

**INFORMATION NOTE FOR
ESTABLISHMENT SUBCOMMITTEE OF
FINANCE COMMITTEE**

This note seeks to provide supplementary information in response to Members' enquiries at the meeting of the Establishment Subcommittee ("ESC") on 23 June 2015, regarding the Environment Bureau's proposal vide EC(2015-16)3.

(a) *the deliverables and the relevant timeframes for completing the various tasks in the development phase of quantity-based municipal solid waste ("MSW") charging in Hong Kong with reference to the work plan set out in paragraph 4 of and Enclosure 1 to EC(2015-16)3, and the road map and timetable for the actual implementation of MSW charging*

2. In terms of road map, we will strive to get ready the legislative proposals for the enabling legislation of the charging system as soon as practicable within the 2016/17 legislative session, i.e. the first session in the new Legislative Council ("LegCo") term. According to the recommendations by the Council for Sustainable Development ("SDC"), after all necessary legislative provisions have been enacted by the LegCo, there should be a "preparatory phase" of 12 to 18 months before the legislation comes into effect. Hence, assuming that the LegCo scrutiny will take 9 to 12 months and the recommendations of the SDC would be accepted, the enabling legislation can be enacted by end 2017/early 2018 and could take effect roughly in the first half of 2019 under this scenario.

3. An inter-departmental working group comprising representatives of Food and Environmental Hygiene Department ("FEHD"), Housing Department, Home Affairs Department, and led by Environment Protection Department ("EPD") has been convened to co-ordinate and take forward the preparatory work. Where necessary, representatives from other relevant departments will also be co-opted. As mentioned in paragraph 4 of EC(2015-16)3, there are four key areas of our preparatory work for the implementation of quantity-based MSW charging in Hong Kong. Major tasks under each of these action areas have been outlined in Enclosure I to EC(2015-16)3. The final deliverables under individual tasks and the target timeframes are as follows –

(I) formulating effective implementation plans to give effect to the charging mechanism at the various types of MSW reception points

4. The final deliverables will include an implementation plan for each type of MSW reception points, including (i) refuse transfer stations (“RTSs”) and landfills operated by EPD; and (ii) refuse collection points (“RCPs”) and refuse collection vehicles (“RCVs”) operated by FEHD. These implementation plans will comprise operation manuals for the responsible public officers and/or contractors, training and practical guides for the relevant sectors and their employees, and other relevant information (such as publicity and public education materials). They must be developed in the context of the regulatory regime. We have commenced early preparatory work and will progressively work out the materials as we draw up the enabling legislation. We will also seek to acquire necessary resources for implementation of the implementation plans.

5. Our target is to draw up the draft implementation plans by the time we introduce the legislative proposals into the LegCo in the 2016/17 legislative session, and finalise them before the legislation comes into operation. [Ref: paragraphs 1 to 4 of the Enclosure I to EC(2015-16)3]

(II) development of relevant complementary systems

6. The final deliverables will include upgraded hardware in support of the charging system. At this stage, we envisage that we need to (i) retrofit all RCVs operated by or on behalf of FEHD by installing an automated bin-counting system and the related billing system to support the interim charging mechanism on the basis of “by volume of waste disposed by the building”; (ii) suitably upgrade the existing software and hardware that supports the gate fee systems at the landfills and RTSs; (iii) determine the optimal design for the designated garbage bags and develop a supply chain for their sales to different MSW producers; and (iv) review the design and distribution of public litter bins and recycling bins at public places taking into account the implementation of quantity-based MSW charging. We will also assess the scope of improvement works for FEHD’s RCPs and take necessary actions based on the assessment findings.

7. Our target is to get ready all relevant complementary systems by end 2018, in good time before MSW charging actually takes effect. [Ref: paragraphs 5 to 9 of the Enclosure I to EC(2015-16)3]

(III) stepping up of public education and community involvement programmes

8. The final deliverables will include a total of 18 Community Green Stations (“CGSs”) which will promote green living and waste reduction at source as well as increase the recyclable collection capacity at the community level. In addition, we will provide support to community involvement programmes to prepare different sectors including residential buildings with and without property management, institutions, commercial buildings, industrial premises etc. for the implementation of quantity-based MSW charging through the Environment and Conservation Fund which has recently earmarked a provision of \$50 million for this purpose.

9. Our target is to complete the CGSs network by 2018. We also aim to encourage eligible organizations to submit funding proposals for suitable community involvement programmes (including but not limited to trial schemes) starting from the first quarter of 2016 until MSW charging is actually implemented. [Ref: paragraphs 10 to 12 of the Enclosure 1 to EC(2015-16)3]

(IV) drafting of the enabling legislation to provide the legal basis for implementation of MSW charging

10. The final deliverables will be a blue bill for the necessary legislative amendments. As mentioned in paragraph 2, we will strive to get ready the legislative proposals as soon as practicable within the 2016/17 legislative session. [Ref: paragraph 13 of the Enclosure 1 to EC(2015-16)3]

(b) key performance indicators of the Waste Management (Special Duties) Division (“SDD”) and the two proposed supernumerary posts in respect of MSW charging in the coming three years

11. One key performance indicator of the SDD and the two proposed supernumerary posts in respect of MSW charging is the extent to which the deliverables mentioned in the above can be timely prepared and implemented in accordance with the stated target timeframe.

12. In order to make good progress in the preparatory work, EPD has started a thorough assessment of the legislative proposals or amendments

required in consultation with relevant departments and aims to commence law drafting as soon as practicable. In parallel, a stock-taking trawl is underway to collect comprehensive information on the actual refuse collection arrangements in all residential buildings so that the future statutory regulatory framework and best practice guidelines can cater for different scenarios. Publicity, public education and community engagement through CGSs, stakeholder forums and other means will be an on-going process.

13. We will closely engage the relevant stakeholders at different stages and will from time to time report progress to the Advisory Council for the Environment.

(c) *the arrangements for the existing work of the policy divisions under the supervision of Deputy Director of Environmental Protection (2) after the transfer of the Waste Management Policy Division to the supervision of the newly created Deputy Director of Environmental Protection (4) post*

14. After the reorganization, the Waste Management Policy Division (“WMD”) will continue to be responsible for the progressive implementation of producer responsibility schemes including the existing initiatives on plastic shopping bags, waste electrical and electronic equipment and glass beverage containers as well as potential expansion to other products. The WMD will also be responsible for the implementation of the CGSs initiative, including facility development until one CGS is provided in each of the 18 districts and periodic operational review with a view to synergising the CGSs operation with PRSs and other waste reduction policies and programmes.

15. The Deputy Director of Environmental Protection (2) (“DDEP(2)”) will continue to head up the Environmental Infrastructure Division, the Nature Conservation and Infrastructure Planning Division and the Waste Reduction and Recycling Division. The main duties of DDEP(2) and the three divisions above are set out in Enclosures 5(a) and 5(b) to EC(2015-16)3.

**Environment Bureau/ Environmental Protection Department
July 2015**