Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Bill 2015 ("the Bill") Debate and voting arrangements

Main object of the Bill: To implement a mandatory producer responsibility scheme on

certain electrical equipment and electronic equipment by amending the Product Eco-responsibility Ordinance ("PERO")

(Cap. 603) and the Waste Disposal Ordinance (Cap. 354).

First debate : Clauses with no - Clauses 1, 3 to 7, 10 to 13 and

amendment 17 to 22

Voting : To vote on the above clauses standing part of the Bill

Second debate : Clauses with amendments – Clauses 2, 8, 9, 14, 15, 16 and 23

proposed by the Secretary for the Environment

("SEN")

Joint debate on the original clauses and the amendments thereto.

Clauses 2 and 8

- <u>In view of the newly added clause 2A (relating to charging of a recycling levy), to make consequential amendments to the following clauses</u>
 - (a) to amend the numbering in clause 2; and
 - (b) to amend the proposed section 31 in clause 8 by substituting the definition of "recycling fee" with the definition of "recycling levy". In addition, in the proposed sections 36(3)(b), 37(1), (2) and (3), 38(2)(a) and (3), 40(1)(b), 40(3)(a) and (b), 40(7), 40(8)(b), 40(9), 40(11)(a) and (b), 40(12) and (13) and 44(1)(c) and (d), and the headings of sections 37 and 40, to substitute "recycling fee" with "recycling levy", and to delete the proposed section 44(3).

Clause 8

- To amend a number of definitions in the proposed section 31 and the proposed sections 32, 35, 37 and 40
 - (a) to substitute "selling" in the definition of "consumer" with "distributing" for consistency with the reference to "distributing" in the definition of "seller";
 - (b) to amend the definition of "distribute" to make it more appropriate for the relevant transactions in the context of regulated electrical equipment ("REE") and explicitly exclude the supply of REE to outside the local market, and to make consequential amendments to the proposed sections 32(1), 35(1), 37(1)(b) and the heading of section 32. In addition, in view of the proposed amendments to sections 32(1) and 37(1)(b), to amend the proposed section 40(1)(b) to expressly state that section 40 (Recovering recycling levies by assessment notice) as amended would apply if a person distributes or uses any REE without having paid the Director of Environmental Protection the recycling levy payable under the proposed section 37 for the equipment;

- (c) to amend the definition of "seller" to expressly state that a "seller" does not include a person who only provides service for transporting REE that does not belong to the person for another person (i.e. not including logistics companies);
- (d) to make a textual amendment to the definition of "supplier" and make a consequential amendment to the proposed section 37(1)(a)(ii);
- (e) to amend the definition of "use" to cover the giving of REE to another person as a prize or gift whether or not for business purposes; and
- (f) to add the definition of "tenant" which is originally provided in the proposed section 35(6), and delete the subsection in the section.

- To amend the proposed sections 33 and 34

to specify when the Director of Environmental Protection must register a person as a registered supplier and must cancel the registration of the supplier.

- To amend the proposed sections 35(4), 41 and 42

to enable property developers, landlords, interior design companies, etc. to provide REE for a residential property in the course of sale, letting or renovation of the property without having to comply with the proposed sections 35(1), 41(1), 42(2), 42(4) and 42(5) in respect of the provision of recycling labels and removal service under certain circumstances, so that the scope of affected trades will not be widened unnecessarily, and to make consequential or technical amendments to the related provisions.

- To amend the proposed section 37

to amend the proposed section 37(2) to clarify that under the proposed section 37 on payment of the recycling levy, a registered supplier is required to pay the levy only once for any REE.

- To amend the proposed sections 38 and 42

to separate the relevant provisions on penalty into two subsections in the proposed sections 38(5) and 42(6) respectively.

- To amend the proposed section 40

in the proposed section 40(11)(b), to amend "茂" to "或" to stipulate that the person concerned is liable to pay an additional surcharge if, at the expiry of 6 months after the period mentioned in the proposed section 40(9), the person has not paid the recycling levy or the surcharge under section 40(11)(a).

- To amend the proposed section 44

to amend section 44(1) to provide a clear basis for the Director of Environmental Protection to make future subsidiary legislation on determination of an application for registration as a registered supplier and the cancellation of registration.

Clause 9

- In the English text of the proposed Schedule 6 to PERO, to amend the term "modulator" to "tuner (or a receiver)" in the definition of television to align the Chinese and English texts.

Clauses 14 and 15

- To make similar textual amendments to the Chinese texts of the proposed sections 20A(1)(c) and 20B(1)(c) respectively.

Clause 16

- To amend the proposed section 20G(6) to clarify that the section is only applicable to the defence under the proposed section 20G(5) that if a person charged with an offence under section 20E for the import or export of any e-waste that is not chemical waste, it is a defence to the charge for the person to establish that the electrical equipment or electronic equipment concerned did not fall within the definition of that equipment in column 3 of the proposed Schedule 6 to PERO, while section 20G(6) is not applicable to the defence under section 20G(1).

Clause 23

- To make a textual amendment to the Chinese text of the proposed section 3AB.

Voting

: To vote on the above amendments together, and then vote on the original clauses or the clauses as amended standing part of the Bill

Third debate

: New clause proposed by - Clause 2A

SEN

New clause 2A

- To amend section 2(2)(c) of PERO to provide for the charging of a recycling levy.

Voting

: To vote on the above added new clause

SEN's amendments

(Printed in LC Paper No. <u>CB(3) 340/15-16</u> issued on 28 January 2016)

Council Business Division 3
<u>Legislative Council Secretariat</u>
1 March 2016