

## WSD registered consumer convicted of overcharging subdivided unit tenant for water

A Water Supplies Department (WSD) registered consumer was convicted today (January 31) of overcharging her subdivided unit (SDU) tenant for water, in contravention of regulation 47 of the Waterworks Regulations (WWR). She pleaded guilty to two counts of offences at the Kowloon City Magistrates' Courts and was fined \$2,000 and \$1,500 respectively with a total fine of \$3,500.

The WSD received a complaint in July 2023 concerning overcharging an SDU tenant for water at a flat in Oak Street, Tai Kok Tsui, Kowloon. Upon completion of the investigation and evidence collection, the WSD instituted prosecution against the illegal acts of overcharging SDU tenants for water. This is the 15th similar conviction case since the first conviction in June 2022, with associated fines ranging from \$1,000 to \$5,000.

According to the amended regulation 47 of the WWR, if the registered consumer of the water account (usually the landlord) recovers from the occupants of the premises (usually the tenants) the water charge in a sum exceeding the amount paid to the WSD, the registered consumer shall be guilty of an offence and be liable to a maximum fine of \$10,000.

A WSD spokesman said that the Government is committed to combating illegal acts through an interdepartmental and multipronged approach. In addition to stepping up inspections and streamlining the application procedures for the installation of separate water meters, publicity and education efforts have also been strengthened, with a view to enhancing the deterrent effect in preventing SDU tenants from being overcharged for water by the landlord.

The spokesman mentioned that the WSD has launched a scheme to encourage landlords to apply for installation of separate water meters. Under the scheme, payment of the water fee deposit and the charge for providing a meter for each separate water meter installed will be waived. Every such water meter account will have a separate water bill for paying water charge, and the first 12 cubic metres of water consumed for each four-month period will be free of charge.

While applications for installing separate water meters in SDUs are to be submitted by the landlords, the SDU tenants can also make requests for installations directly to the WSD. The WSD will then approach the landlords concerned for follow-up action and provide appropriate technical support. Details of the scheme can be obtained from the WSD's website ([www.wsd.gov.hk/en/customer-services/application-for-water-supply/pilot-scheme-for-installation-of-separate-water-me/index.html](http://www.wsd.gov.hk/en/customer-services/application-for-water-supply/pilot-scheme-for-installation-of-separate-water-me/index.html)).

To further curb the act of overcharging SDU tenants for water, the WSD has recently submitted the Waterworks (Amendment) Bill 2023 to the Legislative Council to, among other amendments, raise the penalty level of contravention to the Waterworks Ordinance, and empower the Water Authority to request the relevant persons (e.g. the landlords, their agents, etc) to provide relevant information (e.g. tenancy agreement, receipt or payment record for charges for water).

The WSD encourages the public to report any illegal act of overcharging SDU tenants for water for follow-up and investigation by the department. The public can call the WSD's Hotline 3468 4963 or WhatsApp 5665 5517 to apply for installation of separate water meters for SDUs. The WhatsApp hotline also handles matters relating to water overcharging in SDUs. Alternatively, the public can call the WSD's Customer Enquiry Hotline 2824 5000 to report water overcharge cases. After calling the hotline and choosing a language, they can press "7" for reporting to staff directly.

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## **LCQ17: Promoting the development of the automotive parts market**

Following is a question by Dr the Hon Johnny Ng and a written reply by the Acting Secretary for Transport and Logistics, Mr Liu Chun-san, in the Legislative Council today (January 31):

Question:

There are views pointing out that the Mainland's automotive parts market has become increasingly mature and that the field of automotive aftermarket driven by vehicle modification is a new area of growth for the Mainland's automotive market. However, Hong Kong's market for automotive parts and modification supplies is not vibrant, and Hong Kong's legislation related to vehicle modification is more stringent than that of other regions. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on (i) the Police's law enforcement action and prosecution in respect of illegal vehicle modification (including figures on vehicles detained for examination and ticketed), and (ii) the numbers of serious traffic accidents and incidents relating to vehicle modification in each of the past three years, together with a breakdown by cause of accident; whether it has studied whether vehicle modification is the cause of the aforesaid traffic accidents;

(2) as there are views that Hong Kong's existing legislation related to vehicle modification is more stringent than that of other countries, which has in effect stifled the development of the automotive parts market, whether

the Government will strike a balance between road safety and modest vehicle modification by considering amending the relevant legislation (including section 53 of the Road Traffic Ordinance (Cap. 374)), as well as relaxing the regulation and allowing vehicle modification with reference to the practices of advanced regions, such as Europe, the United States and Japan; and

(3) whether it has assessed the contribution to be made to Hong Kong's economy and trade annually by the development of the market for automotive parts and modification supplies; whether it will study the promotion and development of Hong Kong's automotive parts market in order to increase the volume of trade of relevant products and dovetail with the development of the country's automotive market?

Reply:

President,

In consultation with the Innovation, Technology and Industry Bureau, Hong Kong Police Force (Police), the Transport Department (TD) and the Census and Statistics Department, my consolidated reply to questions raised by Dr Hon Ng is as follows:

(1) The Police and the TD have been exchanging information on the suspected illegal vehicle modification cases, with a view to further combating illegal modification of vehicles through regulatory works, including strengthening the existing reporting mechanism and enforcement actions on the roads by the Police.

In fact, the Police has been taking stringent enforcement actions against illegal modification of vehicles from time to time. The numbers of suspected illegally modified vehicles detained for examination by the Police in the past three years are as follows:

| Year | No. of suspected illegally modified vehicles detained and examined |
|------|--|
| 2021 | 2 177  |
| 2022 | 2 449  |
| 2023 | 1 951  |

The Police has been examining and analysing the major contributory factors of the overall traffic accidents, but does not keep any statistical breakdown of the figures of traffic accidents involving modified vehicles. The Police will continue to take enforcement actions against illegally modified vehicles in a professional, prudent and responsible manner to safeguard road safety.

(2) All vehicles registered and licensed in Hong Kong must comply with the

requirements of the Road Traffic Ordinance (Cap. 374) (the Ordinance) and its subsidiary legislation. Both the design and construction of a vehicle must comply with the regulatory requirements to substantiate that the vehicle is roadworthy before it can be registered and licensed.

According to section 53(2) of the Ordinance, no person shall alter or cause or permit to be altered a motor vehicle so as to render its condition such that the use thereof on a road would contravene any provision of this Ordinance as to the construction, weight, equipment, brakes, steering gear or tyres thereof. Additionally, according to section 5 of the Road Traffic (Construction and Maintenance of Vehicles) Regulations (Cap. 374A), every vehicle, including all body work and fittings, shall be soundly and properly constructed of suitable materials and in a good and serviceable condition. The provision also requires that the design and construction methods of the vehicle should enable it to be capable of withstanding the loads and stresses likely to be encountered in operation. The objective of the relevant provisions is to ensure that every vehicle is roadworthy to safeguard road safety.

In accordance with the aforementioned provisions, the TD has issued clear guidelines for vehicle modification, such as "Alterations and Modifications to Vehicle – Do's and Don'ts" and "Guide to Notifiable Alteration – Motor Vehicle", setting out clear requirements and instructions of vehicle modification and providing information required to be considered by the registered vehicle owners prior to any modification of vehicles.

The TD has been closely monitoring the development of the automotive parts market and will consider the safety hazards associated with different kinds of modification and update the guidelines in a timely manner. Prior to any alterations or modifications to a vehicle, the vehicle owner should refer to the aforementioned guidelines and seek professional advice from, for example, vehicle manufacturers/ dealers, automotive parts agents, insurance companies etc. In view of the dense population, as well as the comparatively narrow and complex road environment in Hong Kong, it is incumbent upon the Government to carefully consider the safety risks of relaxing the regulatory requirements of vehicle modification.

(3) Hong Kong's total trade in automotive parts amounted to \$12.8 billion in 2023, representing 0.15 per cent of Hong Kong's total trade for the year. It is stated in the National 14th Five-Year Plan that our country will be committed to the new development philosophy of innovation and green development, and focus on such emerging industries of strategic importance such as green environmental protection and new energy vehicles. Hong Kong has a solid research and development (R&D) foundation in new energy technology, with considerable R&D capacities of local research institutes in fields such as new energy vehicles and related products, laying a solid foundation for the development of new energy vehicles industry in Hong Kong. In the future, the Government will proactively promote the development of such industries by supporting relevant quality and representative enterprises to set up R&D and advanced manufacturing production bases in Hong Kong to foster economic diversification.

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## LCQ20: Assisting schools in implementing municipal solid waste charging

Following is a question by the Hon Chu Kwok-keung and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (January 31):

Question:

The Government will implement municipal solid waste charging this year with two charging modes, either through the purchase and use of pre-paid designated bags (DBs) or designated labels, or through a "gate-fee" based on the weight of waste. However, many schools have relayed to me that it is difficult to estimate the relevant costs, including the cost of purchasing DBs or designated labels, and the cost of being charged by private waste collectors based on the weight of waste. In this connection, will the Government inform this Council:

- (1) of the current average daily quantity of solid waste disposal by public sector primary and secondary schools;
- (2) whether the Education Bureau (EDB) will provide DBs and designated labels to public sector primary and secondary schools; if so, of the details; if not, the reasons for that;
- (3) whether the EDB will allocate additional grants to schools for the purchase of DBs and designated labels; if so, of the details; if not, the reasons for that; and
- (4) of the specific measures put in place by the Government to enhance waste reduction and promote recycling in schools?

Reply:

President,

Municipal solid waste (MSW) charging sits at the centre of the Government's overall waste reduction strategy. It encourages the community to cherish resources, reduce waste at source and practise clean recycling by using financial disincentives with a view to reducing the overall waste disposal amount. In consultation with the Environment and Ecology Bureau (EEB), the reply to the question raised by the Hon Chu Kwok-keung is as follows:

(1), (2) and (4) As schools are not major waste producers, the Environmental Protection Department (EPD) does not maintain statistics on the quantity of solid waste produced and disposed of by them. Nevertheless, education which nurtures the public to develop the habit of waste reduction at source and clean recycling is particularly important. Therefore, the Government attaches great importance to the promotion and educational work on MSW charging at the school level. The EPD is now arranging the information on MSW charging, including publicity publications, posters, banners and electronic leaflets, etc, for displaying in all primary and secondary schools in Hong Kong and for distributing to students, school staff and parent groups of all primary and secondary schools in Hong Kong by email. To encourage students to proactively bring home the information on MSW charging to share with their families after receiving the information at school, the EPD will also distribute a 15-litre designated bag to each of the around 350 000 primary school students, so as to achieve "influencing families through younger family members" and promote the information on MSW charging to every household more effectively.

The Government continues to implement environmental education in schools through diversified modes. In terms of curriculum, education for sustainable development (including the content of environmental education and green living) has always been integrated in different Key Learning Areas or subjects of secondary and primary schools, with a view to cultivating environmental awareness and attitudes, and promoting green living among students. The Education Bureau (EDB) will keep in view the implementation and development of MSW charging, and liaise with relevant departments timely to obtain information for the preparation of learning and teaching resources for teachers' use within and beyond the classroom, thereby educating students to cherish resources and practise waste reduction at source, and to protect the environment together.

The EPD has been collaborating with the Environmental Campaign Committee (ECC) in implementing the Waste Separation and Recycling Scheme in Schools. Participating schools are provided with three-colour waste separation bins for free to help students learn about the importance of cherishing resources and the concept of waste separation, as well as encouraging schools to separate waste papers, plastic bottles and metals for recycling. The ECC has so far provided three-colour waste separation bins to a total of 1 028 primary and secondary schools. Besides, the ECC has provided training activities (including talks, workshops and field visits, etc) and relevant guidelines to primary and secondary school students through the Student Environmental Protection Ambassador Scheme and Green Prefect Programme to enhance students' awareness of waste reduction and recycling and encourage them to practise waste separation and waste reduction in school and daily life, thereby adopting a low-carbon lifestyle. Details of the relevant activities have been uploaded onto the ECC's "Schools Go Green" webpage for reference by the general public.

To facilitate the implementation of MSW charging, the EPD's Green Outreach has all along been organising different types of publicity, promotional and educational activities on waste reduction and recycling in collaboration with relevant stakeholders (including schools) basing on the

needs of the community. The operators of the community recycling network, GREEN@COMMUNITY, have also organised activities from time to time, such as environmental education activities and site visits to community recycling facilities to learn about their operations. In the past three years, there was a total of around 1 300 publicity and promotional activities in various forms in which schools participated in or co-organised, attracting more than 45 000 participants. Depending on the contents of activities, the Green Outreach and the operators of GREEN@COMMUNITY would invite the participation of schools in the district so as to educate students about the knowledge of waste separation and recycling, encourage them to bring home the relevant messages and integrate the habit of waste reduction and recycling into their daily lives.

The EEB has also strengthened the education for students on waste reduction and encouraging recycling through the Sustainable Development School Outreach Programme in this school year, including organising more than 30 seminars related to "Plastic-free Life", "Food Cherisher" and "Green Living", as well as arranging about 40 field trips and workshops by visiting the Organic Resources Recovery Centre Phase 1 (O·PARK1), Sludge Treatment Facility (T·PARK), Yard Waste Recycling Centre (Y·PARK) and GREEN@COMMUNITY. Through these activities, we have introduced the sources, types and treatment of MSW to over 8 800 teachers and students and encouraged them to practise waste reduction and recycling in their daily lives.

Moreover, the EEB and the ECC have put in place the GreenLink – Environmental Education Support Programme (GreenLink), with funding from the Environment and Conservation Fund, to provide schools with one-stop dedicated support services on environmental education. The GreenLink contractor will assist teachers in arranging environmental education activities, such as talks, booth games, field trips, workshops, guided tours and green dramas, etc, on various environmental issues for students to nurture their environmental awareness. Schools may enquire about details of the programme through GreenLink's dedicated hotline (3488 5178), email address ([greenlink\\_eesp@ce3.org.hk](mailto:greenlink_eesp@ce3.org.hk)) or website ([www.greenlinkeesp.com.hk](http://www.greenlinkeesp.com.hk)).

(3) The EDB will actively assist schools to formulate and put in place school-based environmental policy with reference to the guidelines and other relevant information provided by the EPD to prepare for the implementation of MSW charging. The EDB will maintain close collaboration with the EEB/EPD and provide schools with latest information and appropriate support. Aided schools can make use of the Operating Expenses Block Grant/Expanded Operating Expenses Block Grant provided by the EDB to cover expenditure incurred from cleaning of school premises, including MSW charging, in accordance with the principles on usage of the grant and the school-based circumstances and needs.

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## LCQ15: Collection and recycling of food waste

Following is a question by the Hon Dennis Leung and a written reply by the Secretary for Environment and Ecology, Mr Tse Chin-wan, in the Legislative Council today (January 31):

Question:

Regarding the collection and recycling of food waste, will the Government inform this Council:

- (1) given that the Home Recycling One Stop Shop webpage on the Hong Kong Waste Reduction Website currently operated by the Environmental Protection Department (EPD) does not include information on food waste recycling, whether EPD has plans to add to the webpage information on food waste recycling locations and related information; whether information on food waste recycling can be accessed through the iAM Smart mobile app;
- (2) of the amount of food waste that EPD managed to collect from residential premises and restaurants in the whole of last year; given that according to EPD's information, O·PARK1, the Organic Resources Recovery Centre (ORRC), and O·PARK2, ORRC Phase 2 scheduled to commence operation this year, have a food waste treatment capacity of 200 tonnes and 300 tonnes per day respectively, yet about 45 000 tonnes and 45 700 tonnes of food waste were recycled in O·PARK1 in 2021 and 2022 respectively, i.e. less than 150 tonnes of food waste were handled by O·PARK1 on average per day, whether EPD has other plans to increase the amount of food waste recycled from residential premises, apart from the Pilot Scheme on Food Waste Smart Recycling Bins in Private Housing Estates (the Pilot Scheme); if not, of the reasons for that;
- (3) prior to the implementation of municipal solid waste charging in August this year, whether EPD has plans to provide food waste recycling facilities at Recycling Stations, Recycling Stores and Recycling Spots of the community recycling network GREEN@COMMUNITY; if not, of the reasons for that;
- (4) whether the Government has plans to provide food waste recycling facilities at public refuse collection points (RCPs) in rural villages by August this year; if so, of the target number of RCPs to be provided with food waste recycling facilities; if not, the reasons for that;
- (5) of the following information on the Pilot Scheme as at December 31 last year: (i) the number of applications approved, (ii) the number of private housing courts installed with food waste smart bins (FWSBs), (iii) the number of FWSBs installed, (iv) the amount of food waste managed to be collected, and (v) the time taken from the receipt of applications to the completion of vetting and approval; whether EPD has set targets for the number of private housing courts managed to be installed with FWSBs by August this year, as



well as the number of FWSBs involved; whether the housing courts concerned will be provided with subsidies at the initial stage of FWSB installation for increasing manpower to educate residents on the use of FWSBs (such as the types of food waste that are recyclable); if not, of the reasons for that; and

(6) of the amount of food waste collected through the Smart Food Waste Bins (SFWBs) in public rental housing (PRH) estates as at December 31, last year; whether EPD has set targets for the number of PRH estates managed to be installed with SFWBs by August this year, as well as the number of SFWBs involved?

Reply:

President,

Currently, about 11 100 tonnes of municipal solid waste (MSW) are generated in Hong Kong per day, of which around 30 per cent is food waste. To complement the implementation of MSW charging, the Environmental Protection Department (EPD) is taking forward various food waste collection initiatives in full steam, including providing support on the collection of food waste from commercial and industrial sources and households, thereby encouraging all sectors of the community and the general public to participate in food waste recycling. The reply to the question raised by the Hon Dennis Leung is as follows:

(1) The EPD has all along adopted a multi-pronged strategy to encourage food waste recycling, such as reduction at source, food waste collection and turning food waste into energy. To give the public a comprehensive understanding of the food waste management strategy, the EPD has uploaded the relevant information, including the ways to minimise food waste generation, relevant schemes and funding projects relating to food waste recycling and development progress of the Organic Resources Recovery Centres, onto the EPD website. For details, please visit [www.epd.gov.hk/epd/english/environmentinhk/waste/prob\\_solutions/food\\_waste\\_challenge.html](http://www.epd.gov.hk/epd/english/environmentinhk/waste/prob_solutions/food_waste_challenge.html). In addition, the EPD launched the Trial Scheme on Food Waste Collection in Public Rental Housing (PRH) Estates (the PRH Trial) in late October 2022, and concurrently set up a dedicated website of the PRH Trial at [www.foodwasterecycling.hk](http://www.foodwasterecycling.hk) to provide easier access to the relevant information on smart food waste recycling for PRH residents.

With the implementation of MSW charging, we anticipate that the public demand for food waste recycling will continue to increase. In this connection, the EPD has already uploaded the locations of food waste recycling points to the Map of Recycling Points, which is newly available on the Hong Kong Waste Reduction Website (the Website), and the GREEN\$ and the "Waste Less" mobile apps developed in recent years, with a view to enabling the public to search for the recycling points for food waste and other common recyclables. Moreover, the EPD is preparing to include information on food waste recycling in the "Home Recycling One Stop Shop" section of the Website, and the relevant work is expected to be completed in the first quarter of

this year, thereby offering public access to information on various types of recyclables on one single platform. Our discussion with the Office of the Government Chief Information Officer is also underway in relation to the plan to make the locations and relevant information of recycling points for food waste and other common recyclables available on the "iAM Smart" platform. The EPD will continue to provide information to the public via various channels to facilitate waste reduction and recycling by the public.

(2), (3), (5) & (6) The EPD is actively implementing different food waste collection initiatives to expand the food waste collection network while providing support to various sectors of the community to participate in food waste recycling. We launched a large-scale Pilot Scheme on Food Waste Collection in 2021, providing point-to-point collection services for premises which generate larger quantities of food waste. Currently, there are approximately 860 participating venues, including food factories, public markets, cooked food centres, wholesale markets, hospitals, government facilities, tertiary institutions, hotels, shopping malls, restaurants, PRH estates and private housing estates, etc. Among them, commercial and industrial premises, including hotels, clubs, shopping malls and eateries, account for about 380 venues. In 2023, a total of about 60 800 tonnes of food waste were recycled at the Government's food waste treatment facilities, of which about 2 500 tonnes came from households and the remaining came from commercial and industrial sources. Given that the food waste collection points catering for eateries also collect the food waste generated by other commercial tenants in the same premises, such as supermarkets in shopping malls and stall operators in municipal services buildings, separate breakdowns of the amount of food waste collected from eateries cannot be compiled.

The EPD mainly promotes domestic food waste recycling through the following initiatives:

(a) The EPD, in collaboration with the Housing Department (HD) and Hong Kong Housing Society (HKHS), launched the PRH Trial at the end of October 2022, in which Food Waste Smart Recycling Bins (FWSRBs) equipped with overflow prevention and odour abatement devices have been installed to collect food waste for maintaining environmental hygiene. Residents are awarded GREEN\$ points to encourage their participation. The PRH Trial had already been extended to 13 PRH estates (with a total of 101 blocks) by mid-September last year, six months ahead of the original target and covering some 170 000 residents.

As at December 31, 2023, the EPD installed a total of 300 FWSRBs in 70 PRH estates, with a cumulative collection of about 1 830 tonnes of food waste. The EPD is working with the HD and the HKHS in full steam to extend the smart food waste recycling services to all PRH estates in Hong Kong (involving an additional 1 400 buildings). We expect to cover half of all PRH estates in Hong Kong before the Lunar New Year, and can substantially complete the installation of more than 700 FWSRBs in all 213 PRH estates across the territory by August this year, accounting for about one-third of the household population in Hong Kong.

(b) The EPD subsidises the installation of FWSRBs for food waste collection in private residential buildings through the Industry Support Programme under the Recycling Fund. As at December 31, 2023, the Recycling Fund has approved relevant applications for 40 private residential buildings, involving about 120 FWSRBs. Moreover, since December 29, last year, the Environmental Campaign Committee (ECC) has called for applications from private housing estates with at least 1 000 households for two-year funding support for the installation and relevant repair and maintenance services of FWSRBs to further encourage recycling of domestic food waste. As at mid-January 2024, the ECC has received a total of 20 applications for the Pilot Scheme on Food Waste Smart Recycling Bins in Private Housing Estates. The Scheme is still in its early stage of open application and it is expected that about 30 applications from housing estates will be approved before the end of August this year, involving about 100 FWSRBs. Since housing estates are required to submit applications for funding under the relevant funding schemes on their own initiative, the actual quantity of FWSRBs will depend on the number of applications received and approvals granted. In case of an overwhelming number of applications from the housing estates, the ECC will consider increasing the number of FWSRBs; and

(c) In September and December 2023, the EPD installed FWSRBs at two recycling stations in the vicinity of residential areas, namely GREEN@SHAM SHUI PO and GREEN@EASTERN, to conduct trial domestic food waste collection from the neighbourhood (including single-block and "three-nil" buildings) as public collection points. They are complemented by the reward of GREEN\$ points to encourage active participation from the public. The trial has received positive responses from the public, with over 14 000 individuals participating in food waste recycling as at December 31, 2023. The EPD will closely monitor the level of public participation in food waste recycling and conduct timely review of the effectiveness of the trial public food waste collection points. Based on the findings of the review, the Government will continue to explore installing additional public food waste collection points in suitable locations (such as public markets and refuse collection points) to provide the public with more convenient channels for recycling. To further assist residents in conducting food waste recycling, since November 2023, the EPD has also set up "community food waste mobile collection spots" operating with a fixed destination and time schedules in locations packed with eateries and in the vicinity of village houses or single-block buildings in Sha Tin District for concurrently collecting food waste generated by nearby eateries and households. This initiative will gradually extend to more districts in the second quarter of 2024.

On publicity and education, the EPD and the Environment and Conservation Fund (ECF) provide promotional and educational activities through funding projects to PRH estates and private housing estates participating in the Scheme on Food Waste Collection in PRH Estates, the Industry Support Programme and the Pilot Scheme on Food Waste Smart Recycling Bins in Private Housing Estates. These activities include distributing promotional leaflets and domestic food waste buckets to households, displaying promotional posters in building lobbies and assisting those in need to register for the GREEN\$

physical cards etc., as well as arranging promotional ambassadors to encourage and guide the residents to practise source separation of food waste at home and the proper ways to use the FWSRBs. We will also liaise with the relevant members of the District Councils and their teams, district groups and organisations to strengthen publicity and promotion. The EPD will also closely monitor the utilisation rate of the FWSRBs, proactively listen to the feedbacks from the residents, and provide more publicity and educational support to public and private housing estates in need in a timely manner.

(4) Unlike other recyclables which could be stored for a period of time after collection (such as waste paper and waste plastics), food waste is mainly organic matter with higher moisture content. In general, daily collection services are required, or else environmental hygiene problems may arise. Therefore, the EPD needs to communicate with the village representatives (VRs) and villagers concerned to obtain their consent and support before installing FWSRBs in the rural areas, especially on the locations for collection bins to be placed inside a village. To this end, in November 2023, the EPD introduced to the Heung Yee Kuk New Territories the Pilot Scheme on Food Waste Collection, using the conventional food waste recycling bins, and the application details for funding granted by the ECF to non-profit-making organisations for installation of FWSRBs in rural areas, as well as calling for the active participation from the rural committees and VRs. At present, the ECF has approved four projects, in which two villages have already installed FWSRBs and arranged smart food waste recycling services. It is expected that the remaining six villages will gradually install FWSRBs in March this year to collect domestic food waste.

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## **LCQ22: Hong Kong Investment Corporation Limited**

Following is a question by the Hon Mrs Regina Ip and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (January 31):

Question:

In the 2022 Policy Address, the Chief Executive proposed the establishment of the Hong Kong Investment Corporation Limited (HKIC) to consolidate the management of some of the funds established under the Future Fund. In addition, the new Capital Investment Entrant Scheme (CIES) requires each applicant to place HK\$3 million in the CIES Investment Portfolio. As a result, it is learnt that the HKIC will have a capital of no less than \$62 billion, which will be used to attract and support more enterprises to develop their business in Hong Kong. On the other hand, in the past year, the HKIC established its Board of Directors and appointed its Chief Executive

Officer. In this connection, will the Government inform this Council:

(1) whether the HKIC has formulated investment strategies, target returns and performance indicators; if so, of the details; if not, the reasons for that;

(2) of the following information on the Co-Investment Fund: (i) the total number of investment proposals received, (ii) the total amount of investment funds disbursed, (iii) the number of institutions which have been disbursed with investment funds and the amount of funds disbursed to each institution, and (iv) the percentage of innovation and technology enterprises in the institutions which have been disbursed with investment funds; and

(3) whether the HKIC will formulate appropriate disclosure arrangements in respect of its operations (including matters such as investment strategies, investment criteria, as well as investment projects and returns) and report to the Legislative Council on a regular basis to enhance transparency; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Hong Kong Investment Corporation Limited (HKIC), the reply to the three parts of the question is as follows:

(1) Since the establishment of the HKIC, the Board of Directors of the HKIC (Board) has provided guidance on the investment strategy, and the procedures and criteria for identifying investment partners or targets, having regard to the objectives of establishing the HKIC, and the respective scope of "Hong Kong Growth Portfolio", "Greater Bay Area Investment Fund", "Strategic Tech Fund", and "Co-Investment Fund".

When sourcing and evaluating investment projects, in addition to considering to strive for reasonable return from a long-term and holistic perspective, the HKIC also focuses on unlocking the potential of capital in guiding the acceleration of support for constructing a more vibrant ecosystem for Hong Kong's strategic industries. Therefore, it is appropriate to adopt a long-term and multi-dimensional perspective to evaluate the deliverables of the HKIC, including the HKIC's ability in enhancing Hong Kong's ability to attract enterprises and investment, and angles such as upgrading industrial structure, strengthening impetus for economic growth, creating more high-quality career development opportunities for the public, and promoting industrial co-operation and development between Hong Kong and cities in the Guangdong-Hong Kong-Macao Greater Bay Area. The Board will continue to give guidance on the relevant matters to the HKIC in due course.

(2) The HKIC is pressing ahead with its work. It is expected that certain investment projects will be implemented in the first half of 2024, covering "Hong Kong Growth Portfolio", "Greater Bay Area Investment Fund", "Strategic Tech Fund", and "Co-Investment Fund". The HKIC will make announcement at the appropriate time. Currently, the HKIC is conducting in-depth due diligence

work on potential projects and partners. Having regard to the market sensitive information involved, appropriate disclosure will be made in the future after the project progress reaches a maturity stage.

(3) The HKIC regularly reports to the Board on its operations and investment-related matters. Apart from the relevant policy bureaux officials, the Board includes leaders from different sectors with non-official background.

In accordance with the actual needs of the HKIC's investment operation, as well as factors such as whether individual projects have reached their maturity stage etc, the Board will formulate appropriate disclosure arrangements for the HKIC, which will make announcement at the appropriate time.