



**The Canadian  
Chamber of Commerce  
in Hong Kong**

La Chambre de Commerce Canadienne à Hong Kong  
香港加拿大商會

23 January 2014

The Honourable Bernard Charnwut Chan, GBS, JP  
Chairman  
Council for Sustainable Development  
c/o Sustainable Development Division  
Environment Bureau  
46/F, Revenue Tower  
Wan Chai  
Hong Kong

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**Hong Kong's Waste Management Public Consultation Document**

Response on behalf of the Canadian Chamber's Sustainable Development Committee

Dear Chairman,

The Sustainable Development Committee (SDC) of the Canadian Chamber of Commerce in Hong Kong seeks to take a proactive, leading role in advocating the business case for sustainability in Hong Kong. Our members have been committed to actively promoting a sustainable future for Hong Kong for close to two decades – this includes taking care of our environment and managing our day-to-day business sustainably.

The consultation on waste charging run by the Council for Sustainable Development (CSD) is welcome in the sense that we respect the debate and the weighing of sensible options. But we are concerned that this has been done before and is much too late.

Therefore, we believe that the future of waste management in Hong Kong should be treated as our top priority (to prevent it from potentially becoming a failure.) We also believe that what Hong Kong needs now is to move forward and to try out options for waste charging – real practical experience is what will drive change.

Finally, we look forward to working constructively with the CSD, the Government and other stakeholders in resolving our waste challenges now and in the future.

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# The Canadian Chamber of Commerce in Hong Kong

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We have enclosed our briefing paper below to highlight the current situation of the waste problem in Hong Kong and to urge immediate action. MSW charging is no barrier for business and absolutely fundamental. In summary, waste management is a pressing issue in Hong Kong, and we urge the Government to establish a more detailed and strategic action plan with implementation timelines. Our business community needs assurances that the waste reduction target set in the "Blueprint for Sustainable Use of Resources – 2013-2022" will indeed be met.

For and on behalf of Sustainable Development Committee

The Canadian Chamber of Commerce in Hong Kong

*H. Rosenthal*

Hendrik Rosenthal

Chairman,

Sustainable Development Committee,

The Canadian Chamber of Commerce in Hong Kong

Philip Leung

President of the Secretariat

The Canadian Chamber of Commerce in Hong Kong

cc Mr John WITT, Chairman of The Canadian Chamber of Commerce in Hong Kong

Mr WONG Kam-sing, JP, Secretary for the Environment, Environment Bureau, HKSAR

Ms Christine LOH Kung-wai, JP, Under Secretary for the Environment, Environment Bureau, HKSAR

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**The Canadian Chamber of Commerce in Hong Kong  
Sustainable Development Committee**

**Briefing Paper on Waste Management in Hong Kong & Comments for the  
Public Consultation by the Council for Sustainable Development on “Waste  
Reduction by Waste Charging – How to Implement”**

**History**

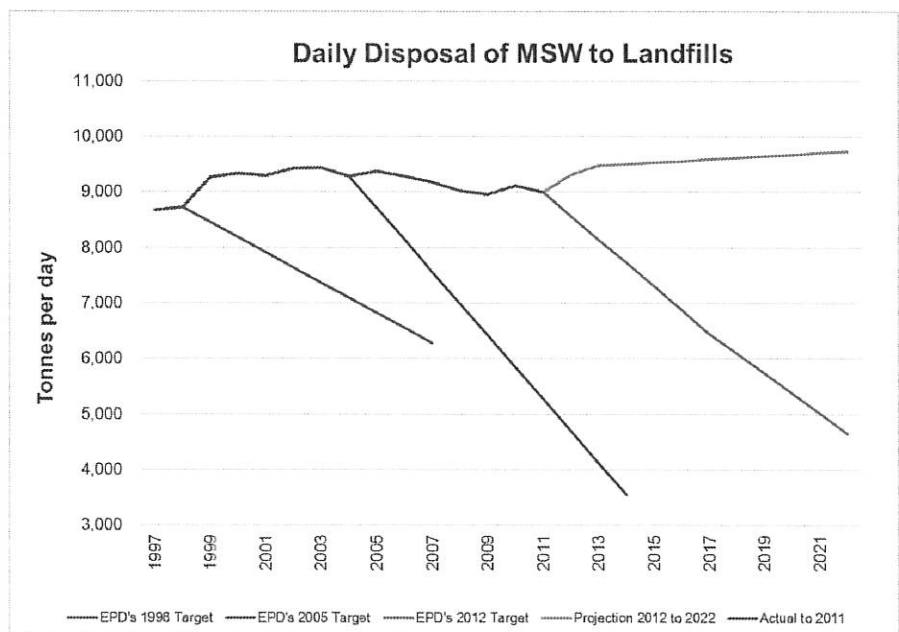
A summary of past waste management policy deliberations are as follows:

- Early 90s – a strategy to develop three landfills and close all incinerators.
- 1994 – First public consultation on waste charging.
- 1998 – EPD issues “*Waste Reduction Framework Plan (1998-2007)*”
- 2005 – EPD issues “*Policy Framework for Management of Solid Waste (2005-2014)*”
- 2013 – EPD issues “*Blueprint for Sustainable Use of Resources – 2013-2022*”

Recurrent features of the plans are:

- Landfill extensions
- Producer responsibility schemes
- Plastic bag levy
- Food waste management
- Enhanced recycling
- Waste charging
- Organic waste treatment facilities (anaerobic digester or composter)
- Integrated waste management facility (incinerator)

**This graph reveals that Hong Kong has failed to meet waste reduction targets set in 1998 and 2005. Waste is a pressing issue in Hong Kong now, and we urge Government to establish a more detailed and strategic action plan with implementation timelines. Business needs assurances that the waste reduction target set in the “Blueprint for Sustainable Use of Resources – 2013-2022” will indeed be met.**



## The Current Plan

The features of the current plan are detailed in the “*Blueprint for Sustainable Use of Resources – 2013-2022*” (“*Blueprint*”) issued by the EPD in May 2013. The issues are driven by the over-reliance on scarce landfill resources and highly wasteful community behaviour.

The waste going to landfills in 2011 totals 13,458 tonnes per day and comprises:

- Municipal Solid Waste (Domestic plus Commercial and Industrial) 8,996 tonnes per day (67%).
- Construction Waste 3,331 tonnes per day (25%)
- Special Waste 1,131 tonnes per day (8%)

The disposal of construction waste is currently about 10% of the total construction waste generated. The scale of the reduction (90%) is due to both reuse and a change in behaviour following the introduction of a construction waste charging scheme in 2005. Further significant reduction of this quantity is not one of the objectives of the “*Blueprint*”.

The special waste is about 78% dewatered sewage sludge and this is now being diverted to the recently opened sewage sludge incinerator at Tang Tsui. Further reduction in this category is unlikely.

The Municipal Solid Waste represents the major possible savings and is the main priority of the “*Blueprint*”.

Currently there are three landfills which according to the “*Blueprint*” have the following remaining capacities (based on 2011 statistics).

	Remaining Capacity (million cubic metres)	Filled by
West New Territories (WENT)	33	2019
North East New Territories (NENT)	19	2017
South East New Territories (SENT)	8	2015

There is an ongoing need for a “perpetual” landfill capacity for two reasons. The first reason is that even if all the objectives contained in the “*Blueprint*” are achieved on time then there will still be in excess of 5,000 tonnes per day of MSW going to landfills. The second reason is that there is a perpetual need for landfills to handle materials which cannot be handled any other way.

Whilst the “*Blueprint*” lists a number of initiatives, there are only a few which can address the looming waste problem aggressively enough to make a material difference in 2022. These four measures are:

1. Landfill extensions
2. Enhanced recycling
3. Waste charging
4. Integrated waste management facility (incinerator)

The “*Blueprint*” is based on MSW Statistics for 2011. Given that it is now 2014, a short-term prognosis seems desirable. As there is still no change in waste management behaviour, it is likely that waste disposal at landfills in 2014 will be in the region of 9,500 tonnes per day (despite the reduction of 900 tonnes per day of dewatered sewage sludge). This is in part because the recycling rate of 48% may be hampered in the near term due to the strict administration of the “*Green Fence*” by Mainland authorities starting in January 2013.

## **Landfill extensions**

The three planned landfill extensions will add around 100 million cubic metres and given the current situation these extensions are now inevitable even though there is still considerable opposition. If the government fails to achieve approval to fund landfill extensions, Hong Kong will likely have no choice but to either export waste – an expensive proposition and rife with challenges in finding a jurisdiction that would accept the waste – or face the reality of a complete breakdown of the current waste management system in Hong Kong.

## **Enhanced recycling**

Despite the claim that Hong Kong recycles 48% of its MSW, a local recycling industry is virtually non-existent as 98% of Hong Kong's recyclable materials are exported for recycling. It should be recognised that this is not a sustainable position as other countries such as the Mainland will find declining value in recyclables.

The main reason that there is virtually no recycling industry in Hong Kong is the lack of commercial viability and that, in common with other jurisdictions such as Canada, there is a need for subvention by either the Government or waste generators. For recycled construction waste for instance, the government has the opportunity to be a “market creator”, committing to the procurement of recycled aggregates and providing appropriate legislation to enable its application in construction projects. Any change in standards need not be a long, drawn-out process of testing and approvals by various government departments but instead should be streamlined based on experience in other markets.

CANCHAM would like to offer the following recommendations:

- 1. Develop a local recycling industry with Government support, which may include providing affordable land for the recycling industry and subsidies to recyclers for less valuable waste. This would also stimulate environmental businesses and create green jobs for the community.**
- 2. Speed up the approval process for the use of recycled aggregates in construction projects.**
- 3. Provide education to the public to increase the awareness and importance of waste recycling. Basic knowledge about recycling, including proper sorting of wastes and cleaning of waste materials designated for recycling, is essential.**

## **Waste charging**

The consultation paper “Waste Reduction by Waste Charging” issued by the Council for Sustainable Development invites responses by January 24, 2014. It sets out the key options and invites responses to a number of questions for both Commercial and Industrial (C&I) Waste and Domestic Waste.

It is clear from experience in other countries that a charging system motivates a change in behaviour and that such a system is well overdue in Hong Kong. Therefore, a charging system should be introduced as quickly as possible in phases starting with the easier C&I sector. The rates charged should not encourage fly tipping and, therefore, will not cover the commercial cost of disposal (which is about HK\$650 per tonne in Europe).

**In effect, The Canadian Chamber of Commerce Hong Kong urges the Council for Sustainable Development to recommend to the Environment Bureau of the HKSAR Government to proceed and implement a waste charging system as soon as possible. Desktop deliberations and public consultations are of limited value for determining the exact implementation mechanism – only government-supported pilot projects and actual operation will tell us how to fine-tune the details.**

### **Integrated waste management facility (incinerator)**

The incinerator currently planned for Shek Kwu Chau is expensive (based on European examples) and beset by legal and political opposition. The facility is now not likely to be ready before 2022 and will yield a net reduction of around 2,000 tonne per day (approx. 20%) in disposal of MSW to landfills. This is too little, too late, and at too high a cost.

Incineration is needed as part of the overall waste solution and a timeframe of less than eight years is achievable, in particular if the facility is land-based near existing infrastructure. An island-based facility, as currently proposed, increases costs and is inherently more complex to build and operate.

**Government should develop alternative measures for waste reduction if the Shek Kwu Chau facility fails in the planning stages. Alternative and additional sites must also be considered.**

### **The Business Model**

The theme in the paper “Waste Reduction by Waste Charging” is that “waste reduction is the responsibility of all”. This is true and the pragmatic people of Hong Kong are quick to respond to incentives. The problem is that, currently, incentives are lacking for either individuals or businesses to reduce or recycle waste.

**-End-**