

Bills Committee on Promotion of Recycling and
Proper Disposal (Product Container) (Amendment) Bill 2015
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

Dear Chairman and Committee Members,

**Business Environment Council Limited
Submission to Bills Committee on Promotion of Recycling and Proper Disposal
(Product Container) (Amendment) Bill 2015**

Over the last two decades, Business Environment Council Limited 商界環保協會有限公司("BEC") has taken a leading role in advocating the business case for environmental excellence in Hong Kong. Our members are committed to actively engaging with the Hong Kong SAR Government on a range of issues relating to the environment and sustainability.

BEC is an independent charitable membership organisation comprised of approximately 200 company members ranging from major listed holdings to small and medium-sized enterprises in Hong Kong. For more information on BEC, please visit www.bec.org.hk.

BEC has reviewed the proposed Bill Amendment and discussed with the BEC Waste Management Advisory Group members. Views expressed in this submission are those of BEC, and may not necessarily correlate with the positions of each individual member.

Background

According to the Report "Monitoring of Solid Waste in Hong Kong – Waste Statistics for 2014" published by the Environmental Protection Department, the amount of waste glass containers constitute about 2.9% of our daily municipal solid waste ("MSW") disposal in 2014, including about 204 tonnes per day ("tpd") of glass bottles and about 81 tpd of other glass. BEC recognises the urgent need to reduce the disposal of glass bottles to landfill sites in Hong Kong. Therefore we support policy and regulatory approaches that encourage waste reduction, separation, and diversion.

Scope of Bill

The Bill Amendment proposes to further apply the Product Eco-responsibility Ordinance (Cap. 603) ("PERO") to a new group of regulated products (generally referred hereinafter as "regulated articles") which are distributed or consumed in Hong Kong. "Regulated articles" includes beverages that are held in glass containers.

BEC supports to further apply the PERO to the glass beverage bottles in Hong Kong, but we also look forward to having a broader scope of the mandatory Producer Responsibility Scheme ("PRS") to cover other glass containers, in a view that the glass containers are bulky and create a heavy burden on Hong Kong's waste management system.

Charging of Recycling Levies

The Bill Amendment proposes to collect the recycling levy from the registered suppliers of regulated articles. Manufacturers and importers who carry on a business of distributing regulated articles in Hong Kong will have to be registered as "registered suppliers". A registered supplier must submit to the Director of Environmental Protection ("DEP") periodic returns, setting out the information that is necessary for the computation of the recycling levy payable.

BEC supports the collection of recycling levy from the registered suppliers of regulated articles, and that the registered suppliers must submit the DEP information for computation of the recycling levy payable.



For the importers who should pay the recycling levy, we provide an opinion that the amount payable as a recycling levy could also be computed on the basis of product quantities contained in the import declaration of the beverages held in glass containers.

Exemption

We support to establish an exemption mechanism such that a registered supplier may apply by submitting a plan setting out the operational details of how the glass beverage containers will be recovered, reused and ultimately recycled. Subject to meeting certain performance standards and other terms and conditions, beverages held in glass containers that are covered by an environmentally sound container reuse/ recycling plan will not be subject to the recycling levy.

To provide incentive for suppliers to reuse glass bottles, we suggest that these suppliers should have the obligation to disclose the percentage of reuse of their glass bottles periodically in order to receive/retain the exemption, i.e. the exemption for the beverage suppliers should be linked with adequate performance for both glass bottle reuse and recycling.

Proper Treatment of Waste Glass Containers – Licensing Controls

The proposed Bill Amendment also suggest to apply the licensing control under section 16 of Waste Disposal Ordinance (WDO) to the disposal (including storage, treatment, reprocessing and recycling) of glass containers.

BEC takes the view that licensing control for the processing of waste glass beverage bottles is necessary to support the objective of the PRS. This can also facilitate quality control and monitoring by the Government for the collection and recycling processes.

Complementary Measures for the Mandatory PRS

Separation at source with the support of effective collection and recycling system could help to enhance the recovery rate of glass containers. The existing network of glass container collection is conducted on a voluntary basis.

To help achieve a recovery target of 50,000 tonnes¹ of glass containers to be collected territory-wide per year, BEC suggests considering the strengthening of the Bill Amendment by including mandatory segregation, and to incentivise recycling of glass containers by the end users.

I thank you for hearing BEC's views on the proposed Bill Amendment. Please contact our Chief Executive Officer, Ms. Agnes Li, at agnesn@bec.org.hk or 2784 3950 should there be any follow-up necessary with the present submission.

Yours sincerely,



Prof John Chai
Chairman
Business Environment Council Limited

cc Ms Agnes Li, CEO, Business Environment Council

¹ Legislative Council Brief – Promotion of Recycling and Proper Disposal (Product Container) (Amendment) Bill 2015

