

**For information on  
23 July 2014**

**LEGISLATIVE COUNCIL  
PANEL ON ENVIRONMENTAL AFFAIRS**

**Restored Landfill Revitalisation Funding Scheme**

**Supplementary Information Note**

The proposal of the Restored Landfill Revitalisation Funding Scheme (the Scheme) was discussed at the Legislative Council Panel on Environmental Affairs on 23 June 2014. This note aims to provide supplementary information on the Scheme for Members' reference.

**Development of afteruse facilities at the restored landfills**

2. At the meeting, Members raised a number of different afteruse proposals for the restored landfills. Members may wish to note that at restored landfills, there are various facilities to manage the landfill gas and leachate from landfilling (e.g. the landfill gas management system, the leachate collection management system, the engineered capped layer etc.) to ensure safety and environmental standards of the restored landfills. These facilities pose considerable restrictions on the development of afteruse on the restored landfills, such as limits of loading or excavation on landfills, restrictions in respect of heat and fire etc.

3. Furthermore, most of the restored landfill sites are zoned as "Open Space", "Green Belt" or "Recreation". The zoning of these restored landfill sites has been determined after taking into account the technical constraints as well as the aspirations of the local communities that any afteruse should be acceptable and beneficial to the community. In fact, the relevant District Councils were consulted on the zoning of the restored landfill sites as part of the planning process. Given the site restrictions and the aspirations of the community, restored landfills are mainly used for recreational and community purposes. They are generally considered not suitable for heavy construction, industrial development or other commercial purposes. Subject to these considerations, the Government is open to any innovative proposals having

regard to the objective and application criteria of the Scheme.

4. Some Members suggested that the development of afteruses at restored landfills should be taken forward by the Government under its Public Works Programme. Indeed the Government has been developing some restored landfills into facilities for the enjoyment of the community such as recreational ground, sports facility, park, etc. The progress of developing recreational facilities at the remaining areas of restored landfill sites will be subject to competing priorities of different public projects under the Public Works Programme.

5. One of the objectives of the Scheme is to promote active public participation in the development of suitable facilities at the restored landfills. We understand that some NPOs and NSAs have indicated interest in developing afteruses at restored landfills but they cannot secure sufficient funding to bring forward their proposals. The Scheme would offer funding support which helps foster partnership between the Government and the NPOs / NSAs and facilitates the early development of restored landfills for gainful afteruses which would benefit the general public. The Scheme would also facilitate the implementation of innovative proposals at restored landfills.

### **Assessment of Applications**

6. Some Members expressed concerns on the capabilities of project proponents. Every individual project proposed by NPOs or NSAs will be assessed and scrutinized by the Steering Committee, which comprises members from the fields of accounting, architecture / engineering, sports, social services as well as representatives of relevant District Councils with restored landfills, in respect of the following criteria:

- (a) Engineering and environmental feasibility of the project;
- (b) Project benefits and acceptance by the community;
- (c) Management capability of the applicant;
- (d) Financial viability and sustainability of the project.

7. The level of funding support for individual projects will be worked out by the Steering Committee on a case-by-case basis depending on factors such as the size and the proposed usage of the site.

8. The Steering Committee will critically assess the management capability of the applicants, such as their institutional set up, track record and past experience on similar projects, intended commitment, and any cross-sector collaboration etc., to ascertain their capability in delivering the projects as proposed.

9. The Steering Committee will also assess and scrutinize the financial viability and sustainability of all proposed projects, including the projected income and recurrent expenditure, demand of service(s) etc. Based on the proposed business plan submitted by the applicants, the Steering Committee would determine the financial support required (if any) from the Government for meeting the starting costs and operating deficits of the projects for a maximum of the first two years of operation. It is expected that all proposals supported under the Scheme should be self-sustainable.

10. All approved projects should be of non-profit-making in nature. Nevertheless, to help maintain the financial viability and sustainability of the proposed projects, a certain extent of income-generating activities would be allowed in their business plan, without sacrificing the intended uses of the restored landfill sites. But any revenue earned from the project has to be ploughed back to a dedicated account for operation of the project and any surplus should be returned to the Government upon completion of the project or on expiry of the land licence.

11. The Steering Committee plans to invite available sites in batches for application by interested parties so that the Scheme could be taken forward incrementally. In the event that no project proposal could meet the assessment criteria to the satisfaction of the Steering Committee in a round of invitation of application for proposals, the Government would re-invite application for the concerned restored landfill site(s) at a later stage.

### **Monitoring of Approved Applications**

12. Some Members asked about the monitoring mechanism. Successful applicants will be required to enter into agreement with the Government, through a land licence, to occupy the restored landfill site for the development of the approved proposal. The duration of land licence is expected to vary from 3 to 15 years as proposed by the applicant and advised by the Steering Committee having regard to the nature of the proposed development.

Suitable terms and conditions, such as provisions on permissible usage (including the nature and extent of any income-generating activity), reinstatement of site if necessary (depending on the particular usage of the site), compatibility with the landfill restoration works, etc. will be clearly set down in the land licence.

13. Successful applicants will then be required to submit a detailed master implementation programme for the approved projects, with all milestone dates identified. The applicants are required to submit progress reports on a regular basis to the Secretariat and the Steering Committee during the project preparation, construction and operation stages. The Secretariat and the Steering Committee would conduct on-site inspections to monitor the progress and operation of the projects.

14. Funding guidelines will be worked out by the Steering Committee having regard to the principles of accountability and prudence. Successful applicants are required to submit regular reports with audited accounts for monitoring purpose. The Secretariat will vigorously monitor the expenses of the successful applicants to ensure compliance with the relevant guidelines.

15. The land licences could be renewed if the approved projects were carried out satisfactorily subject to the advice from the Steering Committee. On the other hand, in the event that the project proponent is not able to perform as originally agreed in the proposal, the Steering Committee will request the proponent to rectify the situation. If the proponent fails to satisfy the Steering Committee's request or rectify the situation within a specified period, the Steering Committee will decide whether to terminate the agreement and re-possess the landfill site. Under such circumstances, no compensation will be payable to the applicant.

**Environment Bureau / Environmental Protection Department  
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