

**Confirmed Minutes of the 173rd Meeting of
the Advisory Council on the Environment
held on 11 October 2010 at 2:30 pm**

Present:

Prof Paul LAM, JP (Chairman)
Prof CHAU Kwai-cheong, JP (Deputy Chairman)
Ms Teresa AU
Dr Dorothy CHAN, BBS
Prof FUNG Tung
Ms Betty HO
Mr Michael JEBSEN, BBS
Mr Edwin LAU, MH
Prof Joseph LEE
Ir Dr LO Wai-kwok, BBS, MH, JP
Dr MAN Chi-sum, JP
Mr TSANG Kam-lam, JP
Mr Simon WONG, JP
Mr Carlson K S CHAN, JP (Secretary)

Absent with Apologies:

Mr Oscar CHOW
Mr Michael LEE
Dr Alfred TAM
Prof WONG Ming-hung
Dr YAU Wing-kwong
Dr Ray YEP
Prof Ignatius YU

In Attendance:

Ms Anissa WONG, JP	Permanent Secretary for the Environment
Mr Y K CHAN	Acting Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department
Mr C T LING	Assistant Director/Technical Services, Planning Department
Ms Esther LI	Acting Principal Information Officer, Environmental Protection Department (EPD)
Ms Josephine CHEUNG	Chief Executive Officer (CBD), EPD
Mr Steve TSOI	Executive Officer (CBD), EPD
Miss Kim KWAN	Executive Manager (CBD), EPD

In Attendance for Agenda Item 3:

Mr W C MOK, JP
Mr C W WONG

Assistant Director (Air Policy), EPD
Senior Environmental Protection Officer (Air Policy)4,
EPD

In Attendance for Agenda Item 4:

Mr C W TSE, JP

Assistant Director (Environmental Assessment), EPD

Action

Agenda Item 1 : Confirmation of the draft minutes of the 172nd meeting held on 20 September 2010

The draft minutes were confirmed subject to the amendment proposed by a Member (who could not attend the meeting and passed the proposed amendment to the secretariat before the meeting) to add the phrase “including the Executive Council’s approval” after “certain procedures” in line 4 of paragraph 13.

Agenda Item 2 : Matters arising from the minutes of the 172nd meeting held on 20 September 2010

2. There were no matters arising from the minutes of the last meeting.

Agenda Item 3 : Review of the Technical Memorandum for Allocation of Emission Allowances in Respect of Specified Licenses *(ACE Paper 13/2010)*

3. Mr C W Wong briefed Members on the findings of the review of the “Technical Memorandum for Allocation of Emission Allowances in Respect of Specified Licences” (the First TM) issued under the Air Pollution Control Ordinance (APCO) in 2008 and on the proposal to reduce the emission allowances for power plants for the emission years from 1 January 2015 by way of issuing a new TM (the Second TM).

4. A Member asked how the proposed emission caps could be benchmarked with other comparable urbanized cities. Mr W C Mok said that the

local power plants employed advanced emission abatement technologies and the level of emissions in terms of per kWh was in general comparable to power plants in urbanized cities in the United States and Europe.

5. A Member enquired about the anticipated improvement in the Air Pollution Index (API) should the emission targets be achieved. Mr W C Mok explained that emission reduction from power generation would have positive impacts on the air quality given that emissions from the power sector accounted for 88%, 44% and 28% of the territory-wide emissions of sulphur dioxide (SO₂), nitrogen oxides (NO_x) and respirable suspended particulates (RSP) respectively in 2008. The reduction in SO₂ would decrease the level of particulates while reduction in NO_x would help alleviate the ozone problem. It was however difficult to estimate the impacts on API. Moreover, the major source of emissions for most air quality monitoring stations recording high levels of API was vehicles.

6. A Member noted that the overall share of natural gas in the combined fuel mix of the two power companies for local electricity generation would increase from 39% to about 52% in 2015 as stated in paragraph 8 of the paper. In the consultation document on “Public Consultation on Hong Kong’s Climate Change Strategy and Action Agenda”, the proposed share of natural gas in the fuel mix by 2020 would be about 40%. He sought clarifications on the discrepancy. Mr W C Mok explained that the 52% share of natural gas in 2015 in the context of the Second TM referred to the split of coal and natural gas for local electricity generation while the 40% share of natural gas in 2020 in the context of the Climate Change Strategy referred to the sources of energy for local electricity consumption which included nuclear power imported from the Mainland and renewable energy.

7. A Member noted that the proposed reduction level of SO₂ for Hongkong Electric Company Limited (HEC) was only 28% from the current level while that for CLP Power Hong Kong Limited (CLP) was 64%. She sought clarifications on the difference. Mr W C Mok explained that the higher level of reduction for CLP was mainly due to its higher capability to use natural gas for electricity generation. Currently, CLP had eight gas-fired generation units but HEC had only two. Due to the early depletion of the Yacheng gas field, there was insufficient supply of natural gas for CLP to fully utilize the gas-fired plants. In anticipation of additional supply of natural gas after signing of the

Memorandum on Understanding on Energy Co-operation, CLP would be able to maximize the use of existing gas-fired generation units and have more scope for emission reduction.

8. A Member enquired about the strategic plan to encourage the closing down of coal-fired power plants by power companies. Mr W C Mok explained that power companies were not allowed to build new coal-fired power plants since 1997. The coal-fired power plants would be retired in phases. Whether there would be a need for pre-mature retirement would involve a number of considerations, such as stability of electricity supply and tariff implications. The issue would be considered in greater depth in the context of the Climate Change Strategy.

9. A Member asked whether there would be penalties or bonus for under or over performance. Mr W C Mok explained that there would be penalties for non-compliance with the emission allowance under the APCO as it was a statutory requirement. Non-compliance would be subject to a fine and even imprisonment for repeated offences. Under the Scheme of Control Agreement, non-compliance with the emission caps would also result in reduction in the permitted rate of return. On the other hand, additional permitted rate of return would be granted as an incentive for over performance.

10. The Chairman noted that the new set of tightened emission allowances could only take effect four years after the commencement date of the new TM and the TM would be reviewed at least every three years. In response to his enquiry about the review mechanism, Mr W C Mok explained that the review mechanism was a continuous process to ensure a regular framework for updating. The review could be undertaken at a less than three years' interval. For example, a review could be conducted in 2011 and the tightened emission allowances would take effect in 2016 if further scope of tightening could be identified.

11. A Member enquired about measures to ensure that the latest technologies on emission abatement would be used by the power companies given the lead time of four years for the TM to take effect. Another Member asked about the possibility of shortening the lead time as more advanced technologies was expected. Mr W C Mok explained that based on experience, the lead time of four years was necessary for the power companies to make preparations for

essential engineering works and gear themselves up before the proposed emission caps took effect. To meet the 2010 emission reduction targets, the power companies had already embarked on major retrofitting works to install emission abatement devices. The technologies adopted by the power companies, such as flue-gas desulfurization systems, were of advanced level by international standards.

12. A Member asked about the possibility for a power company with several power plants to switch the allowances among the plants and whether the power company would be tempted to obtain more emission allowances by using more coal-fired generation units. Mr W C Mok explained that power companies were allowed to transfer emission allowances among their plants in order to comply with the overall emission caps. However, the arrangement would not encourage them to identify excessive allowances to offset higher emissions from coal-fired generation units. The emission allowances proposed under the Second TM were based on the principles that power companies had to maximize the use of existing gas-fired generation capacity and prioritize the use of coal-fired generation units that had been or would be retrofitted with emission reduction devices for meeting the 2010 emission caps (the two principles). As the proposed emission caps were very stringent, it was expected that power companies would have to do their best in order to comply with the emission caps. There was little room for them to transfer excessive allowances to coal-fired generation units.

13. A Member asked whether emission trading would be allowed for nuclear power. The increasing use of nuclear energy would enhance the power companies to achieve the emission caps which should be encouraged. Mr W C Mok explained that emission trading was restricted to fossil-fuel power plants operated in Hong Kong and not applicable to nuclear power plants in the Pearl River Delta (PRD) region. Emission trading with power plants across the border was also allowed, but the concerned power plants in the PRD region had to undertake additional emission reduction projects in order to acquire the emission credits for trading. The ultimate goal of the cross-boundary emission trading scheme was to provide an alternative means for reducing emissions from the power sector in the PRD region. The proposal of increasing the share of nuclear power in the fuel mix would be further considered in the context of the Climate Change Strategy.

14. A Member asked whether there were provisions in the Second TM to require the power companies to switch electricity generation from coal-fired generation units to gas-fired generation units in the event of reduced demand for electricity. Mr W C Mok explained that the emission caps under the Second TM were very stringent and there was little room for them to do so. The power companies had to try their best in order to comply with the requirements. It was not desirable for the Administration to interfere with their daily operations. The power companies had indeed expressed concern over the proposed reductions in emission allowances which were significant and very challenging.

15. A Member worried that the proposed emission caps might be too pragmatic as the level of allowances was a result of negotiation with the power companies. The level of reduction would depend largely on the power companies' own initiatives. The emission trading mechanism might attract the power companies to keep running the coal-fired generation units for obtaining higher emission allowances for trading purpose. Mr W C Mok explained that the emission caps were set according to the two principles and there was little room for the power companies to get higher emission allowances for trading by using the coal-fired generation units more. In consulting the power companies, the Administration took a firm stance having regard to a number of factors, including make-up of the existing generation units of each of the power companies, actual emission performance pattern, emission reduction devices that had already been or would be retrofitted as well as practical constraints.

16. Ms Anissa Wong said that the local electricity demand had been rather stable over the years. Compared with the growth of population and Gross Domestic Product, the growth of electricity consumption was on the low side reflecting positive outcomes of energy conservation initiatives. Moreover, the emission allowances under the Second TM would be allocated on the basis of individual power plant. While there might be room for re-deployment of emission allowances among the plants, the emissions from each plant were subject to very stringent caps.

17. A Member noted that additional emission allowances might be issued to cover any excess of emissions due to special events. He enquired about the nature of such special events. Mr W C Mok explained that examples of special events included unexpected interruption to supply of natural gas or other events which were beyond the control of the power companies.

18. On the emission allowances for new electricity works, a Member enquired about the rationale for introducing such arrangement as there had not been new power companies entering the market for a long period of time. Another Member asked whether any party had expressed interest in entering the electricity market. Mr W C Mok said that he was not aware of any party expressing interest in entering the electricity market in recent years. Nonetheless, the arrangement was to ensure that new electricity works would not be debarred from starting their business even with the use of the most advanced emission reduction technology.

19. The Chairman asked whether the proposed level of allowances was sufficient for new entrants. Mr W C Mok explained that the arrangement was in line with the existing practice in the First TM. The maximum emission allowances (i.e. 120 tonnes for SO₂, 270 tonnes for NO_x and 8 tonnes for RSP) were equivalent to about 1% of the total emission allowances for the entire power sector in respect of each of the specified pollutants for possible new electricity works with a total installed capacity equal to or more than 300 MW. The proposed emission allowances should be sufficient for a new entrant to start new electricity works of a reasonable scale. As new electricity works were required to use natural gas or renewable energy, the emission performance of new power plants would be much better.

20. Two Members asked whether the proposed level of allowances for new entrants would be a disincentive to them. Mr C W Mok explained that the emission allowances for new electricity works with a total installed capacity of about 300 MW were considered sufficient to attract new entrants as the caps would only apply to the initial stage of operation. By using the most advanced emission reduction technologies and cleaner energy such as natural gas, they would require relatively low level of emission allowances. Through the regular review mechanism, higher emission allowances could be allocated to the new power plant by issuing a new set of TM.

21. A Member doubted whether the relatively small capacity would make it economically viable for new entrants to start the business. Mr W C Mok explained that when compared with the total installed capacity of all local power plants of about 10,000 MW, a power plant with installed capacity of 300 MW might be small in scale. Nonetheless, new entrants would normally install their generation units by phases having regard to the demand and their market share.

In addition, the scale of installed capacity of 300 MW was comparable to the size of the existing gas-fired generation units of CLP and HEC which was about 300 MW per unit. It was thus a reasonable and viable size which should be attractive enough to new entrants.

22. A Member asked whether the development of the integrated waste management facilities (IWMF) would be considered as a new entrant for electricity generation in the context of the TM. Mr W C Mok explained that the IWMF was not classified as electricity works under the APCO and the emission allowances would not be applicable to IWMF. Mr C W Wong added that the operation of IWMF would turn waste to energy and reduce electricity generation from thermal power stations, thus would help reduce emissions from power stations.

23. A Member noted that the power companies had been or would carry out major retrofitting works for power plants to meet the 2010 emission reduction targets. He enquired about the implications on electricity tariff. Mr W C Mok explained that as achieving the proposed emission caps under the Second TM would not involve new capital investment, there would be no direct tariff implications arising from additional capital investment. Nonetheless, the increase in the use of natural gas might have tariff implications as this cleaner fuel was more expensive than coal. Given the volatile fuel market conditions, it would not be possible to provide a reliable estimation of the tariff implications. There was an established regulatory mechanism under the Scheme of Control Agreement to address the issue.

24. A Member considered that the general public would support the proposal as it would bring about improvement in air quality. Nonetheless, the targets could be achieved without involving new capital investment. He asked whether more aggressive targets could be set by requiring capital investment on advanced technologies. Mr W C Mok explained that extra capital investment was not anticipated to achieve the targets under the Second TM as both power companies would be able to comply with the requirements by adopting the two principles. Nonetheless, the proposed reduction level under the Second TM was rather substantial. In deciding on the emission allowances, the scope for requiring power companies to undertake further retrofitting works had been examined and it was concluded that there were practical constraints such as availability of space for the retrofit and practicable emission control technologies.

To make use of the earliest opportunities in reducing the emissions from the power sector, the Administration aimed at gazetting the Second TM within 2010 so that the new emission caps could take effect for emission years starting from 2015. The review mechanism was an on-going process and regular reviews would be conducted to examine the scope for further tightening the emission allowances.

25. A Member asked how the power companies interpret the message that the proposed emission caps would not involve any new capital investment in achieving the proposed emission caps. Mr W C Mok explained that the power companies were not required to undertake major works such as building new power plants or conducting retrofitting works in achieving the proposed emission caps as the emission reduction could be achieved by adopting the two principles.

26. A Member considered that the power companies seemed to take a rather reactive approach in achieving emission reduction and should be more proactive by investing in the latest available technologies to further reduce emissions. To allow more flexibility, she suggested not including in the Second TM the provision that achieving the proposed emission caps would not involve any new capital investment. Capital investment should not be ruled out given the rapid technological development. For HEC which had more old coal-fired plants, there should be room for them to reduce SO₂ emissions by employing the latest desulfurization technologies. For reducing NO_x and RSP, adoption of latest technologies such as de-nitrification and use of cleaner energy might incur additional capital investment.

27. Mr W C Mok explained that both power companies had installed advanced abatement devices such as flue-gas desulfurization systems. There were difficulties for the power companies to further undertake major retrofitting works in view of the space constraint. The scope for further reducing emissions would have to rely on the two principles. He highlighted that the exclusion of new capital investment was not a consideration in setting the proposed emission allowances. The TM would be reviewed regularly and scopes for further tightening the emission caps would be examined in light of further changes in fuel mix, technological development and local circumstances.

28. Ms Anissa Wong said that the First TM was issued in 2008 for stipulating emissions caps for emission years from 2010. To seize the earliest opportunity to further tighten the emission caps from 2015, the new TM had to be commenced by 1 January 2011. Having examined the actual make-up of the existing generation units of the power companies, the Administration considered that the power companies would be able to achieve the new emission caps by 2015 by adopting the two principles without making additional capital investment. Further scope for tightening by means of changes in fuel mix or technological development in the future would be reflected in future review exercises. Based on demand load forecast, the emission allowances for new entrants were considered appropriate to avoid over-provisioning. In the context of considering the overall strategies in the Review of Air Quality Objectives, one of the proposed initiatives was to raise the percentage of natural gas in local power generation. Under the proposed Climate Change Strategy, one of the key proposals was to increase the share of non-fossil fuels in the fuel mix. Other measures which might help reduce emissions from the power sector would be further examined.

29. The Chairman summarized Members' views as follows –

- (a) the Council supported the proposal to further tighten the emission allowances for power plants for the emission years from 1 January 2015 by way of issuing the Second TM which would help improve the air quality as power generation was a major source of pollutants and greenhouse gases;
- (b) the Council noted that a basket of factors, including the make-up of existing generation units, emission reduction devices available and practical constraints, had been taken into account in determining the proposed emission caps. The Council suggested that further consideration be given on whether the level of reduction was aggressive enough to achieve substantial improvement in air quality;
- (c) the Council suggested that consideration be given on whether the submission on the Second TM should highlight that achieving the proposed emission caps did not involve any new capital investment by power companies as it might give a misconception that power companies were not required to take proactive actions to comply with the emission caps; and

- (d) the Council suggested that consideration be given on whether the maximum emission allowances for new electricity works for a power plant of installed capacity of about 300 MW was realistic and attractive enough for new entrants to start the business in the electricity market.

Agenda Item 4 : Report of the 113th Environmental Impact Assessment Subcommittee meeting
(ACE Paper 14/2010)

30. The Chairman informed Members that the paper reported on the recommendations of the Environmental Impact Assessment (EIA) Subcommittee on the EIA report on “South Island Line (East)” submitted by the MTR Corporation Limited (MTRC) and the EIA report on “Providing Sufficient Water Depth for Kwai Tsing Container Basin and its Approach Channel” submitted by the Civil Engineering and Development Department.

31. A Member declared that her company was involved in a consultancy study with MTRC in around 2004 regarding the potential socio-economic impacts on Southern District associated with the proposed South Island Line. She had declared the interest at the Subcommittee meeting. The meeting agreed that she could stay and continue to take part in the discussion of the Council meeting as she had neither personal nor direct interest in the project under consideration.

32. The Chairman of EIA Subcommittee reported on the recommendations of the Subcommittee on the two EIA reports.

33. Regarding the EIA report on “South Island Line (East)”, a Member asked about the possibility of passing the construction and demolition (C&D) material management plan to be submitted by the project proponent under condition item (e) of paragraph 8 of the paper to the Council or its subcommittees for reviewing before granting of approval by the Director of Environmental Protection (DEP).

34. The Chairman said that the role of ACE in the EIA process was to give its comments on the EIA reports, including conditions and recommendations, to the DEP for consideration, approval and follow-up. The established practice was that relevant government departments with professional knowledge on the

subject would be responsible for reviewing the plans submitted by the project proponents under the conditions. There would be implications on the role of ACE and consistency of approach in handling other EIA reports.

35. A Member considered that ACE should maintain its role in giving advice on the environmental acceptability of the project in the consultation process and should not be involved in the detailed vetting process of the plans after giving comments on the EIA report. The responsibilities of monitoring and reviewing the plans in the EIA process should rest with relevant authorities. Another Member considered that individual members could seek clarifications from relevant authorities if there was any concern or doubt in relation to the plans to be vetted by the authorities.

36. A Member said that he had no objection to maintain the condition as stated in the paper. If time allowed, the Environmental Protection Department (EPD) could consult the relevant subcommittees under ACE before making the decision in view of the concern of the residents on the C&D material management plan of the project.

37. A Member considered that ACE should not get involved in the detailed execution of the conditions under the Environmental Permit. It was also not the established practice for ACE to go into details of the large number of plans required under the conditions. He suggested that, if necessary, EPD could be requested to pass a copy of the agreed plan to the Council for information for this particular project. Another Member agreed that the Council should be informed of the C&D material management plan for this project.

38. Ms Anissa Wong said that vetting of the C&D material management plan involved scrutiny of technical and operational data. This was against the principle of making the best use of members' expertise in giving advice. The Administration would be pleased to share the agreed C&D material management plan with members if necessary. The approach would better reflect the respective roles of the ACE and Administration. Mr C W Tse added that vetting a project management plan was an interactive and time-consuming process involving a number of meetings with the project proponent for data examination. It would unnecessarily overburden members in terms of time and bulk of information.

39. A Member asked about the possibility of requiring EPD to consult the local community through community liaison groups before approving the C&D material management plan. Mr C W Tse explained that the project proponent would be required to set up community liaison groups and conduct the consultation as necessary. EPD would request the project proponent to communicate with affected residents in relation to the C&D material management plan before submitting it to EPD.

40. A Member asked whether the barging point at Telegraph Bay was a temporary facility and would be closed after completion of the project. Mr C W Tse explained that the use of the barging point would be temporary for the project but the location at Telegraph Bay had been and might be used as a barging point by other projects.

41. Regarding the EIA report on “Providing Sufficient Water Depth for Kwai Tsing Container Basin and its Approach Channel”, a Member sought clarifications on the purpose of monitoring the total inorganic nitrogen (TIN) level proposed under condition item (d) in paragraph 16 of the paper as he noted that the predicted increase in TIN was as low as 0.002 mg/L. Another Member said that he noted that while the predicted increase of TIN due to the project was insignificant, the ambient concentrations of TIN at two nearby beach areas already exceeded the Water Quality Objectives (WQOs) and there would be 16 concurrent projects in the vicinity of the project area. After discussion, the Subcommittee considered it prudent to conduct environmental monitoring and audit of TIN arising from the project at water sensitive receivers.

42. Mr C W Tse added that the concern of the Subcommittee was that the background level of TIN already exceeded the WQOs. Any significant increase due to unforeseen circumstances or factors outside the control of the project proponent would further aggravate the problem. The purpose of the proposed monitoring was to detect these unforeseen incidences for taking necessary mitigation measures.

43. A Member enquired about reference made to other projects of similar nature and monitoring mechanism on parameters in relation to environmental impacts. Mr C W Tse explained that environmental monitoring and audit at various locations was required for individual dredging projects. Some projects might be carried out concurrently. The monitoring data would

help confirm whether the resultant levels of parameters were consistent with the predictions. Any unforeseen upsurge could also be detected for taking prompt mitigation measures.

44. The meeting agreed with the recommendations of the EIA Subcommittee on the two EIA reports. The Chairman concluded that the Council endorsed the two EIA reports with the conditions set out in paragraphs 8 and 16 of the paper. The EPD should pass a copy of the agreed C&D material management plan for the EIA report on “South Island Line (East)” to the Council for information.

Agenda Item 5 : Any other business

Review of the Guidance Notes under the EIA Ordinance

45. The Chairman of EIA Subcommittee reported that a Working Group was formed under the EIA Subcommittee in October 2008 with the objective of reviewing EIA-related matters. One of the major tasks was to conduct a review of the Guidance Notes (GNs) under the EIA Ordinance which were administrative guidelines for reference by stakeholders in the EIA process. With the advice from EPD and Agriculture, Fisheries and Conservation Department, the Working Group proposed some amendments to 14 sets of GNs, which mainly involved updating, clarifications and elaborations. EPD had recently completed consultation with relevant stakeholders through EIA Ordinance Users Liaison Groups regarding the proposed amendments. The latest version of the GNs had been circulated to EIA Subcommittee members for comments and copied to non-EIA Subcommittee members for information and comments. Members did not have further comments on the revised version of GNs. The Subcommittee thus recommended to the full Council that the 14 sets of GNs could be endorsed. Subject to the endorsement, the EPD would upload the revised version of GNs onto the web for reference by stakeholders for future EIAs. The Chairman added that the Working Group had benefited from the valuable inputs of some retired members with experience and expertise in EIA matters.

46. Members had no further comments on the GNs. The Chairman concluded that the Council endorsed the 14 sets of revised GNs.

Public Consultation on Hong Kong's Climate Change Strategy and Action Agenda

47. A Member said that he could not attend the last meeting at which the item on "Public Consultation on Hong Kong's Climate Change Strategy and Action Agenda" was discussed. He wondered whether more could be done to improve the community's knowledge about climate change. One of the suggestions was for the ACE or EPD to send a letter to all government departments to request suggestions on themes for applied research and development studies. He considered that while the issue of climate change had been discussed for over ten years, the specific impacts of climate change were not clearly recognized and individual government departments tended to respond from their own perspective. Development of a knowledge base could enhance the formulation of relevant policies and understanding of impacts of climate change in a holistic manner.

48. The Chairman agreed that climate change was an important and major policy goal which would affect every sector of the community and deserved the special attention of the Council. He suggested the Council working out a position paper to make recommendations on the policy, such as development of a knowledge base proposed by a Member, to the Government. Another Member supported the suggestion of trying to come up with a position paper for the Council. The possibility of organizing a public forum to discuss the climate change issue could also be explored.

49. A Member considered that the climate change policy would have long-term impacts on the community. The first step that ACE could take was to raise the awareness of key issues that needed to be addressed and to give recommendations which were achievable. There were unique issues and constraints for Hong Kong to take into account, such as the national policy and physical limitations, in responding to climate change. Another Member worried that there might be diverse views from members on the issues and it might be difficult to reach a consensus.

50. Ms Anissa Wong said that the Government had set up an Inter-departmental Working Group on Climate Change in 2007 led by the Environment Bureau with representatives from relevant bureaux and departments to strengthen the co-ordination of efforts in tackling climate change. Besides the

public sector, there was room for the general public to be better informed of the impacts of climate change and to get prepared in meeting the challenge, such as the implications of having more nuclear power, the impacts of energy building efficiency measures on property developers and home owners. There were also scopes for involving other sectors, such as the commercial and academic fields, in facing the challenge. It would be useful for members to share thoughts from their perspectives in identifying the key issues of concern which could facilitate the coordination of efforts and building of consensus.

51. The Chairman suggested Members passing their ideas and suggestions on climate change, including key issues and themes, to the secretariat. The ideas and suggestions would then be consolidated with a view to considering the ways that the Council, under its terms of reference, could further contribute in enhancing the development of Hong Kong as a low carbon city.

(Post-meeting note: Members would be informed of the consolidated views.)

Extension of the South East New Territories Landfill

52. Ms Anissa Wong updated Members on the latest development of the issue regarding the Country Park (Designation) (Consolidation) (Amendment) Order 2010 by which about five hectares of Clear Water Bay Country Park would be used for the South East New Territories (SENT) Landfill. The motion to repeal the executive order would be debated at the Legislative Council meeting on 13 October 2010. For background information, the extension of landfills was one of the overall waste management strategies under "A Policy Framework for the Management of Municipal Solid Waste (2005-2014)". Waste treatment at landfills would be necessary even with the development of the IWMP and organic waste treatment facilities for final disposal of ashes from these facilities as well as unavoidable and non-recyclable waste. Extension of the SENT Landfill had gone through an extensive consultation process before reaching the present gazettal stage. If the executive order was repealed, the plan for extending the SENT Landfill as well as the overall waste management strategy would be adversely affected.

53. A Member said that while he recognized the need for extending the landfill to accommodate the waste, he had reservation in principle for the landfill

to encroach into the country park areas.

54. A Member said he recognized the dilemma of being caught between the undesirable option of having the landfill encroaching into the country park and the unavailability of a better alternative. He understood that in endorsing the EIA report on SENT Landfill Extension, the Council had taken into consideration the overall waste management policy and the limited service life of the landfill with restoration and aftercare works to follow. The key issues to be considered included the timing that the landfill could be restored and the availability of advanced technology in this aspect.

55. A Member noted that the media had been focusing on the impacts of landfills on nearby residents. She suggested the Government highlighting the waste management strategy in a holistic manner to increase awareness of the media and the public on the important consideration that landfill extension was only one of the many initiatives in managing the imminent waste problem.

56. A Member said that the Council considered the EIA report on SENT Landfill Extension under the framework of the EIA Ordinance in terms of the environmental acceptability of the project. It was not under the purview of the Council to comment on the need of the project. The Council, however, well recognized that landfill extension was only one of the many measures under the overall waste management plan. She agreed that it was important for the Administration to highlight the overall waste management strategy in a comprehensive manner and help the public perceive the issue from a holistic perspective.

57. The Chairman said that the Council had discussed and endorsed the EIA report on SENT Landfill Extension with conditions in 2008 after considering alternative options, balancing the pros and cons of the alternatives, and recognizing the need of encroaching into the country park. He suggested and the meeting agreed that it was not desirable for the Council to reopen the discussion on the subject in view that there were no major changes in the circumstances.

Tentative items for discussion at the next meeting

58. The agenda was being compiled. Members would be informed in due course.

Agenda Item 6 : Date of next meeting

59. The next meeting was scheduled for 8 November 2010.

**ACE Secretariat
October 2010**