Bills Committee on Energy Efficiency (Labelling of Products) Bill 2007

The Administration's response to Action Items 1 to 3 raised at the Bills Committee meeting on 4 October 2007

Fluorescent Lamp Recycling Programme

Working Group with the Trade

In October 2007, the Environmental Protection Department (EPD) formed a Working Group with representatives of fluorescent lamp suppliers to consider how to promote the proper collection and recycling of used compact fluorescent lamps (CFLs). The Working Group agreed in early November 2007 to set up a voluntary Fluorescent Lamp Recycling Programme (the "Programme"), under which the costs of collection and treatment of the used fluorescent lamps at the Chemical Waste Treatment Centre (CWTC) will be shared by the participating companies. We are now inviting fluorescent lamp suppliers to join the Programme.

Waste Collection Arrangement

- 2. The Programme will collect all brands of fluorescent lamps, including fluorescent tubes and CFLs, from domestic households. To facilitate the public to make use of the Programme's service, a combination of collection modes will be adopted, including -
 - (a) regular collection service at participating housing estates;
 - (b) collection points set up at retail outlets and service centers of the participating companies; and
 - (c) mobile collection vehicle.

We will also solicit the support of other organizations (e.g. retail chain stores) to provide additional collection points.

Financial Incentives

3. The Working Group has considered whether incentives such as discount coupons should be provided to encourage public participation in the Programme. Members of the trade observe that financial incentives are usually adopted by individual suppliers as a short-term marketing strategy to promote their brands. A trade-wide financial incentive under the Programme could at best have a short term effect in encouraging public participation and is unlikely to be sustainable. However, individual participating companies may offer financial incentives for their products if they see fit. Continuing education on the benefits of using CFLs and their proper disposal would be the best means to encourage the public to switch

from incandescent lamps to CFLs and participate in the Programme.

Consideration has also been given as to whether the disposal charge for the treatment of used CFLs at the CWTC could be waived. Under section 6 of the Waste Disposal (Charges for Disposal of Chemical Waste) Regulation (Cap.354J), the Director of Environmental Protection (DEP) may reduce or waive, in whole or in part, any charge payable under Cap 354J if DEP is satisfied that the charge would, if imposed, be unduly burdensome or inappropriate in the circumstances of a particular case. Currently, the disposal of used CFLs at the CWTC is subject to a charge of \$1,130 per tonne¹, or about \$0.20 for each CFL. This represents only 46.5% of the variable operating cost of the treatment facility at the CWTC, and does not include the capital and fixed operating costs of the CWTC. As such, and with the trade's agreement to fund the Programme for the recycling of used fluorescent lamps collected from domestic households, we consider it unnecessary to waive the charge for the treatment of used fluorescent lamps at the CWTC. The payment of disposal charge is also in line with the user-pays principle.

<u>Implementation Timetable</u>

- 5. A Programme Committee comprising all participating companies will be set up by early January 2008 to finalize the logistical arrangements of the Programme (such as the setting up of collection network, the appointment of used fluorescent lamp collector, and the design of publicity materials and collection boxes), with a view to launching the Programme in March 2008. We will step up our publicity effort to encourage the public to make use of the Programme's service.
- 6. Apart from the trade-wide Programme, EPD has also been encouraging individual suppliers to organize pilot collection schemes. We note that a major CFL supplier is going to launch a six-month pilot scheme in late November 2007 in collaboration with a retail chain store. Designated collection boxes for used CFLs will be placed at the retail outlets to collect used CFLs for disposal at the CWTC.

Environment Bureau Environmental Protection Department November 2007

¹ The disposal charge has been adjusted from \$1,027 per tonne to \$1,130 per tonne after the commencement of the Waste Disposal (Charges for Disposal of Chemical Waste) (Amendment) Regulation on 9 November 2007.