

LCQ4: Short-term tenancy sites for lease by recyclers

Following is a question by the Hon Yung Hoi-yan and a reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (May 30):

Question:

The Government currently provides long-term sites at the EcoPark in Tuen Mun for lease by the recycling industry at an affordable cost. The Government has also set aside a number of short-term tenancy sites in various districts for lease by the recycling industry. However, some recyclers have relayed that each time when their tenancies for short-term tenancy sites are not renewed upon expiry, they need to look for sites for relocation, or else they need to make layoffs or even close down business. This situation is not only unfavourable to the long-term development of the recycling industry, but it also affects the operation of the small and medium enterprises concerned and the livelihood of the practitioners. In this connection, will the Government inform this Council:

(1) of the current number of short-term tenancy sites for lease by recyclers and, in respect of each site, set out by District Council district the location, area, planned use, the year in which the first tenancy was granted, the number of times for which the tenancy has been renewed so far, the cumulative years of tenancy, as well as the dates on which the existing tenancies commenced and will expire, the name of the tenant and the types of waste recycled; whether the Government will provide more short-term tenancy sites for lease by the recycling industry; if so, in respect of those sites, of their locations, areas, planned uses, the number of years for which they are available for leasing, restrictions on the types of waste to be recycled, the respective expected dates on which tenders will be invited and tenancies will commence;

(2) whether the Government will formulate measures to address the problem of unstable business environments faced by the tenants of short-term tenancy sites, e.g. granting longer tenures, providing long-term sites at the EcoPark, on the periphery of landfills, restored landfills and other suitable locations for them to lease at an affordable cost, and assisting them in finding suitable sites on the Mainland; of the tenancies of the sites at the EcoPark in the past five years; whether it will comprehensively review matters concerning the EcoPark such as the management, grant of sites for lease and the provision of facilities; if so, of the details; and

(3) whether it has formulated long-term goals and promotional strategies for the development of the recycling industry, such as offering land and tax concessions in order to assist the industry in upgrading and restructuring operations, as well as seizing the opportunities brought about by the

nation's development of the Guangdong-Hong Kong-Macao Bay Area; if so, of the details; if not, the reasons for that?

Reply:

President,

The Government attaches importance to supporting the sustainable development of the recycling industry, and one of the key supportive initiatives is to provide suitable land and infrastructure. Regarding the questions raised by the Hon Yung, my responses are as follows:

(1) To support the development of the recycling industry, the Government has all along been identifying sites under short-term tenancy (STT) for exclusive bidding and use by the recycling sector, in addition to the 20 hectares of land provided in the EcoPark. Currently, 32 STT sites have been dedicated for use by the sector, amounting to a total area of about 4.8 hectares. Relevant information on these STT sites, broken down by District Council district, is set out at the Annex.

On identifying suitable STT sites for exclusive use by recyclers, we continue to collaborate with the government departments concerned, such as the Lands Department (LandsD) and Planning Department, and have initially identified STT sites with a total area of 0.7 hectares. We will consult community stakeholders in due course to ascertain the suitability of these sites for recycling uses. Besides, we have commissioned a consultancy study on the land requirements of the recycling industry, which will facilitate the Government to formulate land support measures for waste recovery and recycling activities.

We have also enhanced the arrangements under the Recycling Fund (the Fund) where a portion of the rental expenses required for carrying out additional recycling business or activities is counted as a fundable item under the Fund.

(2) To optimise the use of invaluable land resources, the Government normally puts vacant government sites with no imminent development needs into temporary gainful uses, such as letting these sites to recyclers by way of STTs. The fixed term of such an STT ranges from six months to seven years, and the STT may then be renewed on a monthly or quarterly basis by the LandsD with due consideration given to the long-term development plan for the site concerned. Besides, berths at public cargo working areas have also been made available for exclusive bidding by paper recyclers.

The existing 13 restored landfills are zoned for different land uses and have been gradually developed into various public recreational facilities. Formerly used as waste disposal facilities, restored landfills are very different from ordinary land pieces as restored landfills consist of numerous waste slopes and are subject to continuous ground settlement. Moreover, after-use developments of restored landfills have to overcome many constraints and technical difficulties, such as the restrictions on ground loading and

the necessary technical risk management including risk assessments on slope, natural terrain and landfill gas hazards to ensure that the aftercare work will not be affected. We do not rule out the possibility that a few suitable land pieces in some restored landfills might be considered for use by recycling developments. That said, any such development will have to overcome the abovementioned technical constraints and difficulties, subject to consultation of the Steering Committee on Restored Landfill Revitalisation Funding Scheme and local stakeholders.

Through the EcoPark in Tuen Mun, the Government has been providing long-term affordable land for the recycling sector, and tenants of the EcoPark processed some 180 000 tonnes of recyclables in 2017. Currently, a total of 11 land lots in the EcoPark have been let to private recyclers. The Environmental Protection Department (EPD) has been closely monitoring the use of lots in the EcoPark, and will arrange for timely letting of these lots whenever their tenancies expire in accordance with established principles and procedures. Tender terms will also be enhanced where necessary to meet market needs and policy objectives. Recently, a lot with an area of about two hectares has been consolidated in the EcoPark for the development of recycling facilities to process local waste paper. Open tender was invited for the lot in late March. Apart from the lot under tender, the EPD will also commence the open tender procedures for other lots in the EcoPark in due course.

The Government will continue to identify suitable sites to support the development of the local recycling industry, with a view to providing more diverse outlets for our recyclables.

(3) The Government supports community recycling and promotes development of the industry on various fronts. We are actively preparing for the implementation of the municipal solid waste charging to offer economic incentives that will drive the public to reduce our waste disposal amount and actively participate in source separation and recycling. Apart from full implementation of the two producer responsibility schemes on waste electrical and electronic equipment and glass beverage bottles in a progressive manner, we have also commissioned a study on how to introduce a producer responsibility scheme for suitable plastic containers. These measures not only promote recycling and proper disposal of the materials concerned but also facilitate the development and operational upgrading of the recycling industry, thereby enhancing circular economy.

Regarding the support to community recycling, apart from launching a new round of the clean recycling publicity campaign, the EPD will set up an outreach team to strengthen on-site recycling support through outreaching services. Meanwhile, the service areas of the 18 community recycling centres have been expanded to collect waste plastic bottles from different private housing estates and residential buildings. The EPD will also introduce a new pilot district collection service for waste plastic bottles to enhance the cost effectiveness of handling the relevant recyclables. Besides, the Government will continue to provide financial support through the Fund to facilitate the upgrading of the operational capabilities and efficiency of

the recycling sector. The EPD and the Advisory Committee on Recycling Fund will keep up their efforts in enhancing the operation of the Fund so that it will better address the needs of the industry and support its development.

By liaising closely with relevant Mainland authorities, the EPD relays latest information about Mainland import policies on recyclables to local recyclers through various means such as seminars and site visits, enabling them to keep abreast of latest market situation and seize business opportunities in a timely manner. We will continue to communicate closely with the sector and enhance various existing supportive measures, and consider launching new ones as and when necessary.

Thank you, President.