

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, afteruse 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.

FEHD strengthens rodent prevention and control work during anti-rodent operation in designated target areas

The Food and Environmental Hygiene Department (FEHD) launched the first round of its anti-rodent operation in designated target areas in various districts on April 23 to sustain the effectiveness of rodent prevention and control work at the district level.

An FEHD spokesman said today (May 30), "The FEHD is conducting two rounds of the anti-rodent operation, each lasting for two months, in designated target areas again this year, with multi-pronged strategies including improving environmental hygiene and stepping up rodent disinfestation and enforcement actions, to continue targeted rodent prevent and control work in those areas. Since the launch of the first round of the operation on April 23, the FEHD, in the past month, has strengthened district rodent disinfestation work at problematic spots such as rear lanes, refuse collection points, markets, hawker bazaars, cooked food markets and peripheral areas of construction sites. As at May 22, the department placed poisonous bait at 2 773 locations and placed 4 185 traps, and destroyed 190 rat holes, with 354 dead rodents collected and 294 rodents caught in traps.

"During the operation, the FEHD has also stepped up inspections of food premises, markets, hawker bazaars and cooked food markets. Enforcement action against food premises causing poor environmental hygiene conditions, food preparation and scullery at rear lanes and improper handling and disposal of rubbish were strengthened. As at May 22, the FEHD conducted 6 950 inspections and issued 2 247 health advisories, 1 059 verbal warnings, 15 warning letters, 30 statutory notices and 293 fixed penalty notices and took out 145 prosecutions.

"Furthermore, FEHD staff have enhanced street cleaning services and cleaning of public markets and hawker bazaars in the target areas, including sweeping and cleaning of streets and rear lanes and clearing of refuse and waste in streets, public markets and hawker bazaars, so as to keep the environment clean."

The spokesman stressed that effective rodent prevention and control hinges on the active participation of the community. During the operation, the FEHD has strengthened public education and publicity to remind members of the public to eliminate the three survival conditions of rodents, namely food, harbourage and passages, i.e. the elimination of the food sources and hiding places of rodents, as well as blocking their dispersal routes, so as to combat the rodent problem. The department also arranged 69 health talks for building management offices of private buildings, persons-in-charge of food premises, and market and hawker stall operators to provide information and technical advice on rodent prevention and control.

The first round of the anti-rodent operation in designated target areas will end on June 22, while the second phase of the territory-wide anti-rodent campaign, which lasts for 10 weeks, will commence on July 2.

[SFST promotes Hong Kong's Fintech developments in San Francisco \(with photos\)](#)

The Secretary for Financial Services and the Treasury, Mr James Lau, started his visit to San Francisco, the United States, today (May 29, San Francisco time) to promote the role of Hong Kong as a financial technology (Fintech) hub and to seek collaboration opportunities with the Fintech sector there.

In the morning, Mr Lau visited the Envestnet | Yodlee Incubator and met with its management team to share views on Fintech trends and infrastructure support for Fintech developments in Hong Kong. The company is an incubator focusing exclusively on Fintech startups in Silicon Valley, and operates a data aggregation and data analytics platform for financial institutions and Fintech innovators to launch various digital financial services and products.

Mr Lau then attended a luncheon co-organised by the Hong Kong Economic and Trade Office in San Francisco and the Plug and Play Tech Center, an accelerator specialising in growing technology startups and connecting them with corporate partners for business development. While giving a keynote speech at the event, Mr Lau highlighted the vital role of Hong Kong as a base for Fintech companies to explore new business opportunities in Asia.

Mr Lau introduced the promising happenings in the Fintech scene in Hong Kong, emphasising that with concerted efforts by the Government, regulators and the fintech community, Hong Kong has emerged as the link between East and the West in the ever-exciting and ever-expanding area of Fintech.

In the afternoon, Mr Lau visited the BNY Mellon Silicon Valley Innovation Center and met with key personnel there to discuss the applications of emerging technologies including IoT (Internet of Things), machine learning, big data and cloud computing in the financial services industry.

He later proceeded to the Stanford Graduate School of Business to meet with Professor Joseph Piotroski and Professor Charles M C Lee. They exchanged views on issues including Fintech developments in Hong Kong and efforts to attract and groom technology talents as well as changes to Hong Kong's listing rules to allow pre-revenue biotech companies to list on the main board of the Hong Kong Stock Exchange.

Before concluding the first day of his visit, Mr Lau had a dinner meeting with venture capitalists and leaders of Fintech companies to exchange views on global financial innovation and share details of the vast investment opportunities Hong Kong can offer to overseas investors.

Mr Lau will continue his visit to San Francisco tomorrow.





LCQ14: Safety, repair and maintenance of lifts

Following is a question by the Hon Ho Kai-ming and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (May 30):

Question:

Several incidents of lift failures causing casualties have happened in recent months, arousing concerns about issues relating to the safety, repair and maintenance of lifts. In this connection, will the Government inform this Council:

- (1) of the current total number of lifts in Hong Kong, with a breakdown by age of lifts (in age groups of five years each);
- (2) of the number of lift incidents causing casualties in each of the past three years, and among such incidents, the number of cases in which the registered lift contractors (contractors) concerned were prosecuted for alleged breaches of the Lifts and Escalators Ordinance (Cap. 618) (broken down by age of lifts);
- (3) of the current ratio of the number of lifts to the number of registered lift/escalator workers (L&E workers) in Hong Kong; whether it knows the average daily number of lifts the repair and maintenance works for which that each of such workers has to attend to;
- (4) as quite a number of L&E workers have relayed that when carrying out regular maintenance works for lifts, they are often redeployed by their employers to go elsewhere for undertaking emergency lift repair work, thereby

affecting the quality of regular lift maintenance work, whether the authorities will consider (i) setting a standard on the minimum number of hours spent on regular lift maintenance work, and (ii) requiring contractors to assign different workers to carry out emergency repair work and regular maintenance work for lifts;

(5) as quite a number of lifts of old models are not installed with a rope-gripping device which prevents unintended lift movement, whether the authorities will consider (i) amending the legislation in the short run to require contractors to retrofit this device in such lifts, and (ii) subsidising property owners who have financial difficulties in carrying out such works; and

(6) whether the authorities will, in the long run, consider launching a subsidy scheme to help property owners to replace lifts which are 30 years old or above, with a view to minimising the occurrence of lift incidents?

Reply:

President,

The operation of lifts in Hong Kong is regulated by the Lifts and Escalators Ordinance (Cap. 618) (the Ordinance), which was put into operation on December 17, 2012, to replace the repealed Lifts and Escalators (Safety) Ordinance (Cap. 327). The Ordinance introduces a series of new and enhanced regulatory measures including stipulating clearly the responsibilities of the Responsible Person (i.e. owner of the lift/escalator and any person who has the management or control of the lift/escalator), the Registered Contractor, the Registered Engineer and the Registered Worker. Since the Ordinance has come into operation, the average annual number of incidents (Note) involving failure of lift and escalator equipment has remarkably reduced as compared with that before the Ordinance was put into effect, with a reduction of 72 per cent from an average of 28 cases per year in 2010 to 2012 to an average of 7.8 cases per year in 2013 to 2017. The Electrical and Mechanical Services Department (EMSD) will continue to strictly enforce the Ordinance and is committed to introducing various measures to enhance the safety of aged lifts, so as to ensure that the public can enjoy safe lift services.

Our reply to the question raised by the Hon Ho is as follows:

(1) As of the end of 2017, there were totally 66 291 lifts in Hong Kong. Their age (years that the lift has been put into service) distribution is shown below:

Age (Years)	Number of lifts
>=51	3 557
46-50	1 844
41-46	3 475
36-40	5 617

31-35	5 937
26-30	7 545
21-25	7 304
16-20	10 855
11-15	7 631
6-10	5 598
<=5	6 928
Total	66 291

(2) The number of lift incidents involving equipment fault and causing passenger casualty reported to the EMSD from 2015 to 2017 is shown below:

Year	2015	2016	2017
Number of lift incidents involving equipment fault and causing passenger casualty	10 (Injury) 0 (Death)	9 (Injury) 0 (Death)	7 (Injury) 0 (Death)

In the above incidents, no registered lift contractor was prosecuted for contravention of the Ordinance.

(3) As of the end of 2017, there were about 66 200 lifts and about 9 300 escalators in Hong Kong. From 2012 to 2017, the total number of lifts and escalators increased from about 69 000 to about 75 600, i.e. an increase of about 10 per cent, while the number of Registered Workers increased from about 4 900 to about 5 700, i.e. an increase of about 16 per cent. In recent years, Registered Contractors have also been actively recruiting general workers in addition to Registered Workers. The number of general workers has increased from about 700 in 2012 to about 1 850 in 2017. After these general workers have received relevant training and accumulated sufficient experience, they can apply to become Registered Workers. Therefore, the total number of workers increased from about 5 600 in 2012 to about 7 570 in 2017, i.e. an increase of about 35 per cent, which was higher than the increase in the number of lifts and escalators during the same period.

In terms of periodic maintenance works, in 2017, there were about 3 430 Registered Workers and about 1 150 general workers engaged in periodic maintenance work and they carried out more than 1.8 million periodic maintenance. Assuming that each worker works 250 days per year on average and two workers work as a team to carry out periodic maintenance works, it is estimated that each team of workers can complete periodic maintenance of about 3.2 lifts or escalators each day on average.

(4) Registered lift contractors will in general assign emergency repair works to appropriate workers based on the manpower and techniques required for and the location of the works. The Ordinance does not require contractors to allocate separate manpower to periodic maintenance and emergency repair works. However, no matter the works are maintenance or emergency repair,

registered lift/escalator contractors must ensure sufficient manpower and provide sufficient training and instructions for the workers to ensure that the lift/escalator works concerned are carried out safely and properly. In this regard, the EMSD issued a circular to Registered Contractors in 2014 that if the workers could not complete their maintenance works in progress due to deployment for other emergency works during periodic maintenance, the Registered Contractor should arrange the workers to indicate "suspension of work" and the reason for leaving at the remark column of the logbook. After suspending the maintenance works, the contractor should arrange workers to make up for the unfinished maintenance works as soon as possible, and then indicate "compensative maintenance" or "compensative servicing" at the remark column of the logbook. The EMSD will closely monitor the manpower situation of Registered Contractors and timely review with them their manpower arrangement to ensure that they have sufficient manpower to properly handle emergency repair and periodic maintenance works.

Regarding the working hours for maintenance works, it is relatively difficult to establish unified working hours for maintenance works as the time for maintenance of each lift depends on various factors such as the requirements of the lift manufacturer, its design, number of service floors, designed speed, rated load, and conditions of lift car. In 2014, the EMSD discussed with the trade about the time for maintenance of lifts/escalators. The trade generally agreed that registered lift/escalator contractors should allow sufficient time for workers to carry out the maintenance works properly. In this regard, the EMSD also issued a notice to Registered Contractors in the same year to remind them that if they were to allocate workers to handle maintenance works for more than six lifts/escalators on the same day, they should carefully consider the work allocation and ensure that the relevant work can be carried out safely and properly.

(5 and 6) In general, lifts are safe to use with proper periodic examination and maintenance. Owing to rapid technological advancement in recent years, modern lifts are equipped with more comprehensive safety devices than the aged ones. Therefore, aged lifts have room for improvement and enhancement. In view of this, the EMSD promulgated in 2011 the "Guidelines for Modernising Existing Lifts" which aims at recommending the Responsible Persons install safety devices (including the unintended car movement protection device) for their aged lifts to make the lifts safer, more reliable and comfortable.

As of the end of 2017, there were about 66 200 lifts in Hong Kong, of which about 80 per cent were not equipped with safety devices of the latest standard. Owing to the fact that lift modernisation is carried out on a voluntary basis, modernisation works of different level have been carried out to about 5 200 lifts since 2011. The progress is not remarkable.

In view of the above, the Development Bureau and the EMSD are actively formulating new measures in the short term, medium term and medium-to-long term to enhance the safety of aged lifts, thereby further protecting public safety.

Note: In accordance with the Ordinance, the Responsible Person for a lift

must notify the Director of Electrical and Mechanical Services of the following lift incident:

- (i) a person dies or is injured and the death or injury involves a lift or any associated equipment or machinery of a lift;
- (ii) a failure of the main drive system of a lift;
- (iii) a breakage of any suspension rope of a lift;
- (iv) a failure of any brake, overload device, safety component or safety equipment of a lift; or
- (v) a failure of any interlocking device for any door of the lift-way of a lift.

Upon receiving notification of the above lift incidents, the EMSD will arrange on-duty staff for an investigation as far as practicable.

LCQ3: Recycling Fund

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

Question:

To assist the recycling industry in enhancing operational capabilities and efficiency, the Government established the Recycling Fund (the Fund) in October 2015, with an allocation of \$1 billion for application by recyclers for subsidies. In this connection, will the Government inform this Council:

(1) given that as at February this year, a total of 128 projects involving a total funding of about \$94 million was approved under the Fund, but the expenditure incurred by the Hong Kong Productivity Council, the Secretariat of the Fund, on processing applications for the Fund, monitoring the progress of the projects and conducting compliance checks was as high as \$13 million (accounting for 12% of the total amount of approved funding, i.e. such expenditure being as high as \$100,000 for each funded project on average), whether the Government has reviewed if such an expenditure level is on the high side, and whether secretariat support for the Fund will instead be provided by the Government in-house; if so, of the details; if not, the reasons for that;

(2) given that the recovery rates of plastics and food waste in 2016 slightly rose by three percentage points and less than one percentage point respectively and the recovery rate of paper dropped by two percentage points when compared with those in the year before that, whether the Government has studied why the recovery rates of those materials have shown no marked improvement after the Fund was launched; of the measures to further boost the recovery rates, and whether it will formulate more ambitious recovery rate targets; and

(3) given that more than \$30 million has so far been approved under the Industry Support Programme (ISP) under the Fund to provide funding support for relevant organisations to undertake non-profit-making projects with a view to enhancing the capability and productivity of the recycling industry, whether the Government has assessed the effectiveness of ISP; as quite a number of recyclers have relayed that the application procedure of the Fund is complicated, whether the Government will further streamline the relevant procedure; if so, of the details; if not, the reasons for that?

Reply:

President,

The Recycling Fund (the Fund) set up by the Government is one of the initiatives in promoting the development of the recycling industry. By providing financial support, the Fund aims at facilitating the upgrading of the operational capabilities and efficiency of the recycling sector. In view of the more stringent requirements on the import of recyclables progressively in place in the Mainland, the Fund has been streamlined on various fronts with a focus on helping the recycling industry expedite their upgrading and enhancement of processing capacity, as well as grasp the challenges and opportunities emerged. Regarding the questions raised by the Hon Chan Hak-kan, my responses are as follows:

(1) The work of the Secretariat of the Fund includes assessing all applications received and monitoring the progress of each approved project. Therefore, in addition to providing administration services, the Secretariat has also to be conversant with the operation of the recycling industry and possess a well-established network among the recycling trade. When the Government sought funding approval from the Legislative Council (LegCo) for \$1 billion to set up the Fund, the reasons for engaging the Hong Kong Productivity Council (HKPC) to act as the implementation partner and provide secretariat and administrative management services for the Fund were explained. Details of the work of the Secretariat are at the Annex.

The Secretariat's annual expenditure on processing applications, monitoring approved projects and checking on compliance for the Fund is about \$9 million, of which the HKPC has to shoulder certain additional expenses, including those on the provision of supervisory staff and technical support, the hiring of venues, etc.. As at mid-May this year, the Advisory Committee on Recycling Fund (RFAC) received a total of 386 applications, and a total of 139 funded projects have been or will soon be commenced, involving a total funding of about \$100 million. The expenditure of the Secretariat is within reasonable range. The Environmental Protection Department (EPD) has no plan to change the arrangement of engaging the HKPC to act as the implementation partner to the Fund as well as provide secretariat and administrative management services for the Fund.

(2) In addition to supporting the development of the local recycling industry through the Fund, the Government will continue to strengthen support on

various fronts to enhance the operation of the recycling chain.

Regarding food waste, the Organic Resources Recovery Centre (ORRC) Phase 1 will be commissioned around mid-2018. While we are planning the construction of ORRC Phase 2, the "Food Waste / Sewage Sludge Anaerobic Co-digestion Trial Scheme" will be implemented at the Tai Po Sewage Treatment Works to raise Hong Kong's overall food waste treatment capability. We will also continue to support schools and private housing estates to install composters, and will also collaborate with the commercial sector and eateries to collect surplus food for distribution to voluntary organisations.

On recycling of waste paper, our key support includes providing sites in the EcoPark and under short-term tenancy as well as berths in public cargo working areas for bidding and use by the recycling sector. In an open tender held at the end of this March, we invited tenders from recyclers interested in developing waste paper recycling and manufacturing business in the EcoPark.

As for recycling of waste plastics, we have commenced a consultancy study on how to introduce a producer responsibility scheme for suitable plastic containers so as to strengthen recycling support at the community.

We are actively preparing for the legislation required for municipal solid waste charging, with a view to further promoting waste reduction at source and recycling.

Formulation of the above initiatives is underway. At present, we are unable to set specific recycling targets for individual type of recyclable.

(3) The Fund comprises two aspects, namely the Enterprise Support Programme (ESP) and Industry Support Programme (ISP). The former provides funding support for individual recycling enterprises to upgrade and expand their local waste recycling business. The latter provides funding support for non-profit distributing organisations registered in Hong Kong, such as professional bodies, trade and industry organisations, research institutes and other industrial support organisations to undertake non-profit making projects which can assist the local recycling industry in general or in specific sectors in enhancing their operational standards and productivity.

The \$30 million mentioned by the Hon Chan is mainly for ISP. The currently approved projects include, inter alia, operation guides and trainings for the recycling industry produced and provided by the Hong Kong Baptist University and the Hong Kong Quality Assurance Agency, as well as the Recycling Industry Safety Enhancement Pilot Scheme launched by the Occupational Safety and Health Council (OSHC). The former has held 52 training sessions attended by over 1 200 people so far; while the latter has received applications from more than 160 enterprises. These programmes can facilitate the enhancement of skills, productivity and safety standards of the recycling industry, as well as reduce their expenditure for insurance.

The EPD and the RFAC have been in close dialogues with the recycling

sector to continuously optimise the operation of the Fund. At present, a series of facilitation measures have been introduced under the Fund, including the provision of initial grant payments to approved projects before their launch, including the cost for third-party liability insurance and a portion of the rental expenses required by approved projects in fundable items under the Fund, as well as establishing a category of Standard Projects under ESP to streamline application procedures for specific items, such as procuring small-scale equipment, hardware and machinery, making applications under certification or registration schemes, etc.. Besides, the RFAC has waived the condition on opening a designated bank account for Standard Projects, and will provide reimbursement midway through the project period, having regard to the progress of the project. To assist the recycling industry to address the Mainland's progressively tightening requirements on imports of recyclables, the Fund announced in September 2017 that \$20 million had been earmarked to expand the list of fundable items under "Standard Projects" to help upgrade the recyclers' ability in turning waste plastics into plastic products or raw materials as well as processing waste paper. The Fund also earmarked \$50 million for encouraging recyclers to use compactor trucks for more effective and efficient transportation of waste plastics and waste paper and hence reduce the collection and transportation costs of recyclables. As at end December 2016, a total of 68 applications of Standard Projects have been received in 15 months since the operation of the Fund in October 2015. In respect of the new series of facilitation measures, the Fund has received a total of 169 applications of "Standard Projects" in 17 months from January 2017 to present and 104 applications have been approved.

The Government and the RFAC will continue to review the Fund's operation and roll out various facilitation measures in a timely manner.

Thank you, President.