

立法會
Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 13th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 21 November 2014, at 5:25 pm

Members present:

Hon Tommy CHEUNG Yu-yan, SBS, JP (Chairman)
Hon CHAN Kin-por, BBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Cyd HO Sau-lan, JP
Hon CHAN Hak-kan, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip

Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon YIU Si-wing
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu, JP
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon Abraham SHEK Lai-him, GBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Starry LEE Wai-king, JP
Dr Hon LAM Tai-fai, SBS, JP
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon Paul TSE Wai-chun, JP
Hon WONG Yuk-man
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon James TIEN Pei-chun, GBS, JP
Hon Charles Peter MOK, JP

Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK
Hon CHUNG Kwok-pan

Public officers attending:

Ms Elizabeth TSE Man-ye, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr WONG Kam-sing, JP	Secretary for the Environment
Mr Howard CHAN Wai-kee, JP	Deputy Director of Environmental Protection (2)
Dr Ellen CHAN Ying-lung, JP	Environmental Protection Department Assistant Director of Environmental Protection (Environmental Infrastructure)
Mr Lawrence LAU Ming-ching	Environmental Protection Department Principal Environmental Protection Officer (Landfills and Development)
Mr Elvis AU Wai-kwong, JP	Environmental Protection Department Assistant Director (Nature Conservation and Infrastructure Planning)
	Environmental Protection Department

Clerk in attendance:

Mr Andy LAU	Assistant Secretary General 1
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Staff in attendance:

Ms Anita SIT	Principal Council Secretary 2
Mr Derek LO	Chief Council Secretary (1)5
Mr Daniel SIN	Senior Council Secretary (1)7

Mr Ken WOO	Senior Council Secretary (1)5
Mr Raymond SZETO	Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)7

Action

Item No. 1 – FCR(2014-15)31A
HEAD 705 – CIVIL ENGINEERING
Environmental Protection – Refuse Disposal
164DR – Southeast New Territories Landfill Extension

Item No. 2 – FCR(2014-15)32A
HEAD 705 – CIVIL ENGINEERING
Environmental Protection – Refuse Disposal
163DR – Northeast New Territories Landfill Extension

Item No. 3 – FCR(2014-15)33A
HEAD 705 – CIVIL ENGINEERING
Environmental Protection – Refuse disposal
165DR – West New Territories Landfill Extension

Item No. 4 – FCR(2014-15)34A
HEAD 705 – CIVIL ENGINEERING
Environmental Protection – Refuse Disposal
177DR – Development of integrated waste management facilities phase 1

Motion to adjourn further proceedings of the Committee

The meeting continued the deliberation on the motion moved by Mr Albert CHAN to adjourn further proceedings of the Committee pursuant to paragraph 39 the Financial Committee ("FC") Procedure.

2. Mr Albert HO and Mr LEUNG Yiu-chung spoke in support of the motion. The two members said that there was not enough time for members to raise all the questions they wanted for clarifying issues related to the Integrated Waste Management Facilities ("IWMF") phase 1, such as cost-effectiveness of the proposal and the Administration's commitment on waste reduction.

3. Dr CHIANG Lai-wan, Mr HO Chun-yin, Mr IP Kwok-him, Mr YIU Si-wing, Ir Dr LO Wai-kwok, Mr TANG Ka-piu, Mr WONG Ting-kwong and Mr CHAN Kin-por spoke against the motion. In gist, these members argued that there were established needs for the landfill extensions and IWMF phase 1 and the issue had already been extensively debated. Prolonging discussions by

moving the adjournment motion should not be supported. They considered that filibustering would adversely affect the timely deliberation on other urgent items that would benefit the Hong Kong society.

4. Mr Albert CHAN gave concluding remarks. The Chairman put Mr CHAN's motion to vote. At members' request, the Chairman ordered a division, and the division bell was rung for five minutes for the motion. Eighteen members voted in favour and 30 members voted against the motion. The individual voting results were as follows –

For:

Mr Albert HO Chun-yan	Mr James TO Kun-sun
Mr LEUNG Yiu-chung	Ms Emily LAU Wai-hing
Mr Frederick FUNG Kin-kee	Prof Joseph LEE Kok-long
Ms Cyd HO Sau-lan	Mr Alan LEONG Kah-kit
Mr LEUNG Kwok-hung	Mr Albert CHAN Wai-yip
Mr WU Chi-wai	Mr Gary FAN Kwok-wai
Mr CHAN Chi-chuen	Dr Kenneth CHAN Ka-lok
Dr Fernando CHEUNG Chiu-hung	Mr SIN Chung-kai
Dr Helena WONG Pik-wan	Mr IP Kin-yuen

(18 members)

Against:

Mr CHAN Kam-lam	Dr LAU Wong-fat
Mr TAM Yiu-chung	Mr WONG Kwok-hing
Mr Jeffery LAM Kin-fung	Mr Andrew LEUNG Kwan-yuen
Mr WONG Ting-kwong	Mr CHAN Hak-kan
Mr CHAN Kin-por	Dr Priscilla LEUNG Mei-fun
Mr WONG Kwok-kin	Mr IP Kwok-him
Mrs Regina IP LAU Suk-yee	Mr NG Leung-sing
Mr Steven HO Chun-yin	Mr Frankie YICK Chi-ming
Mr YIU Si-wing	Mr MA Fung-kwok
Mr CHAN Han-pan	Mr LEUNG Che-cheung
Ms Alice MAK Mei-kuen	Mr Christopher CHEUNG Wah-fung
Dr Elizabeth QUAT	Mr Martin LIAO Cheung-kong
Mr POON Siu-ping	Mr TANG Ka-piu
Dr CHIANG Lai-wan	Ir Dr LO Wai-kwok
Mr Christopher CHUNG Shu-kun	Mr Tony TSE Wai-chuen

(30 members)

5. The Chairman declared that the motion was negatived.

6. The meeting continued the combined deliberation of the items FCR(2014-15)31A to FCR(2014-15)34A.

Southeast New Territories ("SENT") landfill extension

7. Mr Frederick FUNG noted that as per paragraph 17(g) of item FCR(2014-15)31A, the Administration planned to establish a new air quality monitoring station in Tseung Kwan O ("TKO") to help enhance monitoring capacities for the SENT landfill. He asked whether the Administration would consider installing the station at LOHAS Park, the closest residential estate to the SENT landfill.

8. Assistant Director for Environmental Protection (Environmental Infrastructure) ("AD(EI)) said that the proposed site for the said monitoring station was at the TKO Sports Centre and was supported by Sai Kung District Council. The station would be commissioned by the end of 2015. In selecting an appropriate site, the Administration would consider monitoring the overall air quality of the district rather than a particular residential area. Mr FUNG expressed worries that the overall air quality measurements would not reflect the situation faced by residential estate closest to the SENT landfill. AD(EI) said that there was also air quality monitoring conducted at the site of the SENT landfill, which would address Mr FUNG's concerns.

9. Noting the large amount of construction waste to be disposed at the TKO fill bank near the SENT landfill, Dr Fernando CHEUNG enquired how the inert fill materials would be brought and questioned the Administration's claim that the number of vehicle trips made by refuse collection vehicles ("RCVs") would be reduced since it required more than 1 600 vehicle trips per day to transport these inert fill materials to the TKO fill bank.

10. AD(EI) said that the number of vehicle trips to the TKO fill bank was about 1 300 per day. Mr Frederick FUNG expressed doubt about the Administration's claim on the number of vehicle trips to the TKO fill bank. AD(EI) explained that there was another fill bank for inert fill materials in Hong Kong and some of the inert fill materials were transported by sea. AD(EI) added that the number of vehicle trips would fluctuate from month to month, but the Administration had set specific targets on reducing the number of daily vehicle trips and had implemented the transportation of some inert fill materials by sea. With increased transport of fill materials by sea, the Administration aimed to reduce the number of daily vehicle trips to the TKO fill bank by 100.

11. Mr Gary FAN said that the problem of waste spattering from RCVs on Wan Po Road, which would affect air quality and road safety, had not been

addressed properly by the Administration. He considered that the Administration's joint-department enforcement regime using regular patrols and spot checks was ineffective. Mr FAN requested the Administration to provide enforcement statistics prior to August 2013.

12. AD(EI) said that the Administration had enhanced joint-departmental enforcement since August 2013. Principal Environmental Protection Officer (Landfills and Development) ("PEPO(L&D)") said that improvements on waste spattering had already been observed in 2014 according to the latest statistics in September 2014. Mr FAN said that the Administration should increase the transportation of fill materials by sea to further reduce the number of vehicle trips made by waste vehicles to the TKO fill bank.

13. Mr CHAN Chi-chuen enquired about the details of construction waste reduction in Hong Kong, namely the situation of Government public works projects. Mr CHAN expressed concern that the designation of the SENT landfill to accept construction waste only would attract construction waste originally disposed at other landfills to converge at the SENT landfill, effectively increasing the number of vehicle trips via Wan Po Road. AD(EI) said that it was unlikely that the situation mentioned by Mr CHAN would happen as it was more economical to dispose of construction waste at the landfill nearest to the construction site.

14. Mr Frederick FUNG expressed worries that PM2.5 particulates would continue to affect the health of TKO citizens.

15. Deputy Director for Environmental Protection (2) clarified that the main source of fine particulates ("PM2.5") was vehicle exhaust, and the Administration had implemented measures to reduce the number of vehicle trips to and from the SENT landfill. These measures should help reduce the level of PM2.5 at TKO.

16. Dr CHEUNG pointed out that the level of PM2.5 in the air at Wan Po Road as recorded by some local community groups was much higher than the World Health Organization standards.

17. AD(EI) said that daily measurement of PM2.5 level should be based on the average of levels over 24 hours and that the 24-hour average level measured at TKO was comparable with those in other districts in Hong Kong.

Northeast New Territories ("NENT") landfill extension

18. Mr Gary FAN enquired about reason of the cost per area for the NENT landfill extension being higher than that for SENT landfill extension. PEPO(L&D) said that the calculation of the unit cost of landfill extension was not based on the area involved, but on the volume of waste received. The cost per cubic metre for SENT landfill extension was slightly higher than NENT landfill extension.

West New Territories ("WENT") landfill extension

19. Dr LAU Wong-fat declared interest in relation to FCR(2014-15)33A, as he was an owner of properties close to the WENT landfill. He said that Tuen Mun residents had already shouldered substantial amount of waste disposal responsibilities of the territory, and had made substantial sacrifices for the greater interest of Hong Kong. He said that in last year, the Chief Executive had committed to strengthening mitigation measures to alleviate the grievances of Tuen Mun residents and the Administration had indeed engaged Tuen Mun communities, but concrete measures had yet been proposed. The Administration also had not made any commitment to reduce the scope of WENT landfill extension. He urged the Administration to honour these commitments made to Tuen Mun residents, and ensure that Tuen Mun District Council ("TMDC") and Panel on Environmental Affairs would be thoroughly consulted on the construction of the WENT landfill extension. The Administration should also consider measures so as to improve traffic conditions around the WENT landfill, provide subsidies on municipal solid waste ("MSW") charging, and to follow up with TMDC's proposal to construct the Tuen Mun to Tsuen Wan rail link. Dr LAU said that he would not block the Administration's plan to proceed with the item on the condition that the requests of Tuen Mun residents would be properly addressed.

Development of Integrated Waste Management Facilities phase 1

20. Dr Kenneth CHAN said that large expanse of fishery and habitat for finless porpoise would be permanently lost due to this project. Dr CHAN said that if IWMF phase 1 was constructed at Tsang Tsui of Tuen Mun, such loss could be avoided. He criticized the Administration's selection of Shek Kwu Chau was due to on political pressure rather than a concern for the environmental.

21. Secretary for the Environment ("SEN") said that that the Administration had assessed various locations objectively to select the most suitable location for the construction of IWMF phase 1 and the site near Shek

Kwu Chau was granted with an environmental permit. Mitigating measures would be introduced to minimize environmental impact to the surroundings of IWWMF phase 1.

22. Mr WU Chi-wai noted that the Administration's decision not to sort non-combustible materials from other MSW before incineration at IWWMF phase 1 might result in dangerous materials being incinerated.

23. Assistant Director (Nature Conservation and Infrastructure Planning) ("AD(NC&IP)") said that monitoring and sorting mechanism would be in place at refuse transfer stations and IWWMF phase 1 to separate unsuitable waste from other waste to be incinerated. SEN said that the Administration would also introduce Producer Responsibility Schemes incrementally to help extract recyclable and non-combustible materials from waste to be incinerated. The incinerator at IWWMF phase 1 would also be robust enough to handle incineration of all types of materials.

24. Mr Albert HO expressed similar concern that some waste, such as plastic bottles, if incinerated, would generate hazardous chemicals such as dioxins. Moreover, the generation of carbon dioxide during incineration was undesirable. AD(NC&IP) said that the modern incineration technologies utilized at IWWMF phase 1 would prevent the generation of hazardous chemicals, and were widely adopted by European Union ("EU") countries. There were provisions in the existing legislation against illegal disposal of dangerous materials. AD(NC&IP) said that an overall reduction of carbon dioxide emission would be achieved as the operation of IWWMF phase 1 to generate electricity would offset the amount of carbon dioxide emitted by electricity generation fired by using fossil fuel and the methane emission from landfills.

25. Citing the much lower amount of sulphur dioxide generated by an incinerator in the Mainland than that of IWWMF phase 1, Mr Albert CHAN urged the Administration to study incinerators with better emission performance constructed in nearby cities. Mr CHAN criticized the Administration for its refusal to adopt the best technologies for incinerators at IWWMF phase 1.

26. AD(NC&IP) said that while Mr CHAN's suggestion could be looked into, the emission performance at IWWMF phase 1 would conform to EU standards and was safe. SEN said that the estimation on emission performance listed in the Environmental Impact Assessment was only for planning purpose, and actual amount of emission could be lower. The incineration technologies used by IWWMF phase 1 was on par with those being used in the Mainland and other overseas locations.

27. Mr IP Kwok-him commented that the Administration had already explained clearly the emission performance planning for IWWMF phase 1. However, Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung said that the Administration had not provided a convincing explanation on the apparent inferiority in emission performance of IWWMF phase 1 vis-à-vis Mainland examples. Mr LEUNG said that the types of waste to be incinerated could significantly affect the emission performance of IWWMF phase 1, but waste separation had achieved little progress in Hong Kong. SEN replied that Hong Kong's waste separation had seen progress and was comparable with many advanced cities.

Waste management and recycling

28. Mr WU Chi-wai noted that the growth of construction waste was alarmingly high throughout the last decade. The growth was further exacerbated by the Administration's policies on reinforcing building safety, such as removal of unauthorized building works, the mandatory building inspection scheme and the mandatory window inspection scheme. He asked whether the Environmental Protection Department had been liaising with responsible policy bureau to consider measures to curb the growth of construction waste generation, as well as to ensure that construction waste generated was properly recycled and used as fill materials instead of being disposed at landfills.

29. SEN said that the recycling rate of construction waste being at 95% was already a very high level internationally. The Administration would continue to pursue policies to reduce construction waste and to liaise with industry stakeholders to promote more environmentally friendly construction methods. AD(EI) supplemented that the Administration had provided guidelines for the construction industry to adopt environmentally friendly measures to reduce construction waste.

30. Mr WU Chi-wai requested the Administration to provide a time-table for promulgating construction waste reduction measures, and asked whether the Administration had targeted minor building works on waste reduction to reduce the amount of construction waste disposed at landfills. AD(EI) said that for minor building works, a considerable amount of waste was already recycled and construction companies could also utilize sorting facilities operated by the Administration.

31. Mr WU Chi-wai said that the effectiveness of government-run facilities on recycling construction waste for minor building works was less apparent than as described by the Administration. He asked the Administration to step up publicity and public education with the trade. He

understood that a considerable portion of construction waste was dumped directly at landfills. Mr WU asked whether there would be any economic incentives to recycle construction waste at government-run facilities.

32. AD(EI) said that recycling of certain materials with high residual value (e.g. metals) in construction waste was already done by private recycling operators without the help of government-run recycling facilities, and the rest of the waste could be brought to the two sorting facilities or to fill banks as appropriate. AD(EI) said that the cost of recycling construction waste at the government-run sorting facilities, at \$100 per tonne, was cheaper than direct disposal at landfills, which cost \$125 per tonne.

33. Ms Emily LAU said that the Administration had yet to put up a clear timetable for promulgation of MSW charging. She expressed doubt towards the Administration's commitment on waste reduction at source. SEN clarified that the timetable and targets for MSW charging were included in the "Hong Kong: Blueprint for Sustainable Use of Resources 2013-2022". Regarding the progress on promulgation of MSW charging, the Council for Sustainable Development would report to the Administration on the recommendations shortly, and an inter-departmental committee had already been set up to follow up with implementation. The Administration aimed to table MSW charging for discussions at the Panel on Environmental Affairs in early 2015.

34. Ms Emily LAU enquired about the details of the Recycling Fund as mentioned in the Administration's paper. SEN said that the Recycling Fund was discussed and supported by the Panel on Environmental Affairs and would be submitted to this Committee for approval in due course. The operation of the Recycling Fund would be overseen by a steering committee. For enterprises, the Administration had proposed to provide project-based matching funds for the upgrading and expansion of their waste recycling operations. For non-profit organizations, professional bodies and industrial support organizations, the Administration had proposed to subsidize non-profit making projects for enhancing the operational standards and productivity of the industry, such as upgrading the skills and safety of incumbent and potential employees of the recycling industry and/or expanding its potential workforce, developing certification schemes for recycling operations etc. Ms LAU urged the Administration to consider prioritizing the promulgation of waste reduction measures such as the Recycling Fund before pursuing the landfill extensions and IWMP phase 1 projects.

35. Ms Cyd HO noted that Government public works projects included green clauses to promote environmental-friendly measures for construction, and urged the Administration to extend environmental-friendly construction

requirements to private developments. SEN said that it was unusual for a government to prescribe construction methods for private developments.

36. Mr CHAN Chi-chuen asked whether the Administration would consider adjusting the scope of landfill extensions and development of IWFM phase 1. SEN said that the WENT landfill extension was subject to further adjustment on project scope as funding was only sought for engaging a consultant to commission a study and undertaking tasks to make necessary preparations.

The Chairman's directions on members' discussion and motions proposed under paragraph 37A of the Finance Committee Procedure

37. The Chairman said that the combined discussion on the four items FCR(2014-15)31A to 34A had continued for a total of 16 hours, and some members had already spoken many times. He said that there were repetitions in the discussion and sufficient time had already been allowed for members to raise questions with the Administration. In order to ensure the efficient conduct of the meeting, the discussion should come to a close by the end of the present meeting after members who were awaiting their turn to speak had spoken and that the Committee would proceed to deal with motions proposed pursuant to paragraph 37A of the FC Procedure at the start of the next meeting scheduled to be held on 28 November 2014.

38. Mr Albert CHAN and Mr Gary FAN expressed objection to the Chairman's direction on speaking. Dr Fernando CHEUNG raised a point of order and questioned which paragraph of the FC Procedure empowered the Chairman to draw a line to disallow further questions from members. The Chairman said that as Chairman, he had the responsibility to ensure that the meeting was conducted in an orderly and efficient manner and that his decision on a point of order was final in accordance with paragraph 31 of the FC Procedure.

39. Mr Gary FAN continued to speak without the Chairman's permission. The Chairman requested Mr Gary FAN to stop speaking, but to no avail. After warning, the Chairman ruled that Mr Gary FAN's conduct was disorderly and he ordered Mr Gary FAN to withdraw from the Committee by leaving the conference room. Mr Gary FAN remained seated in spite of the Chairman's order. Dr Fernando CHEUNG and Mr Albert CHAN left their seats and gathered around Mr Gary FAN to block the security staff from acting on the Chairman's order. The Chairman instructed the Clerk to act on his order, and Dr Fernando CHEUNG and Mr Albert CHAN to return to their own seats.

Action

40. Dr Kenneth CHAN said that the Chairman should inform members in writing of his decision to draw a line and to allow for further deliberations on this ruling. The Chairman reiterated his direction that he would deal with members' motions proposed under paragraph 37A of the FC Procedure to express views on the items FCR(2014-15)31A to 34A after the following members had spoken for another round at the coming meeting to be held on 28 November 2014, namely, Hon Frederick FUNG, Dr Hon Fernando CHEUNG, Hon Gary FAN and Hon LEUNG Kwok-hung. He also directed that members who wished to propose motions under paragraph 37A the FC Procedure to express views on the items FCR(2014-15)31A to 34A should submit the proposed motions in writing to the Clerk before 5:00 p.m. on Monday, 24 November 2014 so that he could have sufficient time to determine whether the proposed motions were directly related to the agenda items under discussion. Motions submitted beyond the deadline would not be accepted.

41. The meeting was adjourned at 7:29 pm.

Legislative Council Secretariat

12 May 2015