CB(1) 2187/08-09(01)

2 July 2009

Mr. Yau Tang-wah, Edward, JP Secretary for the Environment 46/F. Revenue Tower, 5 Gloucester Road, Wanchai, Hong Kong

Dear Mr. Yau,

Product Eco-responsibility (Plastic Shopping Bags) Regulation

I refer to the meeting between your Bureau and Hong Kong Retall Management Association ("HKRMA") on 18 February 2009 and the administration's response to the follow-up actions arising from the Subcommittee meeting on 19 March 2009 (CB(1) 1119/08-09(02)) on the captioned regulation which will come into effect on 7 July 2009.

According to the EPD's response to the Subcommittee on Product Eco-responsibility (Plastic Shopping Bags) Regulation, the EPD will provide more details on the dedicated survey on the disposal of plastic shopping bags to the Legislative Council Panel on Environment Affairs and further explore with the retail trade on how to review the effectiveness of the environmental levy scheme, including the coverage of the dedicated waste disposal survey before the commencement of the scheme and annually thereafter. You also agreed in our meeting in February to set up in July a taskforce to review the effectiveness of the scheme.

You will also agree that if in the future the EPD wishes to do an evaluation study on the impact of the scheme, then the key issue is to ensure that appropriate data is collected prior to the introduction of the scheme. We are pleased to learn that the EPD has adopted our suggestion and will include assessment on the disposal of paper bags, garbage bags and non-woven bags as part of the annual dedicated surveys.

We understand that the fieldwork of the survey has now been completed and we urge you to establish the taskforce as soon as possible. Accordingly, please confirm the composition of the

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taskforce and when its first meeting will be held. We believe that other stakeholders, such as the Waste Management Association and Green Council should be part of the taskforce.

It is important that the taskforce should immediately review the results of the survey that has just been completed, including the methodology and mathematical calculations.

On the review's scope and necessary criteria for measuring the effectiveness of the levy, HKRMA has previously recommended to the EPD that the following should be considered:

- 1 Review objectives of the scheme;
- 2. Define "Indiscriminate use" of plastic bags across Hong Kong;
- 3. Set targets for number of bags in Hong Kong to be reduced;
- 4. Determine methodology to calculate plastic bag usage and re-usage in Hong Kong;
- Measure "switching" behaviours of consumers resulting from the levy implementation;
 and
- Review credit card/octopus card charges and other administration costs incurred by affected retailers.

We look forward to receiving a reply from you shortly.

Yours sincerely.

Caroline Mak

Chairman

Hong Kong Retail Management Association

c.c. Business Facilitation Advisory Committee

Retail Task Force

LegCo Panel on Environmental Affairs

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