

立法會
Legislative Council

LC Paper No. CB(1)1324/18-19
(These minutes have been seen
by the Administration)

Ref : CB1/BC/2/18/2

**Bills Committee on Waste Disposal (Charging for Municipal Solid Waste)
(Amendment) Bill 2018**

**Minutes of the seventh meeting
held on Tuesday, 7 May 2019, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon MA Fung-kwok, SBS, JP (Chairman)
Hon Steven HO Chun-yin, BBS (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon Paul TSE Wai-chun, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Elizabeth QUAT, BBS, JP
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHU Hoi-dick
Hon SHIU Ka-fai
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying, JP
Dr Hon CHENG Chung-tai
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Members absent : Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Kenneth LEUNG
Hon KWOK Wai-keung, JP
Hon IP Kin-yuen
Hon CHUNG Kwok-pan
Dr Hon Junius HO Kwan-yiu, JP
Hon Tanya CHAN
Hon HUI Chi-fung
Hon Kenneth LAU Ip-keung, BBS, MH, JP

**Public Officers
attending : For item I**

Mr TSE Chin-wan, BBS, JP
Under Secretary for the Environment

Mr Donald NG, JP
Deputy Director of Environmental Protection (Special
Duties)
Environmental Protection Department

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

Mr Kenneth CHAN
Assistant Director (Charging Preparation)
Environmental Protection Department

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

Mr Gilbert MO
Deputy Law Draftsman
Department of Justice

Mr FORK Ping-lam
Assistant Director (Operations)³
Food and Environmental Hygiene Department

Clerk in attendance : Ms Angel SHEK
Chief Council Secretary (1)¹

Staff in attendance : Mr Cliff IP
Assistant Legal Adviser 8

Mr Jason KONG
Senior Council Secretary (1)1

Action

I. Meeting with the Administration

Matters arising from previous meeting

(LC Paper No. CB(1)956/18-19(02) — List of follow-up actions arising from the meeting on 15 April 2019

LC Paper No. CB(1)1000/18-19(01) — Administration's response to items (a) to (e) and (h) of the list of follow-up actions arising from the meeting on 15 April 2019

LC Paper No. CB(1)1000/18-19(02) — Paper on "Updated list of references to the Administration's papers related to charging mechanism of the proposed municipal solid waste charging scheme" prepared by the Legislative Council Secretariat (Chinese version only)

LC Paper No. CB(1)1000/18-19(03) — Paper on "Updated list of references to the Administration's papers related to measures to support waste recycling" prepared by the Legislative Council Secretariat (Chinese version only)

Action

Relevant papers

- (LC Paper No. CB(3)97/18-19 — Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 ("the Bill")
- File Ref: EP CR/9/65/3 — Legislative Council Brief
- LC Paper No. LS13/18-19 — Legal Service Division Report
- LC Paper No. CB(1)205/18-19(01) — Marked-up copy of the Bill prepared by the Legal Service Division (Restricted to Members)
- LC Paper No. CB(1)205/18-19(03) — Background brief prepared by the Legislative Council Secretariat
- LC Paper No. CB(1)205/18-19(02) — Assistant Legal Adviser ("ALA")'s letter dated 4 December 2018 to the Administration
- LC Paper No. CB(1)396/18-19(01) — Administration's reply to ALA's letter dated 4 December 2018
- LC Paper No. CB(1)875/18-19(03) — ALA's letter dated 25 March 2019 to the Administration
- LC Paper No. CB(1)1000/18-19(04) — Administration's reply to ALA's letter dated 25 March 2019)

Discussion

The Bills Committee deliberated (index of proceedings attached at the **Annex**).

Action

Follow-up actions to be taken by the Administration

- Admin 2. The Administration was requested to provide information on:
- (a) the specific measures to be implemented to strengthen support for Community Recycling Centres ("CRCs") currently operated by non-governmental organizations ("NGOs"), with a view to expanding the scale and upgrading the service quality of these CRCs;
 - (b) the detailed plan for the regularization of funding support for CRCs; and
 - (c) whether and how the Administration would ensure that the NGOs that had been operating CRCs would be given priority to maintain the CRCs' operations and would not be crowded out by more resource-rich private operators after the said regularization efforts.

II. Any other business

Date of next meeting

3. The Chairman advised that the next meeting would be held on Monday, 20 May 2019 at 10:45 am.
4. There being no other business, the meeting ended at 10:27 am.

Council Business Division 1
Legislative Council Secretariat
20 August 2019

Bills Committee on Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

**Proceedings of the seventh meeting
on Tuesday, 7 May 2019, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker	Subject	Action required
<i>Agenda Item I - Meeting with the Administration</i>			
001212 – 001435	Chairman	The Chairman advised that the Bills Committee would continue with the discussion on the charging mechanism of the proposed charging scheme for the disposal of municipal solid waste ("MSW") ("the proposed charging scheme") under the theme-based approach.	
001436 – 001632	Chairman Mr Wilson OR Administration	Discussion on whether the Administration would provide rewards to the public in practising waste reduction and recycling to facilitate the implementation of the proposed charging scheme (if the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 ("the Bill") was passed).	
001633 – 002252	Chairman Administration	<p>The Bills Committee proceeded to discuss measures to support waste recycling, i.e. the second theme under the theme-based approach of deliberating the policy issues of the Bill.</p> <p>The Chairman said that there were public concerns about the inadequacies of the local recycling chains including insufficient recycling facilities. He also pointed out that according to media reports, a cleaning worker of a housing estate had recently loaded glass containers collected from a recycling bin onto a waste collection vehicle. He enquired about the cause of the incident and how the Administration would prevent the recurrence of similar incidents in future.</p> <p>The Administration responded that:</p> <p>(a) based on the experiences of other cities, the Administration expected that the proposed charging scheme would give greater impetus to waste separation at source and recovery, thereby becoming the engine powering the further development of the recycling chains for different materials;</p> <p>(b) a range of recycling facilities and systems were being developed in tandem with the preparation for the launch of the proposed charging scheme, including the food waste recycling network, the proposed free collection service for waste plastics from non-commercial and non-industrial ("non-C&I") sources, etc.;</p>	

Time marker	Speaker	Subject	Action required
		<p>(c) while there were cases where plastic recyclables collected in some housing estates were eventually mixed with other waste delivered to waste collection vehicles, the cleaning workers who handled the recyclables were not employed by the Government or its contractors. The major reason for the disposal of those plastic recyclables as waste in those cases was probably that the property management companies ("PMCs") of the housing estates concerned could not find a suitable outlet for the recyclables in the market due to a substantial drop in their market value;</p> <p>(d) the Administration would request the contractor(s) for the said free collection service to convert the recovered plastics into raw plastic materials or recycled plastic products. Payments made to the contractor(s) would correspond to the amount of raw plastic materials or recycled plastic products produced. In other words, the contractor(s) would not receive any payment for recovered plastics that were subsequently landfilled; and</p> <p>(e) as regards the incident mentioned by the Chairman, after investigation, the Administration found that the PMC of the housing estate concerned had established an arrangement for the delivery of recovered glass containers to a Community Green Station ("CGS") nearby, and it was not within the job duties of the cleaning worker in question to handle recovered glass containers. Based on the suggestion of the PMC, the Administration had already arranged for the installation of more glass container recycling bins in the housing estate concerned to prevent the recurrence of similar incidents.</p>	
002253 – 003913	Chairman Mr Vincent CHENG Administration Dr Elizabeth QUAT Mr POON Siu-ping	<p>Dr QUAT relayed the concerns of non-governmental organizations ("NGOs") that were operating collection points under the Community Recycling Network ("CRN") about the (a) administrative burden arising from the complicated application procedure of the Environment and Conservation Fund ("ECF") and the post-approval reporting requirements; (b) cash flow problems due to deferred payments/reimbursements from ECF; and (c) uncertainties about the continuation of funding support due to the time-limited nature of ECF projects. She and Mr CHENG raised the following questions:</p> <p>(a) how many districts were currently covered by CRN, whether the Administration had plans to expand CRN's coverage, and how the Administration evaluated the performance of the Community Recycling Centres</p>	

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		<p>("CRCs") and Community Recycling Vehicles ("CRVs") funded by ECF; and</p> <p>(b) details of new measures to support NGOs involved in CRN with a view to enhancing CRN's effectiveness in promoting waste reduction and recycling.</p> <p>The Administration responded that:</p> <p>(a) at present, 15 districts were covered by CRCs or CRVs. In each of the agreements signed between the Government and the ECF grantees for CRC or CRV projects, a benchmark waste recovery quantity was set as a performance requirement;</p> <p>(b) funding support for CRCs/CRVs through ECF was time-limited. The Administration was conducting a review of CRN. To facilitate their ongoing and sustainable development, the Administration was considering the regularization of funding support for CRCs by using part of the additional recurrent resources to be allocated to the Environmental Protection Department ("EPD") for promoting waste reduction and recycling. The initial plan was to invite tenders for the operation contracts of CRCs in batches, with reference to the expiry dates of the existing ECF projects. It was expected that tenders for the first batch of CRC contracts would be invited in 2019; and</p> <p>(c) there were also plans to establish/provide at least one CRC or CRV in each of the three districts currently not covered under CRN, and for this purpose, invite tenders from potential operators.</p> <p>Mr POON asked about the eligibility criteria for and assessment methods of the tenders for the CRC contracts after the regularization efforts.</p> <p>The Administration responded that open tendering would be conducted in accordance with the established government procurement mechanism. NGOs with experience in operating CRCs would be given due consideration during the assessment of tenders.</p>	
003914 – 004949	Chairman Deputy Chairman Administration	The Deputy Chairman remarked that there was a general view that the waste separation bins ("WSBs") provided in public places had been ineffective in promoting resource recovery. He asked whether the Administration had evaluated the reasons for that and how it would enhance the functions of WSBs.	

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		<p>The Administration responded that:</p> <ul style="list-style-type: none"> (a) currently, the quantity of recyclables collected from WSBs in public places was insignificant compared to other sources. The major reason was that members of the public did not normally carry a large amount of recyclables when they used these WSBs; (b) nevertheless, WSBs in public places served the important function of enhancing public awareness of waste separation and recovery. Due to the implementation of the WSB initiative, the general public now had basic understanding of the major types of materials that could be recycled; (c) as the proposed charging scheme was expected to give greater impetus to waste separation at source and recovery, it was envisaged that the quantity of recyclables collected from WSBs would increase after the launch of the scheme (if the Bill was passed); and (d) the Steering Group on the Modification of Recycling and Refuse Collection Facilities in Public Places was tasked to review and make recommendations on, among other things, the design and distribution of recycling bins ("RBs"). It was expected that after a new design was adopted for future RBs and their numbers were increased, RBs' role in resource recovery would become more significant especially in certain settings, such as the rural areas and old districts with many "three-nil" buildings (i.e. buildings which did not have an owners' corporation or any form of owners'/residents' organizations or did not engage a PMC). 	
004950 – 005656	Chairman Mr CHU Hoi-dick Administration	<p>Mr CHU considered that WSBs were no longer an effective tool for public education on resource recovery. Moreover, the use of WSBs in public places for collection of recyclables went against the principle of "clean recycling", as the recyclables therefrom were often contaminated or mixed with other materials not suitable for recycling. For resource recovery in the rural areas, he suggested that the Administration should adopt a new mode of operation, which would leverage on the neighbourhood relations in villages.</p> <p>Mr CHU pointed out that there were three major modes of operation for resource recovery in Hong Kong, namely (a) large-scale collection of recyclables through government contracts; (b) collection points run by NGOs, such as CRCs and CGSs; and (c) small-scale private recycling shops and</p>	

Time marker	Speaker	Subject	Action required
		<p>scavengers. He enquired which of the above would be the linchpin of the resource recovery network in future, and whether NGOs and private recycling shops would be in competition with each other for the collection of recyclables in the community.</p> <p>The Administration advised that:</p> <ul style="list-style-type: none"> (a) it had been developing more recycling facilities to cope with the expected increase in the quantity of recyclables to be recovered after the implementation of the proposed charging scheme (if the Bill was passed) and existing/new producer responsibility schemes ("PRs") on various product categories. The provision of large-scale collection services for relevant recyclables through government contracts would be increased in tandem with the development of these facilities; (b) at the same time, NGO-operated collection points would be expected to serve as an important nexus of the collection network for recyclables in the community. The Administration had plans to expand the scale of such collection points through, among other things, regularizing the funding support for CRCs; (c) some NGOs had been engaging or collaborating with people who collected recyclables (such as scavengers) in the NGOs' recycling projects. In future, when the Administration appointed NGOs to operate some collection channels for recyclables, it would require the NGOs to establish collaboration networks in the relevant service areas; and (d) CRCs provided a channel for the collection of recyclables at the neighbourhood level, whereas private recycling shops could flexibly adjust their business models and/or service targets to adapt to market changes. CRCs and private recycling shops did not necessarily compete with each other for the collection of recyclables. 	
005657 – 010346	Chairman Mr Wilson OR Administration	<p>Mr OR asked how the Administration would foster the development of the recycling chains of materials of low economic value, and whether it would increase the number of CRVs.</p> <p>The Administration responded that:</p> <ul style="list-style-type: none"> (a) to support the development of a circular economy, the 	

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		<p>Administration endeavoured to enhance the economic value of some major types of local recyclables;</p> <p>(b) one of the key challenges facing waste plastics recycling was the low density of the materials and hence high transportation costs involved. The Administration had plans to introduce various measures to facilitate the recovery of waste plastics and reduce the transportation costs to be borne by local recyclers. These included the pilot schemes on the provision of free collection service for waste plastics from non-C&I sources and the installation of reverse vending machines for plastic beverage containers. The contractor(s) responsible for the said free collection service would be required to convert the recovered plastics into raw plastic materials or recycled plastic products, which were of higher economic value. In addition, the Administration was preparing for the introduction of a PRS on plastic beverage containers; and</p> <p>(c) under the review of CRN, the Administration would consider increasing the number of CRVs.</p>	
010347 – 011436	<p>Chairman Dr Elizabeth QUAT Administration Mr Vincent CHENG</p>	<p>Dr QUAT and Mr CHENG raised the following views and questions:</p> <p>(a) NGOs currently operating CRCs had put much efforts in establishing collaboration and communication networks with stakeholders in their respective services areas, and should be given priority to maintain the CRCs' operations after the regularization of funding support;</p> <p>(b) the tendering procedure for the CRC contracts after the regularization efforts might create additional administrative burden on these NGOs;</p> <p>(c) the Administration should increase funding support for CRCs with a view to expanding their scales and coverage as well as upgrading their service quality;</p> <p>(d) whether the tenders for the CRC contracts would be assessed based on the "lowest bid wins" principle only; and</p> <p>(e) whether performance targets/indicators would be set for CRN.</p>	

Time marker	Speaker	Subject	Action required
		<p>The Administration responded that:</p> <ul style="list-style-type: none"> (a) the tendering procedure for CRC contracts would be streamlined as far as possible to facilitate the applications by NGOs. Apart from the price factor, other factors (e.g. established networks for resource recovery) would be taken into account during the assessment of tenders; (b) the Administration would consider stakeholders' views on strengthening support for CRCs, including the suggestion on the provision of financial assistance to each CRC in phases. Moreover, the new outreaching teams to be set up under EPD would promote collaboration between CRCs/CRVs and residents in resource recovery; and (c) the target for developing CRN was to reinforce its function as an important nexus of the collection network for recyclables in the community. The Administration would explore the feasibility of setting performance indicators in respect of the quantity of recyclables recovered through CRN. 	
011437 – 012131	Chairman Ir Dr LO Wai- kwok Administration	Discussion on the implementation progress of the PRS on glass beverage containers, and the outlets of glass materials recycled by glass management contractors. Ir Dr LO considered that the Administration should expedite the implementation of PRSs on other product categories.	
012132 – 012830	Chairman Dr Fernando CHEUNG Administration	<p>Dr CHEUNG expressed concern that scavengers who collected recyclables might commit offences under the Bill inadvertently. He called on the Administration to formulate comprehensive policies to facilitate the work of scavengers after the implementation of the proposed charging scheme (if the Bill was passed).</p> <p>The Administration responded that the major challenge facing scavengers was the fluctuation in the market prices of recyclables leading to unstable incomes. It was expected that with the implementation of the proposed charging scheme and other measures to support recycling, there would be a general rise in the market value of local recyclables, which could help boost the incomes of scavengers. The Administration would work with NGOs in enhancing scavengers' understanding of the requirements under the proposed charging scheme.</p>	

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012831 – 013732	Chairman Dr CHENG Chung-tai Administration	<p>Dr CHENG enquired whether the Administration would consider implementing mandatory source separation of waste if the effectiveness of the proposed charging scheme fell short of expectation (if the Bill was passed). He also considered that the Administration should formulate a blueprint and strengthen its support for the development of the recycling networks, so as to bolster business confidence in the local recycling industry.</p> <p>The Administration reiterated that the experiences in other places had proven that quantity-based waste charging could promote the further development of recycling chains. It would continue to develop recycling infrastructure to reduce food waste (which constituted a major part of MSW) and support the implementation of PRSs on various product categories.</p>	
013733 – 014326	Chairman Mr WU Chi-wai Administration	<p>Mr WU asked whether the Administration had considered the provision of price subsidies in respect of recyclables.</p> <p>The Administration advised that the provision of price subsidies in respect of recyclables might not bring about waste reduction, which was one of the objectives of the proposed charging scheme.</p> <p>Mr WU suggested that, before the implementation of the proposed charging scheme, the Administration should collaborate with the Hong Kong Housing Authority ("HA") in implementing a pilot scheme on mandatory MSW charging in housing estates managed by HA, with a view to testing the effectiveness of mandatory MSW charging in reducing waste.</p>	
014327 – 014922	Chairman Deputy Chairman Administration	<p>The Deputy Chairman asked whether the Development Bureau ("DEVB") had cooperated with the Environment Bureau ("ENB")/EPD in promoting the development of the local recycling industry through land use planning. He suggested that sites for recycling uses should be located near waste disposal facilities, so that the overall transportation cost of recyclables could be reduced.</p> <p>The Administration responded that representatives of DEVB were involved in the ongoing consultancy study commissioned by ENB on the land requirements of the recycling industry.</p> <p>Discussion on the control on import of recyclables and waste.</p>	

Time marker	Speaker	Subject	Action required
014923 – 015507	Chairman Mr YIU Si-wing Administration	Mr YIU suggested that the Administration should launch a programme for CRCs to offer monetary rewards to scavengers to incentivize the collection of recyclables of low economic value. The Administration advised that it would consider Mr YIU's suggestion.	
015508 – 020019	Chairman Dr Elizabeth QUAT Administration	Dr QUAT requested the Administration to provide supplementary information on: (a) the specific measures to be implemented to strengthen support for CRCs currently operated by NGOs, with a view to expanding the scale and upgrading the service quality of these CRCs; (b) the detailed plan for the regularization of funding support for CRCs; and (c) whether and how the Administration would ensure that the NGOs that had been operating CRCs would be given priority to maintain the CRCs' operations and would not be crowded out by more resource-rich private operators after the said regularization efforts.	Admin (paragraph 2 of the minutes refers)
<i>Agenda Item II – Any other business</i>			
020020 – 020142	Chairman	Date of next meeting	