

立法會
Legislative Council

LC Paper No. CB(1)1812/13-14
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 28 April 2014, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

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

Public Officers : For item IV
attending

Ms Christine LOH, JP
Under Secretary for the Environment

Mr Andrew LAI, JP
Deputy Director of Environmental Protection (3)

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

For item V

Ms Christine LOH, JP
Under Secretary for the Environment

Miss Amy YUEN
Assistant Director (Water Policy)
Environmental Protection Department

Mr CHENG Hung-leung
Assistant Director (Projects and Development)
Drainage Services Department

Mr TAI Wai-man
Chief Engineer (Project Management)
Drainage Services Department

Mr LAI Cheuk-ho
Chief Engineer (Sewerage Projects)
Drainage Services Department

For item VI

Ms Christine LOH, JP
Under Secretary for the Environment

Mr WONG Chuen-fai
Principal Environmental Protection Officer
(Cross-Boundary & International)
Environmental Protection Department

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

Staff in attendance : Miss Lilian MOK
Senior Council Secretary (1)1

Ms Mandy LI
Council Secretary (1)1

Miss Mandy POON
Legislative Assistant (1)1

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I. Confirmation of minutes

(LC Paper No. CB(1)1291/13-14 — Minutes of the meeting held on
27 January 2014)

The minutes of the meeting held on 27 January 2014 were confirmed.

II. Information papers issued since last meeting

2. Members noted that the following papers had been issued since the last meeting –

(LC Paper No. CB(1)1160/13-14(01) — Administration's paper on
"Progress Report on Port
Facilities and Light Dues
Incentive Scheme"

LC Paper No. CB(1)1256/13-14(01) — Administration's information
paper on "Proposed
amendments to the Schedules
and Subsidiary Legislation
under the Protection of
Endangered Species of
Animals and Plants
Ordinance (Cap. 586)"

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III. Items for discussion at the next meeting

(LC Paper No. CB(1)1292/13-14(01) — List of follow-up actions

LC Paper No. CB(1)1292/13-14(02) — List of outstanding items for discussion)

3. The Chairman referred to the letter dated 25 April 2014 from Mr Kenneth LEUNG proposing the Panel to discuss the impact of the development of the Hong Kong boundary crossing facilities island of the Hong Kong-Zhuhai-Macau Bridge ("the island project") on marine ecology. Taking into consideration that the item on "Impact of construction works on endangered species and marine ecology" had been included in the Panel's "List of outstanding items for discussion", the Chairman proposed and members agreed to hold a special meeting to discuss the impact of the island project on marine ecology as well as the wider issue of the impact of construction works on endangered species, marine ecology and the fisheries industry before the island project was discussed by the Public Works Subcommittee ("PWSC") or the Finance Committee ("FC").

4. Members further agreed to discuss the following items at the next regular meeting scheduled for Monday, 26 May 2013, at 2:30 pm –

- (a) Collaboration with Guangdong in improving air quality in the Pearl River Delta ("PRD") region (including the latest collaboration initiatives of Guangdong and Hong Kong in response to the State Council's 10 measures in combating Mainland's air pollution);
- (b) PWP Item No. 6810TH – Retrofitting of noise barriers on Tuen Mun Road (Town Centre Section); and
- (c) Monitoring the use of the Environment and Conservation Fund.

5. The Chairman said that the next meeting would be extended by one hour to end at 5:30 pm so as to allow sufficient time to discuss all the items on the agenda.

IV. Handling of Waste Electrical and Electronic Equipment ("WEEE") and WEEE Treatment and Recycling Facility

(LC Paper No. CB(1)1292/13-14(03) — Administration's paper on "Handling of WEEE and

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WEEE Treatment and Recycling Facility"

LC Paper No. CB(1)1292/13-14(04) — Updated background brief on "Mandatory producer responsibility scheme for waste electrical and electronic equipment" prepared by the Legislative Council Secretariat)

6. The Under Secretary for the Environment ("USEN") briefed members on the Administration's plan to handle WEEE through a new mandatory producer responsibility scheme ("PRS") and develop the WEEE Treatment and Recycling Facility ("WEEETRF"). The Deputy Director of Environmental Protection (3) ("DDEP(3)") supplemented that about 70 000 tonnes of WEEE were generated in Hong Kong annually, most of which was exported to developing countries which often lacked the safety and environmental awareness and/or proper technology to process WEEE safely. In anticipation that the demand for second-hand WEEE products overseas would decline as a result of developing countries' progressive economic development and tightening of import control over WEEE, the Administration proposed to regulate five types of products under the mandatory PRS on WEEE, namely, washing machines, refrigerators, air conditioners, televisions and computer products (collectively as "regulated electrical equipment" hereafter), which accounted for some 85% of the total WEEE generation by weight, as well as to develop WEEETRF at a three-hectare site at the EcoPark in Tuen Mun so as to have proper management of WEEE locally and support the long-term development of the recycling industry.

Scope of regulated electrical equipment

7. While expressing support for the mandatory PRS on WEEE, Mr Charles Peter MOK was concerned that the novelties in the functions and designs of mobile phones, notebook computers and tablet computers might make it difficult for the Administration to define in clear terms the scope of regulated electrical equipment. He enquired whether the proposed PRS on WEEE would allow some flexibility in defining the scope of individual regulated electrical equipment to cater for the rapid development of technologies. He also asked if the Administration would further consult the community and different stakeholder groups, such as manufacturers, brand agents and retailers, on the operational details of the PRS, in particular the scope of regulated electrical equipment and the recycling fee to be imposed, before submitting the relevant legislative proposals to the Legislative Council ("LegCo") for scrutiny later in 2014.

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8. DDEP(3) responded that the legislative proposal for implementing the mandatory PRS on WEEE would stipulate the definitions of regulated electrical equipment. For example, computers under the mandatory PRS on WEEE would include desktops, laptops and tablets. However, mobile phones, which were currently very marketable in the local second-hand market, would not be included in the regulatory regime. The Administration would consider extending the scope of the proposed PRS to cover other WEEE products, such as mobile phones and computer accessories, at a later stage. The Administration had also been communicating closely with different stakeholder groups in developing the operational details of the PRS.

Charge of recycling fee

9. Noting that a recycling fee would be collected under the PRS, Dr Elizabeth QUAT enquired whether the operating costs (which would be about \$200 million per annum) and the construction costs (which would be \$536.1 million) of the proposed WEEETRF would be fully recovered from the recycling fee. DDEP(3) advised that in line with the established "polluter pays" principle under the Product Eco-responsibility Ordinance (Cap. 603) ("the PERO"), there would be a statutory recycling fee to be imposed on regulated electrical equipment in order to recover the full PRS costs for collection, treatment and administration. The Administration would prescribe the specific recycling fees of individual regulated electrical equipment, which would be determined at full cost recovery basis, after taking into account the capital and recurrent costs for the proposed WEEETRF.

10. Dr Elizabeth QUAT further asked about the sharing of the recycling fee among different stakeholder groups such as manufacturers, importers, distributors, retailers and consumers. Mr WU Chi-wai expressed concern that the recycling fee which was indeed the recovery cost of regulated electrical equipment would ultimately be transferred wholly or partially to consumers, thus posing a financial burden on consumers. As such, the proposed PRS on WEEE was tantamount to shifting the cost of the overall collection and treatment of WEEE from manufacturers, importers, distributors and retailers to the general public. Mr Vincent FANG also held the view that if the percentage of the recycling fee to be shouldered by different stakeholder groups was not stipulated, a major if not entire part of the fee would be borne by consumers. Mr Kenneth LEUNG shared Mr FANG's views that the entire recycling fee would likely be paid by consumers if the sharing of the fee among different stakeholder groups was determined by market forces.

11. DDEP(3) explained that under the proposed PRS on WEEE, importers of regulated electrical equipment would be responsible for paying the recycling

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fee for the concerned equipment brought into Hong Kong for local sale. They would be required to keep the sales records of the equipment and submit corresponding recycling fees to the Government quarterly. When purchasing new regulated electrical equipment, consumers would be given a label with which they could request the seller of the new equipment to arrange taking back their old electrical equipment free-of-charge for proper treatment (i.e. the take-back service). As regards the sharing of recycling fee among different stakeholder groups, DDEP(3) said that it would be determined entirely by market forces and the Administration would not be involved.

12. Based on the estimated capital and operating costs of the proposed WEEETRF, Mr Frankie YICK expected that the recycling fee of a bulky household appliance such as washing machines and refrigerators would be about \$378, which was much higher than the pick-up service fees charged by second-hand dealers or private recyclers who arranged logistical arrangements for consumers who discarded their old electrical equipment. DDEP(3) responded that after taking into account the capital and operating costs of the proposed WEEETRF as well as the extent of treatment required, which might include dismantling, detoxification and recovery processes, the levels of the recycling fees of individual regulated electrical equipment would be calculated and set accordingly. Since the proposed WEEETRF would be operated under a Design-Build-and-Operate ("DBO") contract, the Administration had invited the pre-qualified tenders for the DBO contract in September 2013 and had completed the tender assessment. It was expected that the levels of the recycling fees would be slightly lower than those proposed in the public consultation held in 2010.

13. Noting that the Administration planned to develop a community green station ("CGS") in each of the 18 districts to support recycling at the community level and consumers might dispose of their old electrical equipment at CGSs, Mr Kenneth LEUNG considered it unfair for consumers to pay the recycling fee if they did not use the take-back service provided by the sellers of new equipment. DDEP(3) responded that in upholding the "polluter pays" principle, the mandatory PRS on WEEE sought to recover the costs for waste collection, recycling and treatment processes and other management and administrative matters. Similar to the environmental levy scheme on plastic shopping bags, the mandatory PRS on WEEE aimed to drive behavioural changes of the community to reduce e-waste, thus fostering the reuse and recycling of electrical equipment. While CGSs would collect different types of recyclables in the community, it was expected that many consumers might not bring their old and bulky electrical equipment to CGSs themselves and the new take-back service would hence facilitate proper collection and treatment of such equipment.

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14. The Chairman urged the Administration to enhance its efforts to protect consumers who might have to bear a substantial part of the recycling fee.

The proposed WEEETRF

15. Dr Elizabeth QUAT expressed support for introducing a new mandatory PRS to promote the recycling of WEEE. Noting that about 70 000 tonnes of WEEE were generated in Hong Kong annually and the treatment capacity of the proposed WEEETRF was around 30 000 tonnes of e-waste per annum, Dr QUAT enquired how the remaining 40 000 tonnes of WEEE would be handled. DDEP(3) advised that the five types of regulated electrical equipment had accounted for some 85% of WEEE generated locally in Hong Kong in terms of weight, amounting to about 60 000 tonnes per year. Since the proposed WEEETRF would not be monopolizing WEEE recycling, the existing private WEEE recyclers in the market could continue their operation after the former commissioned in late 2016 or early 2017 provided that they could meet the prevailing requirements set by the Administration. Besides, the treatment capacity of the proposed WEEETRF could be expanded to 50 000 tonnes of e-waste per annum through enhancing the provision of recycling equipment and machinery and increasing the working hours/working shifts of workers.

16. DDEP(3) further advised that the successful bidder of the DBO contract of the proposed WEEETRF would take up the role as "WEEE Management Contractor" ("WMC") who would process and arrange proper treatment to turn regulated electrical equipment collected from consumers into resources. The Administration had invited pre-qualified tenders for the DBO contract and tenderers had been required to provide the projected financial assessment of the proposed WEEETRF and make a recommendation on the level of the recycling fee for the Administration's consideration.

17. Mr WU Chi-wai pointed out that different types of WEEE required different treatment processes, which might involve various dismantling, detoxification and recovery processes, to remove harmful substances and recover valuable materials for resale. For example, the detoxification treatment for computer monitors and circuit boards was different from that for other WEEE products such as washing machines. To prevent the proposed WEEETRF from vying with private WEEE recyclers for profits, Mr WU opined that the proposed WEEETRF should undertake the recycling of toxic and hazardous electrical equipment that required sophisticated treatment processes which were often costly for small-scale waste recycling operators.

18. In response, DDEP(3) reiterated that the proposed WEEETRF would not be a sole service provider in Hong Kong and the existing private WEEE recyclers could continue to develop their business when the former

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commissioned in late 2016 or early 2017 as long as the latter could fulfil the requirements set by the Administration. He further advised that of the five regulated electrical equipment, air conditioners and washing machines contained harmful substances. To carry out proper treatment and recycling of WEEE, processing facilities should have adequate capacity and appropriate technology. The Administration therefore proposed to amend the Waste Disposal Ordinance (Cap. 354) ("the WDO") such that for treatment, reprocessing and recycling of regulated electrical equipment, a waste disposal licence would be required and would only be granted if the operator could demonstrate that the processes adopted were environmentally sound. As requested by Mr WU Chi-wai, the Administration undertook to provide information on the recycling situation of the about 70 000 tonnes of WEEE generated in Hong Kong annually, including the types of WEEE being handled by private recyclers and the scope of the recyclers' work.

(Post-meeting note: The Administration's response was circulated to members on 26 May 2014 vide LC Paper No. CB(1)1499/13-14(01).)

19. Mr Vincent FANG said that relevant stakeholders were supportive of the mandatory PRS on WEEE and the development of the proposed WEEETRF. He enquired whether the estimated capital cost of \$536.1 million of the project was for building a treatment plant with an annual capacity of 50 000 tonnes of WEEE. He further expressed concern that the problem of "cherry picking" might arise if second-hand dealers or private recyclers chose to focus their business on recycling electrical equipment of high market value while the proposed WEEETRF would only be allowed to recycle toxic and hazardous equipment which often required complicated treatment processes but had low commercial value in the second-hand market. Under these circumstances, the financial return of the proposed WEEETRF might not be able to cover its recurrent expenditure of about \$200 million per annum.

20. While expressing support for the mandatory PRS on WEEE and the development of the proposed WEEETRF, Mr Tony TSE shared Mr Vincent FANG's views that second-hand dealers or private recyclers might cherry pick to recycle only electrical equipment of high market value, thus leaving the low value ones to the proposed WEEETRF. He also opined that the DBO contract of the proposed WEEETRF should provide some flexibility in the handling of WEEE in order to tie in with the development of waste management technologies and the possible extension of coverage of the PRS on WEEE.

21. DDEP(3) reiterated that the Administration proposed to amend the WDO such that a waste disposal licence would be required and would only be granted if the operator of a processing facility could demonstrate that the treatment, reprocessing and recycling of regulated electrical equipment were

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environmentally sound. By so doing, the Administration would be able to ensure the proper handling of WEEE, provide a level playing field for private recyclers and the proposed WEEETRF and prevent private recyclers from cherry picking high-market value electrical equipment and treating them in a low-cost and not environmentally-friendly manner.

22. DDEP(3) further advised that the Administration had invited pre-qualified tenders for the DBO contract of the proposed WEEETRF in September 2013. Of the 12 proposals received, four companies had been invited to submit final tender bids for the proposed WEEETRF and they were required to recommend different levels of recycling fees for the five types of regulated electrical equipment having regard to the treatment capacity of the proposed WEEETRF. The Administration would also consider the need of extending the coverage of the mandatory PRS on WEEE and discuss with WMC at a later stage.

23. Dr Kenneth CHAN asked whether the statutory requirements under the PRS had been laid down in the tender document to ensure that the future operation of the proposed WEEETRF would be in line with the relevant legislation. DDEP(3) assured members that the statutory requirements had been specified in the tender document to regulate future WEEE recycling. After inviting the pre-qualified tenders for the DBO contract in September 2013, the Administration had completed the tender assessment. Subject to the funding approval of PWSC and FC, the Administration would award the DBO contract in the second half of 2014. DDEP(3) further said that the statutory requirements under the mandatory PRS on WEEE would apply to all private WEEE recyclers and WMC of the proposed WEEETRF. The necessary legislative amendments to the PERO and the WDO for introducing the mandatory PRS on WEEE would be submitted to LegCo for scrutiny in end 2014/early 2015. He added that WMC would not be eligible to apply for funding support from the Recycling Fund which was established to promote the sustainable development of the recycling industry.

24. Mr Frankie YICK expressed concern as to whether the Administration had reserved adequate space in the vicinity of the project site for the expansion of the proposed WEEETRF in the event that more and more electrical equipment would be treated locally. Mr Kenneth LEUNG shared Mr YICK's concerns. DDEP(3) responded that due to the limited space available in the EcoPark, the Administration had not reserved any space for in-situ expansion of the proposed WEEETRF. Nevertheless, the treatment capacity of the proposed WEEETRF could be expanded to 50 000 tonnes per annum by increasing the work shifts of the facility. He further said that given the rapid development of technology in waste management, the Administration considered it more desirable to acquire new machinery and equipment for the proposed WEEETRF

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to provide proper treatment and recycling of WEEE, rather than merely expanding the size and treatment capacity of the plant. The DBO contract which would last for 10 years would provide flexibility for the Administration to review the latest waste treatment technologies from time to time and purchase new machinery and equipment as and when necessary.

25. Mr Kenneth LEUNG enquired about the project estimate of the proposed WEEETRF. The Principal Environment Protection Officer (Waste Management Policy) explained that the estimated capital cost of the proposed WEEETRF was about \$400 million in 2011. However, due to inflation, the estimated capital cost of the project was revised to be \$468 million in September 2013 prices and \$536.1 million in money-of-the-day prices.

26. The Chairman expressed concern about the job opportunities to be created by the development of the proposed WEEETRF. DDEP(3) responded that the proposed works would create about 291 jobs during the construction stage. As WMC would be required to operate not less than four regional collection points to source and collect regulated electrical equipment for treatment at the proposed WEEETRF, it was expected that another 200 to 300 new jobs would be created.

Concluding remarks

27. The Chairman concluded that members were generally supportive of the mandatory PRS on WEEE as well as the development of the proposed WEEETRF at the EcoPark in Tuen Mun, and there was no objection for submitting the development proposal of the proposed WEEETRF to PWSC for consideration.

V. 160DS — Tuen Mun sewerage, stage 1, 346DS — Upgrading of Tuen Mun sewerage, phase 1 and 388DS – Shek Wu Hui sewage treatment works — further expansion phase 1A

(LC Paper No. CB(1)1292/13-14(05) — Administration's paper on "160DS — Tuen Mun sewerage, stage 1, 346DS — Upgrading of Tuen Mun sewerage, phase 1 and 388DS – Shek Wu Hui sewage treatment works — further expansion phase 1A")

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28. USEN briefly introduced the three sewerage projects, namely, 160DS – Tuen Mun sewerage, stage 1, 346DS – Upgrading of Tuen Mun sewerage, phase 1, and 388DS – Shek Wu Hui sewage treatment works – further expansion phase 1A.

(Post-meeting note: A set of the power-point presentation materials was circulated vide LC Paper No. CB(1)1333/13-14(01) on 29 April 2014.)

388DS – Shek Wu Hui sewage treatment works – further expansion phase 1A

29. While expressing support for the expansion proposal of Shek Wu Hui sewage treatment works ("SWHSTW"), Mr Tony TSE was concerned about the odour and health impact of the operation of SWHSTW on nearby residents of Sheung Shui Heung and Fu Tei Au. The Assistant Director of Environmental Protection (Water Policy) ("ADEP(WP)") responded that the Administration had been closely communicating with nearby residents to address their health and environmental concerns and ensure a better understanding of the expansion proposal of SWHSTW. Since SWHSTW was operating at about 90% of its design capacity, which was expected to be fully utilized by 2018 based on the flow projection derived from the latest planning data and village sewerage programme, there was a need to expand SWHSTW in phases to cater for the expected population growth within its catchment. To tie in with the proposed works, the Administration would upgrade the sewage treatment standard adopted by SWHSTW, implement comprehensive odour control/mitigation measures, and enhance the architectural and landscaping design of the treatment facilities. An information centre that would be open to the public was being planned.

30. In response to Mr Tony TSE's further enquiry about the interim mitigation measures implemented by the Administration to address the environmental impacts of SWHSTW, ADEP(WP) advised that in the past five years, only four complaints about odour had been received. All of them were not substantiated after investigation. To address Fu Tei Au residents' concerns about the quality of discharge from SWHSTW to Ng Tung River, ADEP(WP) reiterated that the Administration would upgrade the sewage treatment standard of SWHSTW from secondary to tertiary level, hence improving the quality of the treated effluent. The Administration would continue to liaise with nearby residents to address their concerns. The Assistant Director of Drainage Services (Projects and Development) supplemented that the treatment facilities would be covered for odour control and a large amount of green elements such as tree planting, vertical greening and green roof would be provided. The green elements would beautify SWHSTW, enhance the surrounding environment and improve the ecology.

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31. The Chairman enquired whether the location of SWHSTW was close to residential areas. The Chief Engineer (Sewerage Projects), Drainage Services Department, responded that Sheung Shui Heung, one of the major residential areas near SWHSTW, was more than 100 metres away from the treatment facilities. He further advised that the Administration was studying the feasibility of reducing the height of the treatment facilities by putting part of the facilities below ground to minimize their visual impact. Apart from upgrading the sewage treatment standard and enhancing the architectural and landscaping design of SWHSTW, the Administration would also adopt proper odour mitigation measures including covering of all treatment facilities that would produce odour and installation of appropriate deodorization facilities to fully address nearby residents' concerns.

32. Noting that the Food and Health Bureau was studying the feasibility of establishing temporary holding facilities in the vicinity of Fu Tei Au Tsuen next to Man Kam To Road for imported live poultry, Dr Helena WONG enquired about the impact of the facilities on the design and treatment capacity of SWHSTW. ADEP(WP) replied that the sewage effluent from the proposed temporary holding facilities should be properly treated before being discharged. She reiterated that to cope with the population growth in the Fanling/Sheung Shui area and the increasing sewage flow from village sewerage, the Administration need to undertake phased extension of SWHSTW in order to provide treatment for the sewage collected in Sheung Shui, Fanling and the surrounding areas. It was expected that SWHSTW would be required to handle 190 000 cubic metres of sewage per day within 20 years.

Admin 33. As requested by Dr Helena WONG, USEN undertook to provide information on whether and how the proposed temporary holding facilities would impact on the design and treatment capacity of SWHSTW.

(Post-meeting note: The Administration's response was circulated to members on 28 May 2014 vide LC Paper No. CB(1)1526/13-14(01).)

34. Mr Tony TSE was of the view that the Administration should set out separately the construction cost and consultant fee of the expansion of SWHSTW for members' ease of reference.

Concluding remarks

35. Referring to the site plan showing the proposed works for 160DS and 346DS, the Chairman noted that part of the proposed works would be carried out on the slope areas of Yeung Siu Hang and Fuk Hang Tsuen (Upper). She reminded the Administration to take into account the site constraints when

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working out the total capital costs of the proposed works for both 160DS and 346DS.

36. The Chairman concluded that members supported the submission of the three sewerage project proposals to PWSC for consideration.

VI. Report of public consultation on Hong Kong's Climate Change Strategy and Action Agenda

(LC Paper No. CB(1)1292/13-14(06) — Administration's paper on "Report of public consultation on Hong Kong's Climate Change Strategy and Action Agenda"

LC Paper No. CB(1)1292/13-14(07) — Updated background brief on "Hong Kong's Climate Change Strategy and Action Agenda" prepared by the Legislative Council Secretariat)

37. USEN briefed members that the Administration had launched a public consultation on Hong Kong's Climate Change Strategy and Action Agenda ("CCSAA") in 2010. To help combat climate change, the Administration planned to set out its policies on promoting energy efficiency and green buildings by the end of 2014. The Administration would also put forward a comprehensive climate change strategy for Hong Kong in 2015.

Use of nuclear power

38. Pointing out that nuclear electricity imported from the Mainland had accounted for only about 23% in the fuel mix for electricity generation in Hong Kong in 2009, Dr Helena WONG noted with concern that the consultation document on Hong Kong's CCSAA proposed that by 2020, about 50% of the fuel mix would be met by imported nuclear power. She enquired whether the Administration had re-examined the proposal of increasing the share of nuclear power in the fuel mix for electricity generation after the Fukushima nuclear incident took place in March 2011 and aroused global concern about nuclear safety.

39. USEN advised that the Administration had launched a public consultation exercise on fuel mix in mid March 2014, given the profound impact of the

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future fuel mix on the long-term development of electricity provision. Two fuel mix options were put forward in the consultation document. The first option was "grid purchase", under which electricity would be imported from the Mainland power grid, and the second option was "local generation", under which more natural gas would be used for local electricity generation. Under the two proposed fuel mix options, the import of nuclear electricity from the Daya Bay Nuclear Power Station ("DBNPS") would account for only about 20% of the overall fuel mix. The Administration adopted an open position towards the two options and would chart the way forward for electricity generation having regard to the outcome of the public consultation.

40. Mr Kenneth LEUNG was of the view that the Administration should set out its policies on the use of nuclear power in the consultation paper on Hong Kong's future fuel mix so that the public could express their views as to whether or not the share of nuclear power in the future fuel mix should be increased. He also expressed disappointment that the Administration had not set any target on the electricity to be generated by renewable energy ("RE") and had not included energy saving initiatives in the consultation paper.

41. USEN advised that Hong Kong had been importing electricity from DBNPS and the agreement on the supply of nuclear electricity from DBNPS had been renewed for a further term of 20 years until 2034. While the consultation paper on Hong Kong's future fuel mix had not specified a target on the electricity to be generated by RE, it had estimated that the share of RE from waste would make up about 1% of the total electricity demand by the early 2020s. Having regard that electricity generation was a complex subject involving issues of fuel mix, future development of the electricity market, energy efficiency and climate change, Mr Kenneth LEUNG opined that the Administration should link up the different issues with each other to provide a comprehensive picture of electricity generation to the public.

42. Dr Elizabeth QUAT noted that the nuclear electricity imported from DBNPS accounted for about 23% of the total fuel mix in 2012, but it would only account for about 20% of the overall fuel mix under the two proposed fuel mix options. She asked whether the target of reducing carbon intensity by 50% - 60% by 2020 (as compared with the 2005 level) would still be met if the share of nuclear power in the future fuel mix was not increased. USEN assured members that both the two fuel mix options could achieve the target of reducing carbon intensity and mitigate the problem of air pollution.

Carbon intensity

43. Noting that the Administration used carbon intensity as an emission reduction indicator, Mr Tony TSE opined that the Administration should not

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neglect to achieve further reduction in the actual amount of carbon emissions and should consider setting a reduction target for the absolute amount of carbon emissions. USEN responded the consultation document on Hong Kong's CCSAA had proposed that Hong Kong should adopt a voluntary carbon intensity reduction target of 50% to 60% by 2020 as compared with the 2005 level, representing a 19% to 33% reduction in the total greenhouse gas ("GHG") emissions in Hong Kong.

44. In response to Mr Tony TSE's further enquiry about the implementation of the various adaptive measures to cope with climate change by Government bureaux/departments ("B/Ds") as set out in Part 2 of Annex B to the Administration's paper, the Principal Environmental Protection Officer (Cross-Boundary & International) ("PEPO(CB&I)") assured members that the Administration attached great importance to the work on combating climate change. Although the effectiveness of the adaptive measures could not be quantified easily, the Administration would continue to monitor the implementation of these measures to mitigate and adapt to the impact of climate change.

Marine emission

45. Dr Helena WONG enquired how the Administration would reduce marine emission. Dr Elizabeth QUAT also expressed concern about the progress made by the Administration in reducing emissions from vessels. USEN responded that marine emission reduction measures had not been set out in the consultation document on Hong Kong's CCSAA as the document focused mainly on the long-term strategies and measures to reduce GHG which was widely recognized as the primary cause of climate change. She expected that relevant reduction measures would be elaborated when the Administration announced the climate change strategy for Hong Kong in 2015.

46. USEN also said that the Administration planned to introduce legislation to mandate ocean-going vessels to switch to cleaner fuels while berthing in Hong Kong waters and the relevant legislative proposals would be submitted to LegCo in late 2014. In addition, the Air Pollution Control (Marine Light Diesel) Regulation, which had been approved by LegCo, capped the sulphur content of locally supplied marine light diesel at 0.05% to reduce emissions from local vessels with effect from 1 April 2014.

Low-carbon development in PRD region

47. Dr Helena WONG enquired how the Administration would take forward regional co-operation in PRD region to promote low-carbon development. PEPO(CB&I) advised that the Hong Kong/Guangdong Joint Liaison Group on

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Combating Climate Change had been established in 2011 to initiate and take forward co-operation initiatives as well as to enhance exchanges on climate change adaptation and mitigation. For example, the Hong Kong Observatory and the Guangdong Meteorological Bureau agreed on the details of an information exchange mechanism for severe climate events. The Environment Bureau also held a workshop on climate change adaptation for the financial services sector in March 2013 which promoted exchanges on climate change adaptation for the trade in the two places.

Air Quality Objectives ("AQOs") review

48. Pointing out that some advanced regions such as the European Union ("EU") would have a set of established procedures for reviewing AQOs, the Chairman enquired whether the Administration would make reference to the procedures adopted by EU to ensure that the review mechanism of AQOs in Hong Kong would be broadly on par with that of EU.

49. USEN responded that the Administration had undertaken to put in place a review mechanism to regularly ascertain the extent to which the new AQOs had been achieved. The frequency of the review would be no less than once every five years to allow reasonable time to assess the impacts of the earlier emission control measures on air quality. While different countries would have different sets of assumptions, procedures and considerations for reviewing AQOs, the Administration would study the matter and devise a review mechanism that was most suitable for Hong Kong.

Promotion of green buildings

50. Noting that the Government had promulgated a set of Sustainable Building Design Guidelines under which developers might obtain gross floor area concessions in new buildings if sustainable design elements were adopted and energy consumption information was provided, the Chairman asked if the Administration would consider introducing mandatory measures to require developers to adopt green elements and use green materials in the construction of buildings. USEN reiterated that the Administration would set out its policies on and chart the way forward for promoting energy efficiency and green buildings by the end of 2014.

Other views and concerns

51. Pointing out that no comprehensive policies had been formulated by the Government to promote green technology, Dr Elizabeth QUAT urged the Administration to study ways to further encourage the application and promotion of green technology. She further opined that the Administration

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should proactively organize promotional and educational programmes to arouse public awareness about recycling, in particular the recycling of products with toxic substances such as light bulbs and fluorescent tubes. USEN agreed on the need to promote recycling of waste in the community. While the Administration was preparing the legislative proposals to introduce a new PRS on WEEE, other mandatory PRSs would be implemented progressively, with priority accorded to glass beverage bottles.

VII. Any other business

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

Council Business Division 1
Legislative Council Secretariat
21 July 2014