

Submission to the Panel on Environmental Affairs on “A New Producer Responsibility Scheme for Waste Electrical and Electronic Equipments”

1. The Consumer Council (“CC”) is pleased to provide preliminary views to the Panel on Environmental Affairs on “A New Producer Responsibility Scheme for Waste Electrical and Electronic Equipments” (“Scheme”).
2. CC supports the introduction of a new producer responsibility scheme that imposes shared responsibility by various parties towards proper management of waste electrical and electronic equipment (“WEEE”).
3. The current Government proposal is for bulky electrical and electronic equipment and computer products to be regulated under the new Scheme. CC notes the Government reckons that 86% of WEEE in Hong Kong comes from these two categories and they generally contain more hazardous substances than other WEEE products. However the growing use of small household appliances, lighting equipment and other products such as mobile phones, digital cameras and video game equipment which consumers are more inclined to change in place of maintenance and repair may soon emerge as an environmental concern. CC therefore invites the Government to review the Scheme coverage from time to time for effective reduction of WEEE, to be managed under the Scheme or otherwise.
4. The Government proposes to appoint by open tender one or multiple WEEE management contractors to provide WEEE collection and processing services. As the fewer the market participants the greater the risk that competition will not evolve to its fullest extent, CC considers that conditions must be imposed as terms of the tender to safeguard against anti-competitive conduct.
5. It is envisaged that consumers as one of the stakeholders have to contribute to the costs of the WEEE Scheme. CC considers that which of the three charging methods suggested by the Government is preferable over the others is not immediately apparent when the level of contribution is yet to be determined. For instance, a visible fee collected from consumers as a separate payment on top of the retail price could serve as a useful reminder of environmental responsibility or conversely as a source of resentment depending on whether the fee is considered reasonable. CC is of the view that an appropriate charging method should observe certain basic principles:

- the fee should be reasonable
 - the charging method must be fair. Consumers along with manufacturers, importers, brand agents, distributors and retailers are all stakeholders in the ultimate production of WEEE. For that reason, justification is imperative if costs of the WEEE Scheme are to be borne in full by consumers;
 - the charging system should be accountable; and
 - the charging system should be subject to review/monitor to take account of changing circumstances.
6. For environmental considerations, CC supports the Government's proposals that:
- the handling of WEEE should be licensed;
 - permit controls in relation to the import and export of used regulated products and regulated WEEE should be imposed;
 - regulated WEEE should be banned from disposal as ordinary trash and be collected separately for recycling.
7. CC agrees that a convenient channel should be provided for collection of regulated WEEE, and CC supports the proposed free of charge mandatory take-back by retailers on a "new for old" basis. CC, however, is concerned that retailers may pass the take-back cost on to consumers obliquely instead of absorbing the costs involved. The Government may need to consider how to prevent abuse in this respect.
8. Dumping WEEE in landfill not only wastes resources some of which may be recyclable but also creates toxic substances which will remain for generations to come. CC therefore supports the new Scheme which aims to put in place an environmentally sustainable system to ensure that WEEE is processed in a responsible way. However, the performance of the WEEE Management Contractor should be subject to monitor, and it may be necessary for the Government to set a time frame for review of the effectiveness of the Scheme.