立法會 Legislative Council

LC Paper No. CB(1)1168/15-16 (These minutes have been seen by the Administration)

Ref: CB1/PL/EA

Panel on Environmental Affairs

Minutes of meeting held on Monday, 27 June 2016, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

Members present: Hon CHAN Hak-kan, JP (Chairman)

Dr Hon Kenneth CHAN Ka-lok (Deputy Chairman)

Hon James TO Kun-sun

Hon Vincent FANG Kang, SBS, JP Hon WONG Ting-kwong, SBS, JP

Hon Cyd HO Sau-lan, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon Albert CHAN Wai-yip Hon Steven HO Chun-yin, BBS Hon Frankie YICK Chi-ming, JP

Hon WU Chi-wai, MH Hon Charles Peter MOK, JP Hon CHAN Han-pan, JP Hon Kenneth LEUNG Hon KWOK Wai-keung Dr Hon Elizabeth QUAT, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHUNG Kwok-pan

Hon Tony TSE Wai-chuen, BBS

Members absent: Hon TAM Yiu-chung, GBS, JP

Hon Dennis KWOK

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Public Officers attending

: For item III

Ms Christine LOH, JP Under Secretary for the Environment

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

Mr Edmond HO Assistant Director (Environmental Compliance)(Acting) Environmental Protection Department

Mr Gary TAM
Principal Environmental Protection Officer
(Territorial Control)(Acting)
Environmental Protection Department

For item IV

Ms Christine LOH, JP Under Secretary for the Environment

Mrs Vicki KWOK Deputy Director of Environmental Protection (2) Environmental Protection Department

Mr Elvis AU, JP
Assistant Director (Nature Conservation &
Infrastructure Planning)
Environmental Protection Department

Dr SO Ping-man Deputy Director (Acting) Agriculture, Fisheries and Conservation Department

Mr Simon CHAN
Assistant Director (Conservation) (Acting)
Agriculture, Fisheries and Conservation Department

Mr SIN Ying-sang Head of Intelligence Bureau Customs and Excise Department

Mr Jesse WONG Group Head (Intelligence Processing) Customs and Excise Department

Mr TSUI Wai-hung Regional Commander Marine (Acting) Hong Kong Police Force

Mr Terry FANG Superintendent (Operations) Police Headquarters Hong Kong Police Force

Mr KAM She-ming Chief Inspector (Crime) Marine Region Hong Kong Police Force

For item V

Ms Christine LOH, JP Under Secretary for the Environment

Mrs Vicki KWOK
Deputy Director of Environmental Protection (2)
Environmental Protection Department

Mr Elvis AU, JP
Assistant Director (Nature Conservation & Infrastructure Planning)
Environmental Protection Department

Dr SO Ping-man Deputy Director (Acting) Agriculture, Fisheries and Conservation Department

Mr Simon CHAN
Assistant Director (Conservation) (Acting)
Agriculture, Fisheries and Conservation Department

Mr SIN Ying-sang Head of Intelligence Bureau Customs and Excise Department

Mr Jesse WONG Group Head (Intelligence Processing) Customs and Excise Department

Clerk in attendance : Ms Angel SHEK

Chief Council Secretary (1)1

Staff in attendance: Ms Doris LO

Senior Council Secretary (1)1

Ms Mandy LI

Council Secretary (1)1

Miss Mandy POON

Legislative Assistant (1)1

Action

I. Confirmation of minutes and matters arising

(LC Paper No. CB(1)969/15-16 — Minutes of the meeting held on 30 March 2016

LC Paper No. CB(1)1005/15-16 — Minutes of the meeting held on 25 April 2016

LC Paper No. CB(1)1054/15-16(01) — List of follow-up actions)

The minutes of the meetings held on 30 March and 25 April 2016 were confirmed.

II. Information papers issued since last meeting

2. <u>Members</u> noted that the following papers had been issued since the last meeting:

(LC Paper No. CB(1)948/15-16(01) — Administration's response to the letter from Dr Hon Kenneth CHAN Ka-lok on illegal soil dumping at the Deep Bay Wetland

LC Paper No. CB(1)1049/15-16(01) — Administration's paper on "Cleaner Production Partnership Programme Progress Report for 2015-2016"

LC Paper No. CB(1)1066/15-16(01) — Administration's paper on "Survey Findings on the Impacts of Plastic Shopping Bag Charging"

LC Paper No. CB(1)1071/15-16(01) — Administration's paper on "Sewage Services Operating Accounts Actual Outturn in 2014-15 and Projected Outturn in 2015-16")

- 3. The <u>Deputy Chairman</u> mentioned that the Panel had, since the meeting held on 25 April 2016 at which issues relating to the soil fill near Kingswood Villas in Tin Shui Wai were discussed, received further submissions from some members of the public expressing concerns over the problem of illegal land filling across the territory. Further, a green group had contacted him about their request for the Panel to hold a public hearing and discuss related policy issues. The green group had suggested three possible dates for holding the public hearing.
- 4. The <u>Chairman</u> said that he would work out with the Deputy Chairman and the Clerk after the meeting the arrangements for holding a public hearing, subject to the availability of meeting venues on the dates suggested by the green group. If a public hearing could not be held before the end of the current term of the Legislative Council ("LegCo"), a relevant item should be kept on the list of outstanding items for discussion, so that Panel members of the next LegCo term would decide whether and how to follow up the matter. <u>Members</u> raised no objection to the Chairman's proposed arrangements.

III. Import/Export controls on recyclables

(LC Paper No. CB(1)1054/15-16(02) — Administration's paper on "Import/Export controls on recyclables"

LC Paper No. CB(1)1054/15-16(03) — Background brief on "Import and export control of recyclables" prepared by the Legislative Council Secretariat)

Relevant paper

(LC Paper No. CB(1)473/14-15(01) — Letter dated 5 January 2015 from Dr Hon Elizabeth QUAT on handling of imported waste (Chinese version only))

Discussion

Regulatory control over imported electronic waste and recycling yards

- 5. Referring to the recent reports by an overseas environmental group through the media on recycling yards in the New Territories allegedly involved in the illegal import of hazardous electronic waste ("e-waste"), Mr Albert CHAN criticized the Administration for acting in hindsight only after the media had revealed the cases. He urged the Administration to put in place effective measures and mechanism, and step up enforcement actions against illegal import of e-waste. Mr Kenneth LEUNG asked about the progress of the Administration's follow-up actions on the said cases, and the legislation regulating the operations of recycling yards of e-waste.
- 6. The <u>Assistant Director (Environmental Compliance)(Acting)</u>, <u>Environmental Protection Department</u> ("Atg AD(EC)/EPD") explained that provisions under the Waste Disposal Ordinance (Cap. 354) were formulated based on the requirements of the Basel Convention under which import and export of non-hazardous e-waste for recycling and recovery purposes were allowed, while hazardous e-waste were subject to stringent permit control. As regards the reported cases, EPD had initiated investigation, including inspecting the recycling yards concerned to gather evidence for further action. Should there be sufficient evidence, it would take enforcement actions in accordance with relevant legislations, including Cap. 354, the Waste Disposal

(Chemical Waste)(General) Regulation (Cap. 354C), the Air Pollution Control Ordinance (Cap. 311) and the Water Pollution Control Ordinance (Cap. 358), as appropriate. The <u>Under Secretary for the Environment</u> ("USEN") stressed that the Administration had all along been taking active enforcement actions against improper operations at recycling yards. For example, it detected a case of alleged collection and storage of chemical waste by a recycling yard in Yuen Long in March 2016. She added that regulation over the operations of these recycling yards would be further strengthened after the introduction of a licensing control mechanism under the Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Ordinance 2016 ("the EE Ordinance") enacted in March 2016.

- 7. In response to Mr Kenneth LEUNG's further enquiry, the <u>Assistant Director (Waste Management Policy)</u>, <u>EPD</u> ("AD(WMP)/EPD") advised that by way of the amendments under the EE Ordinance, the disposal (including storage, treatment, reprocessing and recycling) of all e-waste originated from the regulated electrical equipment ("regulated e-waste"), no matter they were classified as chemical waste or not, would be subject to the licensing control under Cap. 354. The Administration was preparing the subsidiary legislation required for the implementation of the EE Ordinance.
- 8. In response to the Deputy Chairman's enquiry on the licensing requirement of recycling yards under the EE Ordinance, <u>AD(WMP)/EDP</u> supplemented that certain exemptions were provided for (a) the disposal of regulated e-waste that was not chemical waste on land or premises with an area of not more than 100 square metres; (b) the storage of regulated e-waste with a total volume of not more than 50 cubic metres; or (c) the storage of regulated e-waste on premises located inside a multi-storey building. The <u>Deputy Chairman</u> said that despite the exemptions, the Administration should stay vigilant and inspect those exempted premises against any unlawful operations being carried out there, and ensure their compliance with fire safety standards.

Enforcement against illegal import and improper storage/treatment of hazardous electronic waste

9. Given the large number of containers of imported recyclables entering Hong Kong, and the number of e-waste recycling yards in the territory, Mr WU Chi-wai and Mr Frankie YICK opined that the inspection of merely 3 200 such containers and 700 inspections on e-waste recycling yards conducted by EPD from 2011 to 2015 were far from adequate. Mr WONG Ting-kwong queried about the reasons for the low prosecution rates. Mr WU

<u>Chi-wai</u> considered it necessary for EPD and the Customs and Excise Department ("C&ED") to step up inspection and tracking of illegal activities. <u>Mr Frankie YICK</u> asked whether all illegally-imported e-waste intercepted at Hong Kong ports would be returned to their places of origin, and for those found at recycling yards, whether EPD would trace the sources for follow-up with the corresponding authorities. He suggested the Administration consider introducing measures to intercept illegally-imported e-waste at source, such as introducing a pre-declaration requirement to help systematically detect abnormalities. The <u>Deputy Chairman</u> considered that the Administration should stand firm against illegal import of hazardous e-waste into Hong Kong, and step up enforcement actions.

10. Atg AD(EC)/EPD indicated that as Hong Kong was a free port which imposed no tariffs, the requirements in terms of customs declaration were relatively simple. In this regard, EPD and C&ED had adopted a risk-based and intelligence-led approach in monitoring imported recyclables. Out of the 3 200 containers of imported recyclables inspected during 2011 to 2015, 169 containers were found to have contained illegally-imported e-waste and EPD had completed prosecutions of 99 cases. Further, 16 cases related to environmental offences at recycling yards were prosecuted and convicted. The Principal Environmental Protection Officer (Territorial Control)(Acting), EPD ("Atg PEPO(TC)/EPD") advised that all shipments of illegally-imported e-waste would be returned to their places of origin. EPD would also send information on each case to the relevant overseas enforcement agencies with a view to strengthening interception of illegal e-waste at source.

Admin

11. At Mr Albert CHAN's request, the <u>Administration</u> agreed to provide information on the number of prosecutions instituted in the past five years against (a) illegally-imported electronic waste and (b) environmental offences at recycling yards, together with the number of persons convicted and penalties imposed in such cases.

Monitoring of disposal of imported recyclables at landfills

12. <u>Dr Elizabeth QUAT</u> expressed concern that during the dismantling process of non-hazardous e-waste imported for recycling and recovery purposes, the scrap parts of no or little recyclable value would likely be disposed of at landfills in Hong Kong. She asked if the Administration had compiled statistics on the quantity of such scrap parts dumped at landfills, and would consider introducing measures to control disposal of such scrap parts generated from imported non-hazardous e-waste.

- 13. <u>USEN</u> responded that as for other types of non-hazardous recyclables allowed to be imported and re-exported for recycling and recovery purposes, a certain amount of waste would be generated along the recycle chain and disposed of locally. That said, a comparison of the total import and export volumes of recyclables from 2011 to 2015 reflected that the total export volume of recyclables exceeded their total import volume. This served to illustrate that the overall export of both the recyclables imported and those produced locally had been on the whole operating smoothly.
- 14. Referring to the consultancy study commissioned by EPD in 2012 on the generation, recovery and disposal of waste plastics in Hong Kong, and the methodology used for estimating waste recovery quantities and recovery rates, Ms Cyd HO enquired about the progress of any follow-up actions and improvement measures taken in accordance with the findings of the study, including whether the Administration had adopted some Panel members' suggestion of adding a new classification category of "waste plastics" in Hong Kong's import and export trade statistics. She also enquired about the current situation of the import and export/re-export, and recovery and disposal of plastic recyclables. The Deputy Chairman considered it necessary for the Administration to regularly report relevant statistics on plastic recyclables for monitoring by the Panel.
- 15. Atg PEPO(TC)/EPD responded that in the light of the consultancy study, the Administration had implemented enhancement measures in the collection of data of recyclables for export. Further, he said that EPD had implemented various measures, including a "Disposal Arrangement of Locally Generated Waste Plastics" and stringent monitoring of landfill operation, etc., with a view to preventing the disposal of imported waste plastics at landfills. As regards the suggested addition of a category of "waste plastics" for use by the customs and statistical authorities, he pointed out that as a comprehensive multi-purpose classification, including six Harmonized System codes covering different types of waste plastics, had been in place, the suggested addition was considered not necessary.

Admin

16. At the requests of Ms Cyd HO and Dr Elizabeth QUAT, the <u>Administration</u> agreed to supplement information on (a) the latest recovery rate of waste plastics in Hong Kong, and (b) the latest situation of the movements of imported plastic recyclables in Hong Kong, to be illustrated with the volumes imported, exported/re-exported and disposed of at landfills.

IV. Conservation of Incense Tree in Hong Kong

(LC Paper No. CB(1)1054/15-16(04) — Administration's paper on "Enhanced Protection of Incense Tree in Hong Kong"

LC Paper No. CB(1)1054/15-16(05) — Background brief on "Conservation of incense trees in Hong Kong" prepared by the Legislative Council Secretariat)

Relevant paper

(LC Paper No. CB(1)557/15-16(04) — Administration's paper on "Update on the Protection of Endangered Species and Biodiversity in Hong Kong")

Discussion

Strengthening enforcement

- 17. Mr Albert CHAN expressed grave disappointment about the Administration's inability to combat illegal felling of incense trees in the territory. He urged the Administration to introduce more effective measures to trace and arrest offenders involved in illegal felling of incense trees and smuggling of agarwood, such as installing electronic sensors at black spots of illegal tree felling and training up detector dogs to locate concealed agarwood at border control points.
- 18. <u>USEN</u> stressed that the Administration had not taken the issue lightly, and had introduced or been working out a host of enhanced measures to strengthen protection of incense trees, including some of those which were suggested by members at the Panel meeting on 22 February 2016. The <u>Assistant Director (Conservation)(Acting)</u>, <u>Agriculture</u>, <u>Fisheries and Conservation Department</u> ("Atg AD(C)/AFCD") indicated that as set out in the Administration's paper (LC Paper No. CB(1)1054/15-16(04)), the enhanced measures targeted at strengthening enforcement, stepping up patrol, enhancing monitoring and protection, as well as mobilizing community involvement in combating illegal tree felling and protecting incense trees.

- 19. Regarding the suggestion of using detector dogs to locate concealed agarwood at border control points, the <u>Deputy Director (Acting)</u>, <u>AFCD</u> ("Atg DD/AFCD") said that it would take time training up the dogs for such duty. The <u>Regional Commander Marine (Acting)</u>, <u>Hong Kong Police Force</u> ("Atg RCM/HKPF") advised that drawn from HKPF's experience, the performance of detector dogs trained up to identify multiple items, including agarwood, was found to be less effective.
- 20. The <u>Chairman</u> asked why the Administration had not adopted the proposed measures of some concern groups to prohibit the sale of wild agarwood obtained from Hong Kong, and enact dedicated legislation to provide for the regulation against illegal felling of incense trees.
- 21. The <u>Assistant Director (Nature Conservation & Infrastructure Planning)</u>, <u>EPD</u> ("AD(NC&IP)/EPD") responded that since agarwood obtained from illegally harvested trees in Hong Kong were mainly sold outside the territory, banning the sale of wild agarwood locally would not serve to protect the local incense tree population. He advised that the import, export and re-export of agarwood specimens were regulated under the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586), and to achieve greater deterrent effects, offenders involved in illegal felling of incense trees were mainly prosecuted under the Theft Ordinance (Cap. 210) which carried a maximum penalty of imprisonment for 10 years.
- 22. Mr Kenneth LEUNG noted that as showed in the statistics set out in the Annex to LC Paper No. CB(1)1054/15-16(04), the number of persons arrested, and the numbers of prosecutions and convictions involving illegal felling of incense trees decreased sharply in 2015, while the number of cases had kept on increasing in the past few years. He queried if the decrease in the said numbers was attributable to difficulties in adducing evidence in such cases. He also asked if HKPF had effective means to intercept smuggling of agarwood either through land or waterways.
- 23. Atg RCM/HKPF explained that with the increase in the number of reported cases involving illegal felling of incense trees in the past few years, the number of persons arrested, and the numbers of prosecutions and convictions had remained high except in 2015. The offenders involved were mainly prosecuted under Cap. 210 and some under the Organized and Serious Crimes Ordinance (Cap. 455). The heaviest penalty imposed was imprisonment for 55 months. Further, he said that HKPF had succeeded in intercepting many cases of smuggling of agarwood from Hong Kong either

through land or waterways, of which most cases were taking the land routes.

24. At Mr Kenneth LEUNG's request, the <u>Administration</u> agreed to supplement in writing whether the Security Bureau had put those Two-way Permit holders who were convicted of illegal felling of incense trees on a blacklist of persons to be refused future re-entry into Hong Kong for a specified period of time.

(*Post-meeting note*: The Administration's response was issued vide LC Paper No. CB(1)1133/15-16(02) on 15 July 2016.)

Stepping up patrol

- 25. Mr Kenneth LEUNG asked whether the Administration would consider better equipping and providing suitable training to AFCD's special task force, so that in case of illegal felling of incense trees or other irregularities spotted during their patrols, they could immediately stop the suspects from escaping, instead of waiting for police officers to come.
- 26. <u>Atg AD(C)/AFCD</u> indicated that the special task force would take action on the spot to stop the suspects from felling the trees, but the task force members had to ensure personal safety before taking any action. <u>USEN</u> added that the special task force, which was not formed by officers from the disciplinary forces, was neither expected nor required to be trained and equipped for performing such enforcement duties.

Devices for monitoring against incense tree felling

- 27. Dr Elizabeth QUAT asked about the progress of installing metallic tree guards to protect the incense trees in certain Fung Shui Woods, distributing anti-fungal paint to volunteers of concern groups to help treat the wounds of damaged trees, and planting seedlings of incense trees. She asked whether the Administration would explore more new devices, such as electric tree guards and alarm devices that emitted sound when triggered, to enhance protection of incense trees.
- 28. <u>Atg AD(C)/AFCD</u> advised that metallic tree guards were already installed around two valuable old incense trees in Sai Kung. If this measure was found effective in protecting the trees, more metallic tree guards would be installed at other locations. AFCD had distributed anti-fungal paint to police officers and some volunteers of concerned groups to leverage their support in treating the wounds of damaged incense trees. Further, AFCD had increased the production of seedlings of incense trees in the past few years to

about 10 000 seedlings per year, and planted the seedlings extensively and in some strategically safe locations. It would continue to produce and plant more seedlings in the coming years.

Atg AD(C)/AFCD further advised that as electric tree guards might 29. pose safety risks to hikers, and devices emitting sounds might cause nuisance to residents nearby, the suggestion of using such devices should be considered with caution. He indicated that AFCD had been exploring the use of different devices to enhance monitoring and protection of incense trees. For example, it was conducting a trial on a surveillance device which would be triggered by human movements to take and send pictures instantly within one or two minutes to a mobile device or an e-mail account to prompt followup actions, and another trial on using a closed-circuit television ("CCTV") camera with night vision and recording function at a strategic location within the Tai Po Kau Nature Reserve ("TPKNR"). In response to the Chairman's enquiry, Atg AD(C)/AFCD advised that the CCTV camera in TPKNR was installed by the Administration in an open area that could avoid causing any privacy issues. If any irregularities were found, the AFCD staff monitoring the CCTV would take immediate action including alerting AFCD's field staff stationed at TPKNR, or reporting to HKPF for taking actions as necessary.

Mobilizing community involvement

- 30. Ms Cyd HO asked if the Administration had set up dedicated hotlines for villagers living in the vicinity of Fung Shui Woods to report cases of illegal tree felling or other irregularities found. She also asked about the pledged time of AFCD's field staff stationed in country parks or police officers to arrive at the scene after receiving reports of such cases.
- 31. Atg AD(C)/AFCD said that the Administration had strengthened communication with the local villagers for collecting intelligence on illegal tree felling and associated suspects. Villagers could call the 1823 hotline to report the locations of incense trees being cut down for follow-up by AFCD to treat the wounds of the damaged trees, or dial 999 to report cases of illegal tree felling to HKPF. Atg RCM/HKPF said that police officers would be sent to the scene as soon as possible after receiving reports on illegal tree felling. It would however take some time for the officers to arrive at the scene particularly if the location was remote and not accessible by car.

Promoting and strengthening cross-boundary enforcement cooperation

32. Expressing concern over the increased incidents of smuggling through air-mail parcels, the <u>Deputy Chairman</u> asked whether any cases of

smuggling agarwood through air-mail parcels were detected, and how C&ED and AFCD could ensure that the express cargo operators would report to the authorities once they were aware of such smuggling cases.

33. The <u>Head of Intelligence Bureau</u>, <u>C&ED</u> advised that the Administration had signed memoranda of understanding with the five major local express cargo operators, and provided training for their frontline staff on the identification of items of endangered species including agarwood. Past cases of smuggling of items of endangered species through air-mail involved ivory and Chinese Pangolin scales, etc., but no cases of smuggling of agarwood through air-mail had been detected so far.

V. Proposed plan for phasing out the local trade in elephant ivory

(LC Paper No. CB(1)1054/15-16(06) — Administration's paper on "Proposed Plan for Phasing out the Local Trade in Elephant Ivory"

LC Paper No. CB(1)1054/15-16(07) — Background brief on "Control of local trade in elephant ivory" prepared by the Legislative Council Secretariat

LC Paper No. CB(1)1069/15-16(01) — Submission from WWF Hong Kong (Chinese version only))

Briefing by the Administration

- 34. <u>USEN</u> indicated that, pursuant to the relevant initiatives under the Chief Executive's 2016 Policy Address, the Administration proposed to amend Cap. 586 in a single legislative exercise to effect the following three-step plan to phase out the local trade in ivory:
 - Step 1: ban the import and re-export of hunting trophies and certain ivory carvings;
 - Step 2: ban the import and re-export of pre-Convention ivory (i.e. ivory acquired before the provisions of the Convention on International Trade in Endangered Species of Wild

Fauna and Flora ("CITES") started to apply to ivory, the international trade of which was allowed when it was accompanied by a pre-Convention certificate) except "antique ivory" after an appropriate grace period, and subject pre-Convention ivory in the local market to licensing control; and

Step 3: ban the local sale of pre-ban ivory (i.e. ivory legally imported before the ban on international trade in elephant ivory under CITES and allowed to be traded locally under a Possession Licence ("PL")) and pre-Convention ivory after a grace period.

She stated that it was the Administration's intention to submit the relevant legislative proposal to LegCo in the first half of 2017.

35. In reply to Ms Cyd HO, <u>USEN</u> advised that the legislative exercise concerned would involve amendments to the primary legislation, and would therefore be subject to vetting and approval by LegCo. The <u>Chairman</u> requested the Administration to, in the next LegCo term, consult the Panel again before submission of the relevant legislative proposal to LegCo. The Administration agreed to follow up accordingly.

Discussion

Length of grace period

- 36. <u>Members</u> noted that the Administration had proposed to grant a five-year grace period, i.e. until 2021, to allow the ivory trade to dispose of the pre-ban and pre-Convention ivory in their possession and/or to undergo business transformation before imposing a total ban of local ivory trade. <u>Members</u> in general considered the proposed grace period too long, and requested shortening of the grace period to advance the ban.
- 37. Given that it had been 26 years since the international trade of ivory was banned in 1990, the <u>Chairman</u> queried why the Administration had not liaised with the local ivory traders earlier to facilitate their early preparation for a total ban on local ivory trade. He was worried that the problem of laundering of ivory would become more rampant during the window period before the local ivory trade ban would be in place. The <u>Deputy Chairman</u> referred to the legal research report recently published by WWF Hong Kong which had suggested that a local ivory trade ban could be put in place within two years. He asked if the Administration had considered the views and

suggestions in the report, including advancing the local ivory trade ban by reaching an agreement with affected members of the ivory trade. He also asked if the Administration had taken into account and would keep up with the latest progress of imposing ivory trade ban in other jurisdictions when setting the corresponding timetable for Hong Kong.

- 38. Atg DD/AFCD explained that under existing legislation, the Director/AFCD had no legal power to cancel a valid PL unless certain prescribed conditions were met, and implementing the local ivory trade ban was not one of the prescribed conditions. Given that the expiry dates of the recently renewed/issued PLs were in 2021, the total ban of local ivory trade had to take effect after all the existing PLs had expired. USEN stressed that the Administration had taken into account various factors including how much time was considered sufficient and fair for the ivory traders to transform their business or dispose of their existing stock, the validity period of the existing PLs, and the risk of any legal challenge, before setting an appropriate time for imposing the local ivory trade ban. She indicated that under the three-step phase-out plan, the import and re-export ban of hunting trophies and certain ivory carvings, and of pre-Convention ivory except a few exceptions would respectively take effect immediately and three months after enactment of the relevant bill. Meanwhile, the Administration would step up enforcement to combat laundering of ivory.
- 39. Dr Elizabeth QUAT and Mr Kenneth LEUNG sought clarifications regarding whether no existing PLs would be renewed once expired after passage of the relevant bill, or further renewals would continue to be granted until all such renewals had expired in 2021 the latest. Dr QUAT asked about the existing number of local ivory traders in possession of PLs, and the validity periods of their existing PLs. She asked whether the Administration had considered legislative amendments to enable the Director/AFCD to cancel PLs so as to advance the local trade ban. Pointing out that the right of private ownership of property should be protected under the Basic Law and the Administration could not confiscate the unsold stock of ivory, Mr Kenneth LEUNG asked how the Administration would properly deal with such unsold stock and prevent the ivory from entering the black market after expiry of the grace period.
- 40. <u>AD(NC&IP)/EPD</u> explained that the grace period for all local ivory traders would be identical, i.e. five years until 2021. In other words, renewals of PLs would continue to be granted after passage of the relevant bill, but the validity dates would not fall beyond the effective date of a total ban of local ivory trade. Thus, PLs would be renewed for a shorter duration nearer the effective date. He said that the import and re-export ban of

pre-Convention ivory in Step 2 would avoid further increase of ivory stock in Hong Kong, thus paving way for the total ban of local ivory trade in Step 3. <u>USEN</u> added that the Administration would neither confiscate the remaining stock of ivory after the grace period, nor provide compensation to the ivory trade. It was considered that the grace period would be sufficiently long for the traders to transform their business or dispose of their ivory stock.

Exemption of "antique ivory"

- 41. Mr Kenneth LEUNG sought clarification regarding whether the sale of "antique ivory" would be allowed after the grace period. Ms Cyd HO expressed concern that allowing the trading of "antique ivory" after imposing the local trade ban might create a loophole for laundering of "antique ivory" from illegal sources. She asked if the Administration would issue certificates for regulating the trading of "antique ivory".
- 42. <u>Atg DD/AFCD</u> said that exemption for the sale of "antique ivory" would be granted. Given that "antique ivory" was of much longer age than pre-ban and pre-Convention ivory, forensic tests could accurately identify the authenticity and legality of "antique ivory". Further, the level of craftsmanship would also be a clue for identifying "antique ivory". The Administration intended not to regulate the sale of "antique ivory" by means of issuance of certificates. The person in possession of the "antique ivory" should be able to produce proof on the authenticity when required.

Concluding remarks

43. The <u>Chairman</u> concluded that members in general agreed with the proposal of phasing out the local ivory trade, but considered the time to be taken before imposing the total ban too long. He urged the Administration to take heed of members' views and concerns when finalizing the relevant timetable and legislative proposal.

VI. Any other business

44. There being no other business, the meeting ended at 4:28 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
19 August 2016