

立法會

Legislative Council

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Report of the Panel on Environmental Affairs for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Environmental Affairs (“the Panel”) during the Legislative Council (“LegCo”) 2022 session. It will be tabled at the meeting of 7 December 2022 of the Council in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007, 2 July 2008 and 26 October 2022 for the purpose of monitoring and examining Government policies and issues of public concern relating to environmental matters, energy matters (including energy supply and safety), conservation, sustainable development and weather information services. The terms of reference of the Panel are given in **Appendix 1**.

3. The Panel comprises 20 members, with Hon Elizabeth QUAT and Hon Kenneth LAU Ip-keung elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix 2**.

Major Work

Waste management

Progress of implementation of Waste Blueprint for Hong Kong 2035

4. The Government announced the Waste Blueprint for Hong Kong 2035 (“the Waste Blueprint”) on 8 February 2021, setting out the vision of “Waste Reduction • Resources Circulation • Zero Landfill”. The Waste Blueprint outlines the strategies, goals and measures to tackle the challenge of waste management up to 2035. Issues related to waste management were discussed

by the Panel during the briefing on the progress update of the key environmental initiatives in the Chief Executive's 2021 Policy Address on 10 February 2022. At the Panel meeting held on 25 April 2022, the Administration further reported the progress of major policy initiatives in the Waste Blueprint.

5. Members expressed support for the implementation of the policy initiatives in the Waste Blueprint and urged the Administration to ensure timely achievement of the relevant waste reduction targets, including expediting the development of waste-to-energy ("WtE") facilities and waste-to-resources ("WtR") facilities with a view to achieving the goal of "zero landfill" by 2035 as promulgated.

6. The Administration advised that over the years, it had been gradually expanding Hong Kong's recycling capacities for major types of waste, such as food waste, waste plastics and waste glass. The Administration had also enhanced support for resource recovery in the community through the rebranded Community Recycling Network,¹ the launch of the Green Outreach,² etc. The above initiatives had enabled the recovery of more resources from the waste streams. The Administration would continue to expand Hong Kong's recycling capacities through developing more WtE and WtR facilities and supporting local recycling industries. At the same time, the Administration would further promote waste reduction at source, waste separation at source and recycling through the implementation of municipal solid waste ("MSW") charging,³

¹ To strengthen the support for waste reduction and recycling at the district level, the Environmental Protection Department ("EPD") is actively building a new community recycling network (GREEN@COMMUNITY), including Recycling Stations, Recycling Stores and Recycling Spots, and promoting different initiatives across the territory with a view to gaining more support from the public to go green and instill a green living culture in the community. All Recycling Stations, Recycling Stores and Recycling Spots accept at least eight common types of recyclables, including paper, metals, plastics, glass bottles, regulated electrical equipment, small electrical appliances, fluorescent lamps and tubes, and rechargeable batteries, etc. The recyclables collected would be sorted and then delivered to the downstream recyclers for subsequent processing.

² To strengthen on-site support for recycling, EPD has started in phases since December 2018 to set up a community outreaching team of about 200 staff, namely the Green Outreach. The Green Outreach is responsible for, among other things, establishing and maintaining direct connections with different stakeholders such as property management companies and residents organizations, providing recycling support to suitable housing estates and residential buildings, and coordinating environmental education and promotion activities.

³ MSW comprises domestic, commercial and industrial solid waste, and excludes construction and demolition waste, chemical waste and other special waste. MSW charges are to be levied through the dual modes of (a) charging through purchasing and using designated bags or designated labels and (b) charging by weight-based "gate-fee".

producer responsibility schemes (“PRSS”) and other complementary measures.

Regulation of disposable plastic tableware and other plastics

7. On 24 October 2022, the Administration briefed the Panel on the Product Eco-responsibility (Amendment) Bill (“Amendment Bill”) which aimed to amend the Product Eco-responsibility Ordinance (Cap. 603) to, among other things, provide a legal framework for the regulation of disposable plastic tableware (“DPT”).⁴ Under the proposal, the first phase of regulation of DPT consisted of banning the sale and provision of expanded polystyrene (“EPS”) tableware, straws, stirrers, cutlery and plates. For the second phase, the local sale and provision of all types of disposable tableware would be prohibited for both dine-in and takeaway customers. The Administration also proposed to ban the manufacture, sale and/or free distribution of certain disposable plastic products other than DPT by phases. For instance, the sale and free distribution of glow sticks and oxo-degradable plastic products (regardless of their disposability), etc. were banned under the first phase, while the sale and free distribution of non-medical use transparent gloves, among others, would be banned in the second phase.

8. Members generally supported the regulation of DPT and other plastic products, as well as a phased approach of implementation. In particular, they welcomed the Administration’s proposal to advance the implementation of the first phase of the regulation of DPT from 2025 to 2023. Members enquired about the availability and affordability of DPT alternatives in the market. They suggested the Administration provide guidelines on compliant alternatives before implementing the proposed regulation, and promote the adoption of reusable tableware.

9. The Administration advised that at present, most of the suppliers in the market were already able to provide non-plastic alternatives (e.g. paper and soft wood) to disposable plastic straws, stirrers, cutlery and plate that were covered by the first phase of the proposed regulation, and their prices were generally comparable to the corresponding plastic ones. As regards those disposable plastic tableware (i.e. including cups, cup lids, food containers and food container covers) that were covered by the second phase of the regulation, since the number of suppliers in the market that could provide suitable alternatives were relatively limited, the launch date of the second phase would depend on the availability and affordability of the non-plastic alternatives. Apart from strengthening promotion and publicity according to the phased regulation of DPT, the Administration would continue to communicate with the relevant trades closely in taking forward the proposed regulation. The Administration

⁴ The Administration plans to introduce the Amendment Bill to LegCo in early 2023.

was working with the Hong Kong Quality Assurance Agency to establish an online information platform for reference by the food and beverage (“F&B”) trade, tableware suppliers and the public. This online platform was expected to be available by the end of 2022. The Administration further advised that it had been promoting the cutting down of DPT through different channels (through collaboration with F&B industry to carry out the publicity and public education campaign “Plastic-free Takeaway, Use Reusable Tableware”, funding community reusables lending programmes, etc), so as to encourage more members of the public and eateries to participate in going “plastic-free” and waste reduction at source.

Management of expanded polystyrene boxes

10. Members expressed grave concern about the large quantities of used EPS boxes (such as those for transportation of vegetables from the Mainland) discarded and accumulated outside wet markets, EPS collection points and refuse collection points in many districts as cross-boundary recovery of such boxes halted during the COVID-19 epidemic, which had adversely impact on environmental hygiene, and would exert additional pressure on landfills if such boxes were subsequently disposed of at landfills. Members suggested that the Administration should support the collection and transportation of used EPS boxes so as to lower their recycling costs.

11. The Administration advised that used EPS boxes were managed mainly through recovery and reuse in the Mainland. In view of the accumulation of such boxes in Hong Kong during the epidemic, the Administration encouraged local recyclers to make their best efforts to recycle the boxes. Nevertheless, the local recycling capacity for EPS boxes was rather limited. The Administration was discussing related issues with the relevant Mainland authorities, with a view to resuming cross-boundary recovery of EPS boxes as early as possible. Meanwhile, the Administration would continue to remove used EPS boxes from refuse collection facilities in public places efficiently to minimize environmental hygiene and safety problems, and explore measures for encouraging the trades to switch to alternative packaging materials for certain products, so as to reduce the use of EPS boxes in general.

Retired electric vehicle batteries

12. Members urged the Administration to draw reference from the practices adopted by the Mainland and overseas places and launch relevant measures expeditiously to promote the recycling or second-life applications of retired batteries of electric vehicles (“EVs”). Members also suggested that the Administration should enhance monitoring of the recycling chain for EV batteries to ensure that waste batteries would be handled/disposed of properly.

There was a suggestion that the Administration should promote the reuse and recycling of retired EV batteries through introducing a recycling levy on the products.

13. The Administration advised that it had detailed its plan for promoting the recycling and second-life applications of retired EV batteries in the Hong Kong Roadmap on Popularisation of Electric Vehicles (“the EV Roadmap”).⁵ While the Administration had given priority to enhancing Hong Kong’s recycling capacity for major types of MSW (such as waste paper, waste plastics and food waste) in recent years, it had started the preparatory work for the introduction of a PRS on retired EV batteries, with a view to legislating the scheme in a few years. The Administration had also been supporting local research projects on technologies relating to the recycling or second-life applications of EV batteries through the Green Tech Fund.⁶

Air quality improvement measures

14. The Administration announced the Clean Air Plan for Hong Kong 2035 (“the Clean Air Plan”) on 29 June 2021, setting out the vision of “Healthy Living · Low-carbon Transformation · World Class”, and the challenges, goals and strategies to enhance the air quality of Hong Kong up to 2035. The Clean Air Plan aims to turn Hong Kong into a more liveable city with air quality on par with major international cities by 2035 and advance towards the target of meeting in full the ultimate standards of the Air Quality Guidelines of the World Health Organization (“WHO”) in the long run. There were six major areas of action under the Clean Air Plan, namely green transport, liveable environment, comprehensive emissions reduction, clean energy, scientific management, and regional collaboration.

15. On 23 May 2022, the Administration reported to the Panel the progress of its air quality improvement measures. Members noted, among other updates, that the concentrations of Hong Kong’s major air pollutants (i.e. respirable suspended particulates (“PM10”), fine suspended particulates (“PM2.5”),

⁵ The Government announced the first ever EV Roadmap on 17 March 2021, which sets out the vision of “Zero Carbon Emissions · Clean Air · Smart City”, and the target to attain zero vehicular emissions before 2050, in concert with the Administration’s efforts to strive for carbon neutrality in the same time frame.

⁶ The Administration set up the Green Tech Fund in 2020 to provide more focused funding support to research and development projects which help Hong Kong decarbonize and enhance environmental protection. Projects relevant to the promotion of EVs and giving second life to EV batteries are both under the priority theme of green transport under the Fund.

nitrogen dioxide (“NO₂”) and sulphur dioxide (“SO₂”) in the ambient air in 2021 had dropped by 32% to 62% as compared to 2011, while their concentrations at the roadside had also reduced by 43% to 58%.

16. Members commended the Administration for its successful efforts to improve the general air quality in Hong Kong over the years. However, they expressed concern that roadside NO₂ concentration still exceeded the relevant Air Quality Objectives (“AQOs”) of Hong Kong.⁷

17. The Administration advised that the major sources of roadside NO₂ emission were diesel commercial vehicles and franchised buses. Between 2014 and 2020, about 80 000 pre-Euro IV diesel commercial vehicles had been retired through the implementation of an ex-gratia payment scheme. During this period, the annual average concentration of NO₂ at roadside monitoring stations had dropped from 120 µg/m³ to 70 µg/m³, indicating the effectiveness of the scheme in improving roadside air quality. The Administration expected that there would be further reductions in roadside NO₂ level through the implementation of a new ex-gratia payment scheme for phasing out Euro IV diesel commercial vehicles.

Charging facilities for electric vehicles

18. As the Administration had set a target of ceasing new registration of fuel-propelled private cars (including hybrid vehicles) in 2035 or earlier, Members requested the Administration to ensure sufficient supply of charging facilities for EVs to meet the growing needs of electric private car owners. Given that some private car owners did not own a parking space or did not have access to home charging, members suggested that the Administration should increase the supply of public chargers for EVs and make use of smart technologies to rationalize the distribution of such chargers, so as to encourage those private car owners to switch to EVs.

19. The Administration responded that it had outlined its strategy for expanding the network of EV charging facilities in the EV Roadmap, the key measures of which included the implementation of the EV-charging at Home Subsidy Scheme (“EHSS”), installation of more public charging facilities, promoting the marketization of EV charging services, the gross floor area (“GFA”) concession arrangement for EV charging infrastructure of underground car parks of new developments, turning petrol filling stations to charging

⁷ Hong Kong’s AQOs are benchmarked against a combination of interim and ultimate air quality targets in WHO’s Air Quality Guidelines, and set out the standards for seven types of air pollutants including SO₂, PM₁₀, PM_{2.5}, NO₂, ozone, carbon monoxide and lead. The Administration reviews AQOs at least once in every five years and has progressively tightened AQOs according to WHO’s Air Quality Guidelines where practicable.

stations, etc. The Administration expected that with the implementation of EHSS, by 2027, about 140 000 parking spaces in existing private residential buildings would be installed with EV charging infrastructure, accounting for about half of all parking spaces in eligible buildings. Since the introduction of the GFA concession arrangement, about 70 000 parking spaces had been approved under the prescribed conditions. In addition, the Administration would aim to provide at least 5 000 public chargers by 2025 (including those provided by the public and private sectors). Currently, there were already 4 900 public chargers in the market.

20. The Administration also advised that it was developing a mobile application to disseminate real-time information of public chargers to the general public, which could assist EV drivers in locating available public chargers when needed. The Administration would also explore inviting private organizations to provide similar information of their chargers in future, so as to widen the coverage of the mobile application.

Vessel emissions

21. Members sought elaboration on the Administration's plan for reducing vessel emissions and air pollution at container terminals. They requested the Administration to expedite the progress in developing liquefied natural gas ("LNG") bunkering, with a view to maintaining the competitiveness of Hong Kong's bunkering services in the maritime sector. Members also strongly urged the Administration to promote the development of onshore power supply ("OPS") systems at container terminals to enable vessels to switch to using electricity after berthing, so as to reduce air pollutant emissions from onboard generators of berthed vessels.

22. The Administration advised that the two power companies (i.e. CLP Power Hong Kong Limited and Castle Peak Power Company Limited (referred to as "CLP" collectively) and The Hong Kong Electric Company, Limited ("HKE")) were jointly constructing an offshore LNG terminal to receive natural gas and supply it to power plants. The Administration had been liaising with stakeholders, including the power companies and the maritime trade, to explore the use of the offshore LNG terminal as a bunkering facility for ocean-going vessels, so as to promote the adoption of LNG in vessels and reduce air pollution. In parallel, the Marine Department had started the study of the technical requirements for LNG bunkering and the relevant regulations adopted by some other jurisdictions. The Administration would seek to consult stakeholders as early as possible, and the Environmental Protection Department ("EPD") would work closely with the Marine Department on this initiative.

23. The Administration explained that in order for vessels to use OPS at berth, they must be equipped/retrofitted with the appropriate OPS facilities for connecting to the OPS systems (if any) at the terminals. The Administration had discussed the issue with the trade and noted that some shipowners preferred fuel switching at berth or using LNG to using OPS due to cost concerns. As there were few ocean-going vessels in the world equipped with OPS facilities at present, the installation of OPS systems at container terminal was not expected to bring apparent or significant benefits to air quality. In line with the international trend to adopt LNG for ocean-going vessels, the Administration's policy priority was to study the provision of an LNG bunkering facility, which would promote the switch to LNG in vessels and reduce vessel emissions to a certain extent. The Administration would keep in view the international development of OPS, so as to timely consider the need to provide OPS facilities at container terminals.

Combating climate change

Achieving carbon neutrality before 2050

24. Members urged the Administration to expedite the formulation of detailed roadmaps and action plans for reducing emissions from major sources, in particular electricity generation and transport, with a view to achieving carbon neutrality before 2050, in accordance with the Hong Kong's Climate Action Plan 2050 ("the Climate Action Plan") published in October 2021.⁸

25. The Administration advised that the four interconnected policy documents relating to decarbonization published by the then Environment Bureau in 2021 (i.e. the Climate Action Plan, Clean Air Plan, EV Roadmap, and Waste Blueprint) had outlined short, medium and long-term measures for reducing carbon emissions from different sources.⁹ The Administration would review decarbonization strategies and targets about every five years. In achieving the target of "net-zero electricity generation", the Administration would endeavour to strike a balance of the following four factors: safety, reliability, affordability and environmental performance. The Administration had set the following targets for 2035: (a) ceasing the use of coal for electricity generation, (b) increasing the share of renewable energy in the fuel mix for

⁸ The Hong Kong's Climate Action Plan 2050 sets out the vision of "Zero-carbon Emissions • Liveable City • Sustainable Development" and outlines the strategies and targets for combating climate change and achieving carbon neutrality.

⁹ The Environment Bureau was subsequently renamed as the "Environment and Ecology Bureau" after the reorganization of the structure of the sixth-term Government with effect from 1 July 2022.

electricity generation to around 7.5% to 10%, and (c) increasing the share of zero-carbon energy in the fuel mix for electricity generation to around 60% to 70%. Different options would be explored for achieving the targets, including regional cooperation, investing abroad, joint development, or import of low-carbon and zero-carbon energy.

Development of hydrogen energy

26. Members requested the Administration to devise plans for the development and application of hydrogen energy early. The Administration advised that the Mainland had formulated a plan for the development and application of hydrogen energy, and had set up industry clusters for hydrogen energy in various provinces. As observed, heavy-duty commercial vehicles powered by hydrogen fuel cells were gaining popularity in the southern part of the Mainland, which might be a catalyst for the low-carbon transformation of cross-boundary transport. Hong Kong would need to prepare for this change by exploring the adoption of hydrogen energy for transport. The Administration would keep an eye on the development of relevant technologies. Meanwhile, the Administration was working with franchised bus companies on a trial of hydrogen fuel cell electric buses, which was expected to be launched within two to three years. The Administration was also exploring with the two power companies the potential application of hydrogen energy for electricity generation.¹⁰

Regional cooperation on decarbonization

27. Members suggested that the Administration should enhance cooperation with other cities in the Guangdong-Hong Kong-Macao Greater Bay Area on decarbonization. The Administration advised that one of the key initiatives to be taken forward by the Office of Climate Change and Carbon Neutrality to be set up under the Environment and Ecology Bureau (“EEB”)¹¹ was to step up regional cooperation on decarbonization. The scope of cooperation might include identifying sources of zero-carbon energy, technological exchange, building low-carbon communities, nurturing talents, etc. Subject to the approval of the relevant establishment proposal by the Legislative Council, the Administration aimed to set up the said office within 2022.

¹⁰ The Panel will also hold a joint meeting with the Panel on Transport on 28 November 2022 to discuss promoting the adoption of new energy transport.

¹¹ Formerly the Environment Bureau.

Review of the environmental impact assessment process

28. The Chief Executive has announced in the 2021 Policy Address that the Administration will conduct a review on the environmental impact assessment (“EIA”) process stipulated under the Environmental Impact Assessment Ordinance (Cap. 499). At the meeting held on 28 March 2022, the Administration consulted the Panel on its work plan for the review.¹²

29. Members expressed support for the general direction of the Administration to review the EIA process and enhance the efficiency of the process. They noted that one of the targets of the review was to shorten the completion time of the EIA process to around 18 months for typical projects and around 24 months for major or complicated projects. Individual members made the following suggestions:

- (a) the EIA process should be further streamlined so that its completion time could be shortened to 12 months for all projects;
- (b) the Administration should draw reference from the EIA systems of other places (such as the Mainland and Singapore) and consider introducing tiered reporting requirements for the EIA studies for designated projects based on the levels of the projects’ potential environmental impact;
- (c) projects of a very small scale and simple nature should be exempted from the EIA process, and alternative methods should be devised for managing the environmental impacts of these projects; and
- (d) updating of the EIA process should ensure a balance between development and environmental protection.

30. The Administration advised that its target was to enable the completion of the entire EIA process (i.e. from the public consultation on the project profile to the issuing of an Environmental Permit) within 18 to 24 months. The Administration considered this target appropriate because EIA studies were normally conducted in tandem with detailed project designs which might also take over two years to complete for major or complicated projects. Moreover, ecological impact assessment often required ecological baseline surveys covering both the dry and wet seasons as appropriate. There might be little scope to further shorten the completion time of the EIA process.

¹² The Panel has also scheduled a meeting for 12 December 2022 to discuss the findings of the review.

31. The Administration stressed that it had all along been endeavouring to strike a balance between development and environmental protection through the EIA process. With reference to the experience gained in past EIA studies, the Administration planned to shorten the time required for conducting various types of assessment through standardizing requirements, assessment approaches, etc. The Administration also planned to introduce big data analysis into the EIA process. It was expected that these changes could facilitate the better use of resources, improve the transparency of EIA-related information and expedite the completion of the EIA process for individual projects, while maintaining a proper balance between development and environmental protection. Project proponents were encouraged to apply the “avoidance-minimization-mitigation” principle of the EIA mechanism throughout project life cycles, and identify options that could avoid environmental problems as the top priority. This principle was manifested in the Technical Memorandum on Environmental Impact Assessment Process and relevant guidelines. The Administration also took note of members’ suggestion of enhancing the process of fisheries impact assessment to better ensure the sustainable development of the fisheries industry, and reviewing the levels of compensation offered to persons whose livelihoods were affected by marine works.

Nature conservation

New measures for management of wild pigs

32. On 11 July 2022, the Administration briefed the Panel on the latest progress of the new measures for the management of wild pigs and sought members’ views on legislative proposals to:

- (a) expand the area designated under the Wild Animals Protection Ordinance (Cap. 170) (“WAPO”) where feeding of any wild animal was prohibited (“Feeding Ban Area”) to cover the entire territory of Hong Kong,¹³ and
- (b) increase the penalty for illegal feeding as well as introducing fixed penalty for illegal feeding of wild animals within the Feeding Ban Area.

¹³ The Prohibition of Feeding of Wild Animals Notice 1999 (Amendment) Notice 2022 (“the Amendment Notice”) was introduced to LegCo on 9 November 2022 to implement the relevant legislative proposal. As at the time of submission of this report, the Amendment Notice was under scrutiny by a subcommittee appointed by the House Committee on 11 November 2022.

33. Members expressed support for the above legislative proposals. As the Agriculture, Fisheries and Conservation Department (“AFCD”) had launched the Wild Pig Capture Operations (“Capture Operations”) in November 2021 as a new measure for wild pig management, members enquired whether the Capture Operations were effective, and the criteria for humane dispatch of wild pigs captured during the Capture Operations. Some members expressed concern that wild pigs that were accustomed to scavenging food in urban or residential areas or seeking food from humans would become even more aggressive after the implementation of the various enhanced measures for wild pig management. Some other members expressed concern that the migration of such wild pigs to the countryside would lead to more incidents of crop damage.

34. The Administration advised that the Capture Operations were effective in reducing sightings of and nuisances caused by wild pigs. The operations were conducted at locations in urban or residential areas where wild pigs frequently appeared and caused nuisances. During the operations, veterinarians would use dart guns with anaesthetics to capture wild pigs that were found to be causing nuisances or posing danger to members of the public. All wild pigs so captured would be humanely dispatched.

35. The Administration observed that the enhanced measures for curbing wild pig feeding activities and reducing food attraction could prevent wild pigs from developing the habit of scavenging food in urban or residential areas or seeking food from humans in the long run. For wild pigs that had already developed the habit and were causing nuisances, there was a need to capture and humanely dispatch them in order to protect public safety. While the Capture Operations were usually conducted in urban or residential areas as wild pigs there posed more risks to members of the public, the Administration would also conduct the operations in the countryside if there were black spots of crop damage or nuisances.

36. Members expressed concern about how the Administration would ensure effective enforcement against wild animal feeding in the entire territory, and how the proposed increase in the penalty could provide sufficient deterrence against illegal feeding of wild pigs.

37. The Administration advised that as the first step, AFCD would cope with the increased enforcement workload through internal redeployment of resources and adoption of a risk-based enforcement strategy. As the introduction of fixed penalty could streamline the prosecution procedure, the Administration did not envisage the need to significantly increase AFCD’s enforcement manpower at this stage. The Administration would consider formulating key performance indicators for monitoring the effectiveness of the proposed measures and enforcement work.

38. The Administration explained that WAPO currently only provided for prosecution by summons in respect of illegal feeding of wild animals. This required a complex procedure of evidence collection, and generally a long waiting time for the hearing of the cases at the magistrates' courts. The Administration therefore proposed introducing a fixed penalty of \$5,000 for illegal feeding of wild animals, which could streamline the prosecution procedure and allow swift handling of relatively straightforward cases by immediate issue of fixed penalty tickets to offenders. In cases of illegal feeding of a serious nature and magnitude, AFCD would prosecute offenders by issuing summons with a view to imposing a higher penalty by the court with regard to the seriousness of the offence, including the possibility of imprisonment. It was expected that the above proposal could significantly strengthen the deterrent effects on illegal feeding of wild animals.

Annual tariff reviews with the two power companies

39. The Panel discussed with the Administration and the two power companies the results of the annual tariff reviews at the meeting held on 22 November 2022. Members noted that the Average Net Tariff of CLP and HKE would increase sharply by 19.8% and 45.6% respectively from January 2022 to January 2023. Members considered that the two power companies should shoulder more corporate social responsibility to bring down the double-digit percentage increase in tariff for the overall interest of the community and ride out the difficult times with Hong Kong amid the epidemic and the resultant economic downturn. The Government and the power companies should also consider ways to address the impact of the tight fuel supply and global fuel price surge on tariff.

40. The Administration responded that to meet its decarbonization target for combating climate change, the two power companies had to invest more in the use of natural gas for power generation, including replacing retiring coal-fired generating units and constructing an offshore liquefied natural gas terminal, which involved substantial capital expenditures. The tariff increase had struck a balance of factors including the power companies' operating expenses and capital expenditures, fuel prices, cost control, balances of the Fuel Clause Recovery Accounts and the Tariff Stabilisation Funds, the permitted rate of return under the Scheme of Control Agreements signed between the Government and the power companies, as well as ensuring a reliable supply of electricity. To help lower their tariff adjustment, both power companies had factored in hefty transfers from their Tariff Stabilisation Funds and Fuel Clause Recovery Accounts.

41. At the meeting on 22 November 2022, the Panel passed a motion urging the Government to (a) suppress tariff increase in the next review, including discussing with the power companies to utilize parts of their profits to mitigate tariff pressure; and (b) provide more electricity charges subsidies and relief to electricity users.

Internal reorganization of the Environment Branch of the Environment and Ecology Bureau and the Environment Protection Department

42. On 24 October 2022, the Administration briefed the Panel on the proposed internal reorganization of EEB's Environment Branch and EPD), i.e. adjusting the existing merged structure of the Environment Branch and EPD to strengthen climate change actions, waste reduction and recycling, and various environment-related tasks ("the proposed internal reorganization"). Members in general expressed support for the proposal.¹⁴

43. Members urged the Administration to ensure operational efficiency and achieve synergy after segregation, and suggested that quantifiable key performance indicators be set for the relevant posts/measures.

44. The Administration responded that both policy steer and execution in environmental protection had called for increasing professionalism and technical expertise over the years. The proposed segregation could improve governance capability by strengthening strategic planning, policy research and coordination efforts of the Environment Branch while enhancing execution of EPD to better meet the current needs following the reorganization of the sixth-term Government. 167 non-directorate posts would be transferred from EPD to the Environment Branch to ensure continued professional support for policy formulation. Quantifiable key performance indicators and timeframes were set for meeting various targets including those related to waste reduction, carbon neutrality and EIA process.

Other issues

Public works proposals and legislative proposal

45. The Panel was also consulted on the following public works proposals and legislative proposal during the session:

¹⁴ At the time of submission of this report, the proposal had been endorsed by the Establishment Subcommittee on 16 November 2022, and was pending consideration by the Finance Committee ("FC").

- (a) retrofitting of noise barriers on Po Lam Road North (near King Ming Court);¹⁵
- (b) upgrading of Nim Wan Road (North) and Deep Bay Road;¹⁶
- (c) provision of sewerage network in North District, Tsuen Wan and Kwai Chung;¹⁷
- (d) refurbishment and improvement works of Outlying Islands Transfer Facilities and North Lantau Transfer Station; and
- (e) proposed amendments to “Designated Areas” under the Noise Control Ordinance (Cap. 400), Noise Control (Air Compressors) Regulations (Cap. 400C), and Noise Control (Hand Held Percussive Breakers) Regulations (Cap. 400D).¹⁸

Appointment of Subcommittee to Study Policy Issues Relating to Municipal Solid Waste Charging, Recovery and Recycling

46. During the session, the Panel has appointed a subcommittee to study policy issues relating to MSW charging, recovery and recycling (“the Subcommittee”), and the Subcommittee has commenced work in May 2022. Issues studied by the Subcommittee so far include preparatory work for the implementation of MSW charging; central collection services for major recyclables and community recycling network; and development of WtE/WtR infrastructures.

¹⁵ The proposal was approved by FC on 10 June 2022.

¹⁶ The proposal was approved by FC on 15 July 2022.

¹⁷ The proposal was approved by FC on 15 July 2022.

¹⁸ The Noise Control Ordinance (Cap. 400) provides for the Secretary for Environment and Ecology to establish a densely populated residential area as a designated area by notice published in the Gazette, for the purpose of controlling construction noise during restricted hours and reducing the impact of noisy construction activities on the nearby residents. The legislative amendments in question are intended to, among others, extend the coverage of designated areas to include newly developed areas, areas under development with progressive population intake and other highly populated residential areas that have yet to become such designated areas.

Meetings held

47. From 25 January 2022 to 22 November 2022, the Panel held a total of nine meetings. The Panel has scheduled a joint meeting with the Panel on Transport for 28 November 2022¹⁹ and another meeting for 12 December 2022.²⁰

48. Up to November 2022, the Subcommittee has held four meetings. The Subcommittee also conducted a visit on 13 October 2022 to understand the latest development of waste management facilities in Hong Kong. Facilities covered by the visit include GREEN@TUEN MUN (one of the Recycling Stations of the community recycling network), Y•Park (yard waste recycling centre) and T•Park (sludge treatment facility).

Council Business Division 1 and Public Complaints Office

Legislative Council Secretariat

30 November 2022

¹⁹ Members will exchange views with the Administration on promoting the adoption of new energy transport at this joint Panel meeting.

²⁰ The Panel will discuss the findings of the review of the Environmental Impact Assessment Ordinance process, and enhancement of country parks facilities at the meeting.

Legislative Council

Panel on Environmental Affairs

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to environmental matters, energy matters (including energy supply and safety), conservation, sustainable development and weather information services.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Panel on Environmental Affairs

Membership list for 2022 session

Chairman Hon Elizabeth QUAT, BBS, JP

Deputy Chairman Hon Kenneth LAU Ip-keung, BBS, MH, JP

Members Hon CHAN Hak-kan, SBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon KWOK Wai-keung, JP
Ir Dr Hon LO Wai-kwok, GBS, MH, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon CHAN Chun-ying, JP
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP
Hon CHU Kwok-keung
Hon Robert LEE Wai-wang
Hon Dominic LEE Tsz-king
Dr Hon Dennis LAM Shun-chiu, JP
Hon CHAN Yung, BBS, JP
Ir Hon CHAN Siu-hung, JP
Ir Hon Gary ZHANG Xinyu
Dr Hon Stephen WONG Yuen-shan
Prof Hon LAU Chi-pang, BBS, JP
Hon Carmen KAN Wai-mun

(Total: 20 members)

Clerk Ms Angel SHEK

Legal Adviser Mr Alvin CHUI