had exceeded that of exported plastic recyclables by a significant amount during the years from 2008 to 2011. She enquired about the whereabouts of the plastic recyclables that had not been exported. AtgHIB/C&ED responded that Hong Kong was a free port which imposed no tariffs and there were relatively simple requirements in terms of customs declaration. As local recyclers would perform sorting of the imported

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recyclables before export, there would be some difference between the import and export figures. There was also a possibility that the imported materials were re-exported under another classification category. Taking into consideration the total imports and exports of all types of recyclables, the total annual exports of recyclables in the past five years had exceeded the total annual imports of recyclables.

23. The Chairman enquired whether C&ED had been keeping record of the import and export of recyclables. AtgHIB/C&ED replied that recyclables which were imported into Hong Kong for treatment before shipping to other places would be regarded as imports. Such recyclables might subsequently be exported under another classification category and/or exported by way of consolidated or mixed container loads to which tracking would not be possible. SEN also said that the discrepancy between the import and export statistics on plastic recyclables might be attributable to their being exported under another classification category. The Chairman opined that there was a need to tighten control on imports to the effect that the custom declarations would clearly indicate the nature of imports so as to prevent the import of low-grade recyclables of which a high percentage were waste materials that would end up in the landfills in Hong Kong.

24. The Chairman further sought the deputations' views on the discrepancy between the import and export statistics on plastic recyclables. Mr LEE Hing-tak/Hong Kong Telford Envirotech Group Ltd said that the Mainland authorities had only allowed the import of between 1 to 1.2 million tonnes of plastic recyclables from Hong Kong, mostly of A and B grade. Recyclables graded C or below would be rejected from entry.

25. Mr KWOK Wai-keung was concerned that some traders of recyclables might try to under-declare the amount of plastic waste exports in an attempt to avoid Mainland taxes.

Licensing system for waste recyclers

26. Ms Claudia MO enquired whether the Administration was prepared to consider the introduction of a licensing system for waste recyclers and if so, the timing for introduction. Mr Steven HO supported the introduction of a licensing system for waste recyclers and urged the Administration to work out the details with the recycling trades. SEN responded that the Administration was open about the establishment of a licensing system for waste recyclers in Hong Kong. A steering committee had been set up to assist waste recyclers in the recycling of waste and close liaison would be maintained with them. The need for setting up a licensing system for waste recyclers would be looked into when the committee convened its first meeting next month.

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27. Mr SIN Chung-kai pointed out that there were pros and cons in the establishment of a licensing system for waste recyclers since a licensing system would enable more effective monitoring while increasing operating cost. Some recyclers would be forced out of business if they could not meet the licensing requirements. He sought the deputations' views on the need for a licensing system. Dr Jacky LAU/HKRMRBGA indicated support for the introduction of a licensing system for waste recyclers as this would ensure their performance. Through a licensing system, the Government could better assist recyclers in their recycling operations. Ms Joanne LEE/The Federation of Environmental and Hygienic Services also supported the introduction of a licensing system which would specify the different treatment processes to be followed by registered waste recyclers, and such might include collection, sorting, cleaning and shredding, etc. A proper licensing system would ensure that the recyclables collected would be transported to recycling operations.

28. The Chairman thanked the deputations for attending the meeting. She called upon the Administration to tighten control on the import of recyclables into Hong Kong. She said that she would be arranging a meeting with the Administration, recycling trades, and social enterprises in the next legislative session to exchange views on the measures to promote business opportunities in the waste recycling industry.

II. Any other business

29. There being no other business, the meeting ended at 12:15 pm.

Panel on Environmental Affairs

Special meeting on Friday, 26 July 2013, at 10:00 am

Receiving public views on " Issues relating to Hong Kong's municipal solid waste recycling rate and handling of imported waste "

Summary of views and concerns expressed by deputations/individuals

No.	Name of deputation/individual	Major views and concerns
1.	Hong Kong Recycle Materials & Re-production Business General Association Ltd	<ul style="list-style-type: none"> • doubted the accuracy of the waste recovery rate in Hong Kong; • recyclable materials collected by recyclers would be weighed and reported to the Environmental Protection Department ("EPD"); • with the launching of the Operation Green Fence ("OGF") by Mainland authorities, non-compliant waste plastics were not allowed to be exported to the Mainland. As a result, importers would no longer import waste plastics for transshipment to the Mainland given that the import cost amounted to HK\$300/tonne; and • supported the introduction of a licensing system for recyclers which would facilitate monitoring of recycling operations
2.	Hong Kong Telford Envirotech Group Ltd	<ul style="list-style-type: none"> • with the implementation of the Environmental Levy Scheme on Plastic Shopping Bags ("PSB Levy Scheme") in July 2009, the recycling operation for plastic shopping bags ("PSBs") intended to be set up in EcoPark had not materialized because there were no longer any recycling of PSBs since then; • supported that the PSB charges collected under the extended PSB Levy Scheme should be used to assist recycling operations in the recycling of PSBs, similar to the producer responsibility scheme on waste glass beverage bottles where the levy collected would be used on recycling of waste glass; and • there would unlikely be any imported waste plastics disposed of in the landfills in Hong Kong because they were of value in the Mainland
3.	The Federation of Environmental and Hygienic Services	<ul style="list-style-type: none"> • there was a need for cooperation between cleaning workers and recyclers in order that recyclable and reusable materials could be separated at source from domestic waste for proper recycling; • more assistance should be provided to facilitate the recycling of reusable materials and the development of a circular economy; and • need to promote green procurement

No.	Name of deputation/individual	Major views and concerns
4.	Friends of the Earth (HK) [LC Paper No. CB(1)1627/12-13(01)]	<ul style="list-style-type: none"> • the value of waste plastics could be significantly increased if waste plastic bottles were properly separated and cleansed before recycling; • was concerned that the imported waste plastics which were rejected by the Mainland would be disposed of at the landfills in Hong Kong; • with the launching of OGF by the Mainland authorities, the Hong Kong Government should impose stricter control on the import and transshipment of recyclable materials; and • need for a more accurate methodology for estimating the waste recovery rate
5.	Professional Power Youth Committee	<ul style="list-style-type: none"> • was concerned that the Government had been extending landfills despite public objection on the one hand but had been adding pressure on landfills on the other hand by allowing the disposal of imported waste in Hong Kong; • the Government should refuse entry of imported waste and return them to their country of origin; • supported amending the existing legislation to enable stricter control against imported waste; and • need for a clear explanation on the waste recovery rate in Hong Kong
6.	Federation of Hong Kong Recycle	<ul style="list-style-type: none"> • was concerned about the import and transshipment of recyclable materials given that about 8% to 10% of such materials (or 300 000 tonnes) might be disposed of in the landfills in Hong Kong after sorting; • as the stockpiling of recyclable wastes awaiting recycling/transshipment gave rise to fire hazard, recycling operations had to pay a high insurance premium, and the EPD was urged to step up control; • the recycling industry was facing much difficulty in their operation due to the high labour, rental and insurance costs, but low investment returns; and • the waste problem would worsen if waste recycling operations were not viable
7.	The Association of the New Territories Open Storage Operators Ltd ("the Association")	<ul style="list-style-type: none"> • the Association did not make any comments

No.	Name of deputation/individual	Major views and concerns
8.	Hong Kong Waste Management Association	<ul style="list-style-type: none">• supported the implementation of the Hong Kong Blueprint for Sustainable Use of Resources 2013-2022 which set out the waste management strategy for Hong Kong;• supported the early implementation of the municipal solid waste charging scheme and producer responsibility schemes;• supported the use of environmental levies for the setting up of a waste recycling fund to assist in waste recycling;• supported the introduction of a licensing system for waste recyclers; and• need to regulate the import/export of recyclable materials to avoid the disposal of imported waste in the landfills of Hong Kong