



40/F Revenue Tower 5 Gloucester Road W in Chi Hong Kong  
香港上環告士打道5號稅務大樓40樓

**ACE Paper 10/2008**

*For advice*

**Revision of Fees and Charges**

**Noise Control Ordinance (Cap. 400)**

**Merchant Shipping (Prevention and Control of Pollution)  
(Charges for Discharge of Polluting Waste) Regulation (Cap. 413I)**

**PURPOSE**

This paper invites Members' views on the proposed revision of fees under the Noise Control Ordinance (NCO) (Cap. 400) and informs Members on the proposed revision of charges under the Merchant Shipping (Prevention and Control of Pollution) (Charges for Discharge of Polluting Waste) Regulation (MSPCR) (Cap. 413I)

**BACKGROUND**

2 It is the Government policy that fees charged by the Government should in general be set at levels adequate to recover the full cost of providing the goods and services

3 The fees and charges under the NCO and MSPCR were last revised in January 2006 and March 2006 respectively

4 The fees under the NCO are for the processing of applications for Construction Noise Permits and Noise Emission Labels for the purpose of

controlling noise from construction activities and from the use of noisy construction equipment. The charges under the MSPCR are for the use of reception facilities provided by the Chemical Waste Treatment Centre for the purpose of collection and disposal of polluting waste, such as liquid oil waste and sludge, from sea-going ships.

5. We have taken measures to reduce or contain costs through implementing efficiency initiatives, reprioritizing service provision and streamlining procedures. Such efficiency savings and improvement measures have been factored into the calculation of costs for individual fee items.

## **THE PROPOSAL**

6. We propose to revise four fee items under the NCO. Details of the proposed fees revisions are set out at **Annex I**.

7. In line with the “user-pays” principle and to avoid a very steep fee increase, for fees under the NCO, we propose to continue to adopt the following general lines for fee increase based on the outcome of a recent costing exercise, namely -

- (a) to achieve full-cost recovery within seven years for fees with an existing cost recovery rate of fees of less than 40% of target, through an increase of about 20%; and
- (b) to achieve full-cost recovery within one to three years for fees with an existing cost recovery rate of fees of over 70% of target, through an increase of about 10%

8. These proposed revisions were presented to the Legislative Council Panel on Environmental Affairs on 25 February 2008. Members of the Panel did not raise any objection to the proposed fees revisions. The revised fees can be effected by amendment to the respective legislation following consultation with the Advisory Council on the Environment. As a result of these fees revisions, there will be a net increase of revenue of about \$0.5 million per annum.

9. For Members' information, adjustment in the fee level for the collection and disposal charges for polluting waste discharged by sea-going ships under the MSPCR will be made separately. Details of the proposed revision for these items are set out at **Annex II** for Members' information.

## **IMPLEMENTATION TIMETABLE**

10. Subject to the views of Members, we plan to implement the proposal in paragraph 6 in 2008-09.

## **ADVICE SOUGHT**

11. Members' advice is sought as to whether the proposed fees revisions as set out in paragraph 6 above should be made. The revised fees and charges would take effect in 2008-09 subject to passage of the relevant amendment regulations.

**Environmental Protection Department**  
**March 2008**

## Fees Revision 2008-09

| <u>Fee<br/>Item</u>                                                         | <u>Description of Fee Item</u>                                                                 | <u>Proposed Amount of Increase</u> |                     |                    |               |  | <u>Unit Cost</u> | <u>Cost Recovery<br/>Level</u> |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------|---------------------|--------------------|---------------|--|------------------|--------------------------------|
|                                                                             |                                                                                                | <u>Existing Fee</u>                | <u>Proposed Fee</u> | <u>(In Dollar)</u> | <u>(In %)</u> |  |                  |                                |
|                                                                             |                                                                                                | (\$)                               | (\$)                | (\$)               | (%)           |  | (\$)             | (%)                            |
| <b><u>Noise Control Ordinance (Cap. 400)</u></b>                            |                                                                                                |                                    |                     |                    |               |  |                  |                                |
| <b>Noise Control (General) Regulations (Cap. 400A)</b>                      |                                                                                                |                                    |                     |                    |               |  |                  |                                |
| 1                                                                           | Application for a construction noise permit for construction work other than percussive piling | 830                                | 1,000               | 170                | 20%           |  | 2,925            | 34%                            |
| 2                                                                           | Application for a construction noise permit for percussive piling                              | 760                                | 910                 | 150                | 20%           |  | 2,247            | 40%                            |
| <b>Noise Control (Air Compressors) Regulations (Cap. 400C)</b>              |                                                                                                |                                    |                     |                    |               |  |                  |                                |
| 3                                                                           | Application fee for a noise emission label for air compressor                                  | 445                                | 490                 | 45                 | 10%           |  | 573              | 86%                            |
| <b>Noise Control (Hand Held Percussive Breakers) Regulations (Cap 400D)</b> |                                                                                                |                                    |                     |                    |               |  |                  |                                |
| 4                                                                           | Application fee for a noise emission label for hand held percussive breaker                    | 445                                | 490                 | 45                 | 10%           |  | 573              | 86%                            |

## Charges Revision 2008-09

| <u>Fee Item</u>                                                                                                                 | <u>Description of Fee Item</u>                                                                           | <u>Proposed Amount of Increase</u> |                     |                    |               | <u>Unit Cost</u> | <u>Cost Recovery Level</u> |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------|---------------------|--------------------|---------------|------------------|----------------------------|
|                                                                                                                                 |                                                                                                          | <u>Existing Fee</u>                | <u>Proposed Fee</u> | <u>(In Dollar)</u> | <u>(In %)</u> |                  |                            |
|                                                                                                                                 |                                                                                                          | <u>(\$)</u>                        | <u>(\$)</u>         | <u>(\$)</u>        | <u>(%)</u>    | <u>(\$)</u>      | <u>(%)</u>                 |
| <b><u>Merchant Shipping (Prevention and Control of Pollution) Ordinance (Cap. 413)</u></b>                                      |                                                                                                          |                                    |                     |                    |               |                  |                            |
| <b>Merchant Shipping (Prevention and Control of Pollution)(Charges for Discharge of Polluting Waste) Regulation (Cap. 413I)</b> |                                                                                                          |                                    |                     |                    |               |                  |                            |
| Collection charge (for each cubic metre or part thereof) :-                                                                     |                                                                                                          |                                    |                     |                    |               |                  |                            |
| 5.                                                                                                                              | (a) for all types of polluting waste other than sludge                                                   | 550                                | 675                 | 125                | 23%           | 877              | 77%                        |
| 6.                                                                                                                              | (b) for sludge                                                                                           | 1,890                              | 2,540               | 650                | 34%           | 3,826            | 66%                        |
| Disposal charge (for each cubic metre or part thereof) :-                                                                       |                                                                                                          |                                    |                     |                    |               |                  |                            |
| 7.                                                                                                                              | (a) liquid oil waste or any other mixtures which contain oil                                             | 605                                | 840                 | 235                | 39%           | 1,379            | 61%                        |
| 8.                                                                                                                              | (b) sludge                                                                                               | 6,860                              | 9,230               | 2,370              | 35%           | 13,901           | 66%                        |
| 9.                                                                                                                              | (c) noxious liquid substance or any other mixtures which contain residue of any noxious liquid substance | 960                                | 1,320               | 360                | 38%           | 2,095            | 63%                        |