

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 228/11-12  
(These minutes have been seen  
by the Administration)

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**Panel on Environmental Affairs**

**Minutes of meeting**  
**held on Wednesday, 20 July 2011, at 10:45 am**  
**in Conference Room A of the Legislative Council Building**

- Members present** : Hon CHAN Hak-kan (Chairman)  
Hon Audrey EU Yuet-mee, SC, JP (Deputy Chairman)  
Hon James TO Kun-sun  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Prof Hon Patrick LAU Sau-shing, SBS, JP  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon CHAN Kin-por, JP  
Hon IP Wai-ming, MH  
Hon Tanya CHAN  
Hon Albert CHAN Wai-yip
- Members absent** : Hon WONG Yung-kan, SBS, JP  
Hon Miriam LAU Kin-ye, GBS, JP  
Hon Andrew CHENG Kar-foo  
Hon CHEUNG Hok-ming, GBS, JP
- Public officers invitation** : **For item III**
- Mr Carlson K S CHAN  
Deputy Director of Environmental Protection (3)  
Environmental Protection Department
- Mr Edmond HO  
Principal Environmental Protection Officer (Mobile Source)  
Environmental Protection Department

Miss Phidias TAM  
Senior Administrative Officer (Air Policy Division)  
Environmental Protection Department

**For item IV**

Mr Edward YAU  
Secretary for the Environment

Mr Albert LAM  
Deputy Director of Environmental Protection (2)  
Environmental Protection Department

Mr Samson LAI  
Assistant Director (Waste Management Policy)  
Environmental Protection Department

**Attendance by  
invitation**

**: For item IV**

Ir YIM Kin-ping  
Senior Vice Chairman  
Association of Engineering Professionals in Society

Mr Raymond HO  
Convener  
Momentum 107

Mr CHU Hon-keung  
Environmental Affairs Manager  
Friends of the Earth (HK)

Mr Angus HO  
Executive Director  
Greeners Action

Mr WONG Chor-ming  
Chairman  
Green · Recycling

Ms Ruth YU  
Executive Director  
Hong Kong Retail Management Association

Mr CHAN Yu-man  
Chairman's Personal Secretary  
Coalition of Hong Kong Newspaper and Magazine  
Merchants

Mr Alfred LEE  
Committee Member  
The Chinese General Chamber of Commerce

Mr CHIA Hoi-long  
Research Assistant  
Evergreen Association

Mr MAK Chan-chi  
President  
Hong Kong Plastic Bags Manufacturers' Association

Mr Robert YAN  
Director  
Green Manufacturing Alliance

Ms HO Ka-po  
Project Manager  
Green Sense

Mr Roy NG  
Chairman of Retail and Tourism Committee  
Hong Kong General Chamber of Commerce

**Clerk in attendance** : Miss Becky YU  
Chief Council Secretary (1)1

**Staff in attendance** : Mrs Mary TANG  
Senior Council Secretary (1)1

Miss Jacqueline CHUNG  
Council Secretary (1)1

Miss Mandy POON  
Legislative Assistant (1)1

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**I. Confirmation of minutes and matters arising**

- (LC Paper No. CB(1) 2663/10-11 — Minutes of the meeting held on 26 November 2010  
LC Paper No. CB(1) 2739/10-11(01) — List of follow-up actions  
LC Paper No. CB(1) 2739/10-11(02) — List of outstanding items for discussion)

The minutes of the meeting held on 26 November 2010 were confirmed.

2. Referring to the list of outstanding items for discussion, Ms Audrey EU enquired about the timing for discussion of the "Findings of public consultation – Producer Responsibility Scheme for Waste Electrical and Electronic Equipment". She suggested that the subject should be discussed as soon as practicable after the start of the next legislative session. The Chairman said that it was an established practice for the Chairman, the Clerk and the relevant Director of Bureau to meet at the beginning of each new legislative session to draw up a tentative work schedule and agenda of meetings for the Panel for the session.

**II. Information paper issued since last meeting**

3. Members noted the following information papers issued since last meeting -

LC Paper No. CB(1) 2694/10-11(01) — Referral arising from the meeting between Duty Roster Members and "群峰教育中心環境關注組" on 20 June 2011 regarding development of the Integrated Waste Treatment Facilities; and

LC Paper No. CB(1) 2766/10-11(01) — Sewage Services Operating Accounts Actual Outturn in 2009-10 and Projected Outturn in 2010-11.

**III. Motor Vehicle Idling (Fixed Penalty) Regulation**

(LC Paper No. CB(1) 2739/10-11(03) — Administration's paper on Motor Vehicle Idling (Fixed Penalty) Regulation)

4. At the Chairman's invitation, the Deputy Director of Environmental Protection (3) (DDEP(3)) briefed members on the making of subsidiary legislation under the Motor Vehicle Idling (Fixed Penalty) Ordinance (the Ordinance) (Cap.611) for implementing the statutory ban on idling vehicles with running engines. He said that the Administration planned to publish the subsidiary legislation in the Gazette in August 2011, and table it at a Legislative Council (LegCo) meeting in October 2011 for negative vetting. It was expected that the Ordinance and the subsidiary legislation would take effect in mid-December 2011.

5. Ms Audrey EU recalled that in the course of examination of the Motor Vehicle Idling (Fixed Penalty) Bill (the Bill), the Administration had undertaken to implement the Ordinance and its subsidiary legislation within six months after passage of the Bill. Given that the Bill had been passed in March 2011, the relevant subsidiary legislation should have been introduced into LegCo in August 2011. She questioned the rationale behind the delay for introducing the subsidiary legislation in October 2011. DDEP(3) said that there was a mutual understanding between the Bills Committee on the Motor Vehicle Idling (Fixed Penalty) Bill (the Bills Committee) and the Administration that the Ordinance and its subsidiary legislation would not take effect in the hot summer months. While the drafting of subsidiary legislation could be completed for publication in the Gazette in August 2011, given the intervening summer recess of LegCo, the scrutiny for the subsidiary legislation (if extended by resolution) would last until November 2011. Apart from drafting the subsidiary legislation, reasonable time was also required for development of the computer system, training of front-line staff, and launching of publicity programme. Therefore, the Ordinance and its subsidiary legislation were expected to commence some time in mid-December 2011.

6. In reply to Ms Audrey EU's further enquiry on the progress of publicity programme on the ban of idling vehicles with running engines, DDEP(3) said that the publicity programme had already commenced. In addition to displaying posters and banners in public places and shopping centres to remind drivers of the need to turn off idling engines, efforts had also been made to enhance the awareness of the public and the transport operators on the benefits of the ban and the relevant exemptions. As the Ordinance and the subsidiary legislation would come into operation on a date to be appointed by the Secretary for the Environment by notice published in the Gazette, which was also subject to LegCo's scrutiny, the exact date for implementation of the ban could not be publicized at this stage. Mr James TO considered that the most effective way to alert drivers of the need to turn off idling engines was through posting of notices and/or distributing of pamphlets at gas stations. DDEP(3) confirmed that notices would be displayed at gas stations, car parks, parking metres and shopping malls to remind drivers of the need to turn off idling engines. Briefing sessions for the transport trades would also be held.

7. Mr KAM Nai-wai was dissatisfied that the Administration had neither provided the draft Penalty and Demand Notices, nor an update on the progress of preparatory work for implementation of the ban on idling engines (such as deployment and training of staff, as well as educational and publicity efforts). Without such information, members might not have the confidence that the ban could be implemented by mid-December 2011. DDEP(3) said that it was the Administration's normal practice to publish the subsidiary legislation in the Gazette. In preparation for implementing the ban, additional posts had been created within the Police and the Environmental Protection Department (EPD). These included 18 traffic wardens (TWs), one inspector/senior inspector of Police, as well as two time-limited posts of one environmental protection inspector (EPI) and one environmental protection officer. One senior EPI post and one EPI post had also been created to conduct publicity/educational programmes, and to supplement the enforcement action of TWs and STWs in enforcing the idling prohibition during blitz operations. Training would be provided to TWs and EPIs in September 2011 to ensure smooth implementation of the ban when the Ordinance and the subsidiary legislation took effect in mid-December 2011. As agreed by the Bills Committee, a suitable grace period would be allowed during which offenders would be given warnings instead of immediate issue of penalty notices. DDEP(3) also undertook to follow up with the Department of Justice to see if the draft Penalty and Demand Notices could be made available for members' reference prior to Gazettal in August 2011.

#### **IV. Public consultation on the extension of the Environmental Levy Scheme on Plastic Shopping Bags**

##### Meeting with Association of Engineering Professionals in Society (LC Paper No. CB(1) 2767/10-11(01))

8. While acknowledging that the Environmental Levy Scheme on Plastic Shopping Bags (the Levy Scheme) had been successful in reducing the distribution of plastic shopping bags (PSBs) from registered retailers, Ir YIM Kin-ping, Senior Vice Chairman, noted from PSB manufacturers' associations that there had been an increase in the consumption of raw plastic materials, probably for manufacturing "flat-top" bags and garbage bags which were not covered under the existing Levy Scheme. He therefore supported extending the Levy Scheme to include all retailers and all shopping bags, be they plastic or non-plastic, degradable or non-degradable. Efforts should also be made to engender the "bring your own bag" (BYOB) concept. On the level of levy, he considered the existing fee of \$0.5 per PSB acceptable to the public. However, reviews should be conducted to ascertain whether the fee should be charged according to the number/capacity/size of PSBs, as well as the need to raise the fee to \$1 to ensure the continued effectiveness of the Levy Scheme.

There was also a need to carry out studies on the usable lives of PSBs to determine their impacts on the environment. Consideration should be given to using the levy to establish a fund to finance activities relating to environmental protection and nature conservation, with a view to promoting public awareness on the need to protect the environment. The Administration should also make reference to overseas experience in working out policies to tackle the problem of indiscriminate use of PSBs.

Meeting with Momentum 107

(LC Paper No. CB(1) 2781/10-11(01))

9. Mr Raymond HO, Convener, said that Momentum 107 was opposed to the Levy Scheme from the start because it was not effective in reducing waste, as evidenced by the experiences in Scotland and Ireland. A recent survey had indicated that raw plastic materials consumed by the plastic manufacturing industries in Hong Kong had increased by 27% over the last two years. This was attributed to the increase in the use of plastic garbage bags as consumers were no longer able to reuse PSBs from supermarkets for the collection of refuse following the introduction of the Levy Scheme. There was also a rise in the disposal of non-woven reusable bags which were more environment-unfriendly as they were indeed plastic and non-degradable. As such, Momentum 107 did not support the proposed extension of the Levy Scheme to all retailers lest this would add pressure to retailers. Besides, retailers might tend to distribute PSBs free of charge in order to attract more customers. They could also get round the levy by pre-packaging their goods and/or using paper bags which would result in more wastage. Momentum 107 therefore supported the shelving of the Levy Scheme.

Meeting with Friends of the Earth (HK) (FOE)

(LC Paper No. CB(1) 2767/10-11(02))

10. Mr CHU Hon-keung, Environmental Affairs Manager, said that FOE shared the concerns about indiscriminate use of PSBs, non-woven bags and flat-top bags. Therefore, it welcomed the proposed extension of the Levy Scheme to include all retailers, which was also supported by a majority of interviewees in a survey conducted by the Hong Kong University on the proposal. While the Levy Scheme was effective in reducing the use of PSBs, more efforts should be made to reduce and recycle waste, particularly those packaging materials. Reference should be made to the successful experience of Taiwan and South Korea in reducing waste.

Meeting with Greeners Action

(LC Paper No. CB(1) 2781/10-11(02))

11. Mr Angus HO, Executive Director, said that while supporting in full the

extension of the Levy Scheme to include all retailers and all types of plastic bags, with a view to reducing the indiscriminate use of PSBs, Greeners Action had the following views -

- (a) the remittance approach as in the case of Ireland was not practicable in Hong Kong as this would add administrative burden to retailers, particularly to those small and medium enterprises (SMEs). Besides, the levy collected under the remittance approach became part of the revenue and would not be used for environmental initiatives;
- (b) the retention approach would be more desirable to ease the burden of compliance by the retail industry as a whole;
- (c) the levy of 50 cents should apply to all PSBs, including non-woven bags, and the level of levy should be subject to review from time to time;
- (d) a transitional period of three to six months should be allowed for retailers to adapt to the extended Levy Scheme, and
- (e) education and publicity should be stepped up to enhance public awareness to avoid the indiscriminate use of PSBs.

Meeting with Green.Recycling

(LC Paper Nos. CB(1) 2767/10-11(03) and 2781/10-11(03))

12. Mr WONG Chor-ming, Chairman, said that PSBs were not environment-unfriendly as they were light, durable, reusable and could be manufactured under a simple process. Instead of extending the existing Levy Scheme, consideration should be given to introducing a voluntary scheme to reduce the use of PSBs. More efforts should also be made to assist the recycling industries to reduce and recycle waste with a view to easing the reliance on waste disposal at landfills. These included setting up sorting facilities near landfills to enable the recovery of recyclable materials. To reduce waste at source, incentives should be provided to encourage waste reduction by domestic households, and a waste charging scheme should be worked out for commercial and industrial waste. On the other hand, legislation should be introduced to regulate packaging and waste treatment. Education should also be stepped up to enhance public awareness on the need for environmental protection and waste recycling.

Meeting with Hong Kong Retail Management Association (HKRMA)  
(LC Paper No. CB(1) 2781-10-11(04))

13. Ms Ruth YU, Executive Director, said that the first phase of the Levy Scheme was a success as evidenced by the marked reduction of 90% of PSBs distributed by registered retailers. It also helped develop a BYOB habit among the public. As the first phase only covered some 3 000 retail outlets, there was a need to extend the Levy Scheme to include all 60 000 retail outlets in Hong Kong to ensure a greater success. In view of the administrative burdens for compliance with the remittance approach, HKRMA would support the retention approach under which the charge collected from distribution of PSBs was to be retained by retailers. With the extension of the Levy Scheme to cover all retailers, there was a need to clarify whether the term "retailer" would cover clinics, banks, on-line vendors and tour agencies etc. Consideration should be given to exempting PSBs used for carrying fresh food, temperature-controlled food, prescribed medicines, as detailed in HKRMA's submission. A transitional period should also be allowed for retailers to adapt to the extended Levy Scheme. Meanwhile, more efforts should be made to promote public awareness on the need to protect the environment.

Meeting with Coalition of Hong Kong Newspaper and Magazine Merchants (CHKNMM)

14. Mr CHAN Yu-man, Chairman's Personal Secretary, said that CHKNMM supported the proposed extension of the Levy Scheme to cover all retailers and all types of PSBs, particularly those for newspapers which were too thin to be re-used. The distribution of free PSBs for newspapers would increase the operating cost of newspaper vendors on the one hand, and the disposal of a large number of these PSBs would add pressure to the landfills on the other. The proposed extended Levy Scheme would suitably transfer the cost to customers. To reduce compliance cost and obviate the associated registration and reporting requirements, CHKNMM hoped that the retention approach could be adopted.

Meeting with The Chinese General Chamber of Commerce (CGCC)  
(LC Paper No. CB(1) 2767/10-11(04))

15. Mr Alfred LEE, Committee Member, noted that members of the public were more accustomed to the BYOB habit following the implementation of the first phase of the Levy Scheme. Therefore, CGCC supported the proposal to extend the Levy Scheme to cover all retailers regardless of their scale as this would further help prevent the indiscriminate use of PSBs. CGCC also supported that flat-top bags should be covered under the extended Levy Scheme, but consideration should be given to exempting PSBs directly used for carrying food for hygiene reasons. As the remittance approach would create much administrative burden on SMEs, CGCC would support the retention approach to

allow retailers to retain the charges collected. Spot checks should be stepped up to ensure compliance with the extended Levy Scheme.

Meeting with Evergreen Association  
(LC Paper No. CB(1) 2772/10-11(01))

16. Mr CHIA Hoi-long, Research Assistant, said that in association with the Housing Policy Consultative Committee students of the Polytechnic University and The Hong Kong University had recently conducted a survey in some housing estates in Kowloon and New Territories, on the acceptability of the proposed extension of the Levy Scheme. The outcome of the survey revealed that about 50% of interviewees were aware of the proposed extension of the Levy Scheme. While there was general support for most of the proposals in the Consultation Document on the extension of the Levy Scheme, there were dissenting views on how the charges collected should be handled. Some interviewees were opposed to the retention approach lest retailers might offer rebates to offset the levy to please customers, thereby defeating the purpose of the Levy Scheme. Besides, the levy collected should rightfully be used to support environmental causes. Other interviewees were concerned that the remittance approach would create much administrative burden on SMEs. Taking into account the pros and cons of different approaches, Evergreen Association considered that the levy should be charged on wholesalers, manufacturers and importers of PSBs direct. Education and publicity efforts should be stepped up to enhance public awareness on the need to avoid indiscriminate use of PSBs.

Meeting with Hong Kong Plastic Bags Manufacturers' Association (HKPBMA)  
(LC Paper No. CB(1) 2781/10-11(06))

17. Mr MAK Chan-chi, President, said that HKPBMA was opposed to the Levy Scheme as it ran contrary to the "3R" policy of waste reduction, recycling and reuse. Following the implementation of the Levy Scheme, there had been an increase in landfill disposal of PSBs from sources other than registered retailers. One of the reasons was that the public could no longer use free PSBs from supermarkets as garbage bags, and had to buy their own garbage bags which were much larger and contained more plastic materials. There was also an increase in environment-unfriendly non-woven bags made from plastic which were not recyclable. Instead of imposing levy on PSBs, HKPBMA considered that efforts should be made to encourage and facilitate waste reduction and recycling.

Meeting with Green Manufacturing Alliance (GMA)

18. Mr Robert YAN, Director, said that the Levy Scheme was the first Product Responsibility Scheme (PRS) taken forward by the Administration.

While agreeing to the need to prevent indiscriminate use of PSBs, more should be done to promote the "3R" approach of waste reduction, recycling and reuse. As the recent landfill surveys had revealed an increase in disposal of PSBs from sources other than registered retailers, this had demonstrated that the Levy Scheme had not been effective in deterring the use of PSBs because there was a genuine need for PSBs in everyday life. In this connection, consideration should be given to exempting degradable PSBs from the Levy Scheme. The Administration should also work out a more comprehensive policy on waste reduction and recycling, particularly on the regulation of packaging. GMA suggested that the levy collected from the Levy Scheme should be used to finance educational programmes to enhance public awareness on the need for waste reduction and recycling.

#### Meeting with Green Sense

(LC Paper No. CB(1) 2767/10-11(05))

19. Ms HO Ka-po, Project Manager, said that Green Sense supported the proposed extension of the Levy Scheme to cover all retailers and all types of PSBs, including flat-top bags which had been used to circumvent the mandatory levy. On the handling of charges, both the remittance and retention approaches had their advantages and disadvantages. While the remittance approach could facilitate better control, it would create administrative burden on SMEs. On the other hand, the retention approach would be easier to administer but more spot checks would be required to ensure compliance with the Levy Scheme. Instead of a flat rate of 50 cents for each PSB distributed, consideration should be given to setting different levels of charges for different sizes of PSBs. Green Sense supported the polluter-pays principle and hoped that PRS on Waste Electrical and Electronic Equipment, and the Waste Charging Scheme for Domestic Waste could be implemented as soon as practicable to ease the pressure on landfills.

#### Meeting with Hong Kong General Chamber of Commerce (HKGCC)

20. Mr Roy NG, Chairman of Retail and Tourism Committee, considered it unjustified that only large supermarkets, convenience stores as well as personal health and beauty stores (accounting for about 4% of retailers in Hong Kong) should be covered under the First Phase of the Levy Scheme. Therefore, HKGCC welcomed the proposed extension of the Levy Scheme to cover all retailers to restore the level playing field in the retail market. This would also help further reduce the amount of waste to be disposed of at landfills. HKGCC also welcomed the proposal to abolish the requirements for retailers to keep records of PSBs distributed, and to maintain a separate account for the charges collected under the remittance approach. SMEs in particular would find it costly and cumbersome to comply with such requirements. The proposed change should apply to all retailers as it would run contrary to the principle of

fairness if the registered retailers under the First Phase could not benefit from this business-friendly policy. HKGCC agreed that PSBs used directly for carrying food should be exempted for the sake of food hygiene. The Administration should discuss the exemption arrangements with the retail sector to ensure that any requirements and definitions related to food hygiene would be clear to both retailers and consumers. In addition, the Administration should educate the public on the definition of non-woven bags which were not entirely environment-friendly. To conclude, it was hoped that the extended Levy Scheme could be implemented as soon as practicable, and that the related arrangements would be clear, fair and reasonable.

21. Members also noted the following submissions from deputations/individual not attending the meeting -

- LC Paper No. CB(1) 2739/10-11(04) — Submission from Designing Hong Kong;
- LC Paper No. CB(1) 2739/10-11(05) — Submission from Mr YEUNG Wai-sing, member of the Eastern District Council;
- LC Paper No. CB(1) 2739/10-11(06) — Submission from Advisory Council on the Environment;
- LC Paper No. CB(1) 2767/10-11(06) — Submission from Federation of Hong Kong Industries;
- LC Paper No. CB(1) 2767/10-11(07) — Submission from The Hong Kong Institution of Engineers;
- LC Paper No. CB(1) 2767/10-11(08) — Submission from Consumer Council; and
- LC Paper No. CB(1) 2772/10-11(02) — Submission from Economic Synergy.

Meeting with the Administration

- (LC Paper No. CB(1) 2739/10-11(07) — Paper on Environmental Levy Scheme on Plastic Shopping Bags prepared by the Legislative Council Secretariat (updated background brief))

Relevant paper

(LC Paper No. CB(1) 2193/10-11(04) Administration's paper on public consultation on the extension of the Environmental Levy Scheme on Plastic Shopping Bags)

22. At the invitation of the Chairman, the Secretary for the Environment (SEN) responded to deputations' views. He said that the environmental levy for PSBs was meant to create a direct economic disincentive to encourage customers to reduce the indiscriminate use of PSBs. The Levy Scheme was not intended to generate revenue but to assist in developing the BYOB habit. As evidenced by the quarterly returns submitted by registered retailers since the launch of the Levy Scheme in July 2009, the actual annual levy income collected was only one-tenth of the annual levy revenue as originally estimated, showing that members of the public had indeed used much fewer PSBs than expected. According to the landfill survey findings, landfill disposal of PSBs distributed by regulated retail categories of supermarkets, convenience stores and medicare and cosmetics registered over 75% decrease in mid-2010 when compared with the same in mid-2009. Taking into account the estimation that about 65% of the pre-levy PSB distribution under the retail categories could be attributable to registered retail outlets under the Levy Scheme, the reduction in PSBs distributed by registered retailers since the launch of the Levy Scheme in July 2009 could be as high as 90%. These retailers contributed to 14% of the total PSB disposal in mid-2009 before the implementation of the Levy Scheme and the proportion dropped to some 3% as at mid-2010. Also given the significant increase of 6.7% of PSB disposal originated from other sources, the Administration considered it opportune to expand the coverage of the Levy Scheme to include all retailers and all types of PSBs, including flat-top bags and non-woven bags, with a view to further reducing the indiscriminate use of PSBs. With the proven results in using economic disincentives to induce behavioural change in the public, the Administration would endeavour to introduce the PRS for Waste Electrical and Electronic Equipment soon. Meanwhile, continued efforts would be made to reduce and recycle waste, including the provision of assistance to developments in the treatment of food waste at community level.

First Phase of the Levy Scheme

23. Mr CHAN Kin-por enquired about the compliant situation of and the enforcement actions taken against non-compliance with the first phase of the Levy Scheme. SEN said that as most of the registered retailers under the first phase of the Levy Scheme were operating chain stores with the needed administrative capability in meeting the requirements under the remittance approach, monitoring of these registered retailers had been effective. The Assistant Director of Environmental Protection (Waste Management Policy)

supplemented that since the launch of the Levy Scheme in 2009, prosecutions were brought against one registered retailer and his franchisee, both of whom had been convicted for a fine of \$4,000.

### Full extension of the Levy Scheme

24. Mr LEE Wing-tat said that Members belonging to the Democratic Party had all along been supporting the Levy Scheme which turned out to be a success in fostering a behavioural change among customers who now brought their own bags when shopping at supermarkets and convenience stores. However, he had reservation on expanding the Levy Scheme to cover all retailers. Instead of a full extension, consideration should be given to adopting an incremental approach to include retailers operating above a certain scale in the second phase of the Levy Scheme. Subject to the success of the second phase, further extension could then be considered. SEN said that according to the Census and Statistics Department, there were about 60 000 retail establishments in Hong Kong, most of which were operated by SMEs. Therefore, an incremental approach could only achieve modest extension as the vast majority of retail outlets would continue to fall outside the mandatory PRS. Nevertheless, the Administration would welcome views from the public on the proposed full extension of the Levy Scheme.

### *Specific coverage*

25. Mr CHAN Kin-por enquired about the resource implications associated with the monitoring and handling of disputes under the extended Levy Scheme. SEN said that if the Levy Scheme was to be extended to cover all retailers, there would be a need to ascertain the capability of SMEs in complying with the administrative requirements. Appropriate monitoring was also required to ensure compliance by all retailers.

26. Ms Audrey EU asked if the Administration would consider exempting degradable PSBs from the Levy Scheme. SEN advised that there was no acceptable standard on the degradability of PSBs. Given that PSBs would require a long time to degrade after disposal at landfills, no exemption had been granted for degradable PSBs lest this would encourage the indiscriminate use of such PSBs.

### *Handling of charges*

27. Ms Cyd HO was concerned that under the proposed retention approach in the handling of charges, some retailers might tend to provide free PSBs to attract customers, thereby defeating the purpose of the extended Levy Scheme. Her views were shared by Mr IP Wai-ming. Mr CHU Hon-keung/FOE said that spot checks should be stepped up if the retention approach was adopted. SEN

said that the practicality of the remittance or retention approach would be assessed, taking into account the impact on SMEs.

### Recycling of PSBs

28. Ms Audrey EU sought deputations' views on the means to encourage the recycling of PSBs. Mr MAK Chan-chi/HKPBMA said that there was a lack of an effective mechanism for the recycling of PSBs. He suggested that arrangements should be worked out for the collection of used PSBs at supermarkets to encourage the recycling of PSBs. Free sites should also be provided for PSB recyclers. Mr WONG Chor-ming/Green Recycling supported that incentives be provided to encourage waste reduction as this would reduce the pressure on landfills. SEN clarified that segregation bins were made available for the collection of plastic and used PSBs. It was worth noting that the amount of recycled plastic had been on the rise since 2007. The Administration would be pleased to cooperate with the recycling industries in encouraging the recycling of waste.

29. Ms Cyd HO held the view that the Administration and District Councils should cease distributing free non-woven bags when promoting the BYOB culture as this had resulted in the generation of unnecessary waste. To justify the proposed extension of the Levy Scheme, the Administration should provide more up-to-date statistics, particularly when there appeared to be an increase in the production of plastic bags following the launch of the Levy Scheme. To facilitate the switch from manufacture to recycling of PSBs, she opined that the Administration should provide the necessary assistance to PSB manufacturers. SEN assured members that efforts would be made to avoid the generation of unnecessary waste. Regular landfill surveys would be conducted to ascertain the amount of PSBs and other bags disposed of at landfills. Mr MAK Chan-chi/HKPBMA thanked Ms HO's concern about the survival of PSB manufacturers. He could not agree that the Levy Scheme was a success given that there was an increase in landfill disposal of PSBs from sources other than registered retailers.

30. Mr Albert CHAN found it absurd that the Administration had been using large plastic bags to collect small amounts of recyclables, which in his view was contrary to the principle of waste avoidance. Given that the amount of waste generated per person in Hong Kong had far exceeded that in Taiwan and South Korea, he opined that more efforts should be made in reducing waste at source rather than expanding the existing Levy Scheme. Consideration should be given to mandating source separation of waste by legislation. Expressing similar concerns, Mr IP Wai-ming opined that education and publicity efforts should be stepped up to promote the separation of dry and wet waste which was very useful in facilitating waste reduction and recycling. SEN said that the Levy Scheme was but one of the measures to reduce waste. The Administration

would continue with its "3R" policy to reduce, recycle and reuse waste. At present, three-coloured separation bins were available at 80% of housing estates in Hong Kong. The recycling rates for domestic waste as well as commercial and industrial waste were 35% and 65% respectively. He nevertheless agreed that there was room for further waste reduction through behavioural change of the community and introduction of other waste reduction measures, including charging of municipal solid waste as well as separation/treatment of food waste at source. In fact, a number of housing estates had secured funding from the Environment and Conservation Fund for recycling of food waste as compost. Mr LEE Wing-tat said that there should be more cooperation between the Hong Kong Housing Authority and the Environmental Protection Department in educating tenants on the need for source separation of waste at public housing estates.

**V. Any other business**

Subcommittee on Improving Air Quality

(LC Paper No. CB(1) 2731/10-11 — Report on the work of the Subcommittee on Improving Air Quality in the 2010-2011 session

31. Members noted the progress of work of the Subcommittee, and agreed to re-appoint the Subcommittee in the 2011-2012 session.
32. There being no other business, the meeting ended at 12:55 pm.