

Summary of Comments on TES Review

<u>Comments</u>	<u>Party</u>
<u>General</u>	
"Polluter pays" principle helps reduce and minimise waste.	A member of ITDC
Government may have over-built sewerage infrastructure if individual establishments choose to treat their effluent in-house or relocate elsewhere.	A member of ITDC
Amendments to the existing TES Scheme should aim for a cheaper and simpler scheme under "polluter pays" principle.	Members of ITDC
A comprehensive review to assess the cost-effectiveness of the sewage charging scheme as a whole and their impact on trades is needed.	The Democratic Alliance for Betterment of Hong Kong Association of Retailers and Tourism Services A member of the Biotechnology Committee
Government should inject fund to the SSTF on a yearly basis.	The Democratic Alliance for Betterment of Hong Kong The Hon. Chan Wing-chan
Terminate the TES scheme until a thorough, fair, open and scientifically-based scheme is proposed.	The Federation of Hong Kong Hotel Owners Limited
Stop charging domestic users sewage charge.	The Democratic Alliance for Betterment of Hong Kong The Beverage Manufacturers Association of Hong Kong

<p>Should not overcharge trades.</p> <p>All sectors, including the domestic sector, must pay their fair share of the cost.</p> <p>Unfair for restaurants to pay 80% of TES.</p>	<p>The Federation of Hong Kong Hotel Owners Limited</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>The restaurant trade</p>
<p><u>The Review</u></p> <p>The Review is incomprehensive and non-scientific.</p> <p>The Review only affirms and justifies previous findings and calculations.</p> <p>Government should make available the Consultancy Brief and Draft Final Report as promised.</p> <p>Should make the Final Report widely available and in Chinese.</p> <p>Insufficient consultation period.</p> <p>The Report should have mentioned the outcome of the joint survey with restaurants.</p> <p>The Review should not emphasis the financial balance of the Sewage Services Trading Fund (SSTF) alone. Government should come up with a charging scheme which takes into account the affordability to business, the equitability among trades, the encouragement of environmental protection and cost-effectiveness of administration.</p>	<p>The Federation of Hong Kong Hotel Owners Limited</p> <p>The textiles and clothing trade</p> <p>The restaurant trade</p> <p>The Hon. Chan Wing-chan</p> <p>The Hong Kong Association of Certification Laboratories Limited</p> <p>The Hon. Chan Wing-chan</p> <p>The restaurant trade</p> <p>The Hong Kong General Chamber of Commerce</p>

<p><u>Charging Rate</u></p> <p>The setting of TES rate lacks transparency and is non-scientific.</p> <p>TES rate is already too high. Objects to further increase TES rate until a thorough review is conducted</p> <p>Should review and adjust TES rate regularly to cover inflation rate and O&M costs.</p> <p>Should set TES rate at a level higher than the cost of recycling wastewater.</p> <p>Should lower TES rate as TES revenue has exceeded the costs of attributable load by 34%.</p> <p>Supports including the "X-reduction factor" in the index-linked formula to provide efficiency incentives.</p> <p>The proposed "Y-new service factor" in the index-linked formula is capital in nature and should not be included in the charging rate.</p> <p>If any system development costs are not directly related to the TES Scheme, they should not be charged to TES.</p>	<p>The restaurant trade</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>The Hon. Chan Wing-chan</p> <p>A.S. Watson Industries Limited</p> <p>Hong Kong General Chamber of Commerce</p> <p>A member of the Biotechnology Committee</p> <p>A member of the Metals Committee</p> <p>The textiles and clothing trade</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>The Hong Kong Industrial Estates Corporation</p> <p>The Beverage Manufacturers Association of Hong Kong</p>
<p><u>Pollution Parameters</u></p> <p>Supports replacing COD_{t-s} with Total Suspended Solids (TSS).</p>	<p>A.S. Watson Industries Limited</p>

<p>Use BOD as the charging parameter.</p> <p>Continue using COD as the charging parameter.</p> <p>Assign a lower generic COD value to restaurants to reflect their efforts in reducing effluent strength.</p>	<p>The Federation of Hong Kong Hotel Owners Limited</p> <p>The textiles and clothing trade</p> <p>The Association of Retailers and Tourism Services</p> <p>The Hon. Chan Wing-chan</p> <p>The restaurant trade</p>
<p><u>Charging Basis</u></p> <p>Government should bear part of the O&M costs.</p> <p>Should control and reduce O&M costs for running the sewage services system.</p> <p>Should control and reduce administrative costs of SSTF.</p> <p>Allow a longer cost recovery period to avoid drastic increase in TES rate.</p>	<p>A member of the Biotechnology Committee</p> <p>Hong Kong Industrial Estates Corporation</p> <p>A member of the Biotechnology Committee</p> <p>A member of ITDC</p>
<p><u>Chargeable Population</u></p> <p>Should cover more trades.</p>	<p>A.S. Watson Industries Limited</p> <p>A member of the Biotechnology Committee</p> <p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The Beverage Manufacturers Association of Hong Kong</p>

Should review the types of trades under TES scheme regularly.	A member of ITDC
<p><u>Determination of Effluent Quality</u></p> <p>Supports using EPD's licence and regulatory data.</p> <p>Should involve third parties in establishing effluent standards.</p> <p>Should allow random check without prior notice.</p> <p>Sampling from grease traps improper.</p> <p>Use median, rather than mean, for determining the generic COD value of restaurant trade.</p> <p>Should use a larger sampling size for reassessing the generic COD value of trade.</p>	<p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The Hong Kong General Chamber of Commerce</p> <p>A member of the Textiles and Clothing Committee.</p> <p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>The restaurant trade</p> <p>The Federation of Hong Kong Hotel Owners Limited</p> <p>The Hon. Chan Wing-chan</p> <p>The restaurant trade</p> <p>The Federation of Hong Kong Hotel Owners Ltd.</p> <p>The Hon. Chan Wing-chan</p>

<p><u>Appeals Procedure</u></p> <p>Simplify the appeals procedures to make it cheaper and easier to operate.</p> <p>Should extend the validity of the appeals result.</p> <p>Should accept group appeals/reassessment.</p> <p>Supports changing the "appeals" system to a "reassessment" system.</p> <p>Cost of successful appeals should be reimbursed.</p> <p>Final decisions on appeals should be made by third parties.</p>	<p>Almost all parties</p> <p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>The Hong Kong General Chamber of Commerce</p> <p>The restaurant trade</p> <p>The Hon. Chan Wing-chan</p> <p>The Beverage Manufacturers Association of Hong Kong</p> <p>A member of the Biotechnology Committee</p> <p>A member of the Biotechnology Committee</p>
<p><u>Discharge Factor</u></p> <p>Should set different discharge factor for different trade. Unify the discharge factor under sewage charge (SC) and TES.</p> <p>Do not agree that restaurant trades should be charged on the basis of 80% of their water consumption.</p>	<p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The restaurant trade</p>

<p><u>Trade Effluent Charge/Unified Sewage Charge</u></p> <p>Supports Unified Sewage Charge.</p> <p>Do not support Unified Sewage Charge as it is not in compliance with the "polluter pays" principle.</p> <p>Do not support Trade Effluent Charge</p> <p>Should unify the TES and SC for trades.</p>	<p>Tobacco Institute of Hong Kong Limited</p> <p>A member of the Information Technology Committee</p> <p>The Democratic Alliance for Betterment of Hong Kong</p> <p>The Hong Kong General Chamber of Commerce</p> <p>Hong Kong General Chamber of Commerce</p> <p>The Democratic Alliance for Betterment of Hong Kong</p>
<p><u>Miscellaneous</u></p> <p>Unlike valet service, vehicle repair operation does not use a lot of water and does not generate polluting waste water. They should not be charged TES.</p> <p>The levy of TES will discourage individual vehicle repair operators from improving their discharge quality.</p> <p>The "average" COD value for garages shown in the Final Report is a distorted figure.</p> <p>The tobacco industry operates highly efficient plants with low effluent strength and should not be charged TES.</p> <p>The COD value for tobacco industry should be far lower than as shown in the Final Report.</p>	<p>The vehicle repair trade</p> <p>The vehicle repair trade</p> <p>The Services Manager Association</p> <p>The Tobacco Institute of Hong Kong Limited</p> <p>The Tobacco Institute of Hong Kong Limited</p>

Should not include printing industry in the TES scheme as their effluent discharge is no stronger than that of domestic discharge.

Hong Kong Printers Association
of Hong Kong

Graphic Arts Association of
Hong Kong Limited