

LC Paper No. CB(1) 1222/07-08 (These minutes have been seen by the Administration)

Ref : CB1/BC/4/07/2

Bills Committee on Product Eco-responsibility Bill

Minutes of the third meeting held on Thursday, 13 March 2008, at 4:30 pm in Conference Room A of the Legislative Council Building

Members present	:	Hon CHOY So-yuk, JP (Chairman) Hon CHAN Yuen-han, SBS, JP Hon SIN Chung-kai, SBS, JP Hon Emily LAU Wai-hing, JP Hon Audrey EU Yuet-mee, SC, JP Hon LEE Wing-tat Hon WONG Ting-kwong, BBS
Members absent	:	Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP Hon Miriam LAU Kin-yee, GBS, JP Hon Vincent FANG Kang, JP Hon Andrew LEUNG Kwan-yuen, SBS, JP
Public officers	:	For item II
attending		Environmental Protection Department
		Mr Raymond FAN Deputy Director of Environmental Protection
		Mr Alfred LEE Assistant Director (Waste Management Policy)
		Mr TE Chi-wang Senior Administrative Officer (Waste Management Policy Division)
		Mr Patrick LIU Senior Environmental Protection Officer (Regional South)

Department of Justice

Miss Shandy LIU Senior Government Counsel Law Drafting Division

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

Staff in attendance : Miss Kitty CHENG Assistant Legal Adviser 5

> Mrs Mary TANG Senior Council Secretary (1)2

I Confirmation of minutes

(LC Paper No. CB(1) 1010/07-08

-- Minutes of the meeting held on 23 February 2008)

The minutes of the meeting held on 23 February 2008 were confirmed.

II	Meeting with the Administration	
	(LC Paper No. CB(1) 837/07-08(13)	 List of follow-up actions arising
		from the discussion on
		24 January 2008
	LC Paper No. CB(1) 837/07-08(14)	 Administration's response to LC
		Paper No. CB(1) 837/07-08(13)
	LC Paper No. CB(1) 1032/07-08(01)	 Assistant Legal Adviser's letter
		dated 3 March 2008 to the
		Administration
	LC Paper No. CB(1) 1032/07-08(02)	 Administration's response to
		CB(1) 1032/07-08(01)
	LC Paper No. CB(1) 1032/07-08(03)	 Summary of deputations' views on
		individual clauses of the Bill)

- 2. The Committee deliberated (Index of proceedings attached at Annex A.
- 3. The Administration was requested to -
 - (a) consider using part of the levy collected to provide financial incentives for both prescribed retailers and consumers to facilitate the recycling of used plastic shopping bags. These might be in the forms of refund for consumers for every specified clean used plastic

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shopping bag returned, and subsidy for administrative cost incurred by prescribed retailers to earmark certain areas within their outlets for the collection of clean used plastic shopping bags returned by consumers;

- (b) advise the impact of the anticipated removal of certain public cargo working areas on local recyclers, and the measures which would be taken to address the problem and to facilitate the development of recycling industry in Hong Kong;
- (c) advise the cost and locations of the some 28,000 three-coloured recycling bins, the management cost for collection of recyclables from these bins as well as the revenue from the sales of these recyclables;
- (d) advise the measures, in addition to the proposed levy on plastic shopping bag and the three-coloured recycling bin, which could/would be taken to substantially increase the amount of used plastic bags for recycling; and
- (e) review the Bill, including clauses 18(4) and 19(2), such that future amendments to subsidiary legislation and Schedules 1, 2, 3 and 4 to the Bill would be subject to the positive vetting procedure.

III Any other business

4. There being no other business, the meeting ended at 6:30 pm.

Council Business Division 1 Legislative Council Secretariat 11 April 2008

Proceedings of the Bills Committee on Product Eco-responsibility Bill Meeting on Thursday, 13 March 2008, at 4:30 pm in Conference Room A of the Legislative Council Building

Time Marker	Speaker	Subject(s)	Action Required
000000 - 000157	Chairman	Confirmation of minutes of the meeting held on 23 February 2008 (LC Paper No. CB(1) 1010/07-08)	
000158 - 001108	Chairman Administration	Administration's explanation on the reuse and recycling of plastic shopping bags (PSBs) as set out in the supplementary information paper (LC Paper No. CB(1) 837/07-08(14))	
001109 - 002619	Ms Audrey EU Chairman Administration	 Discussion on measures to facilitate reuse and recycling of PSBs Ms Audrey EU's views - (a) the Administration's emphasis was on the collection, not recycling, of PSBs; (b) there was a need for more publicity on the types of used PSBs which could be recycled; 	
		and (c) part of the levy should be earmarked for prescribed retailers to refund consumers for the return of used PSBs Administration's response -	
		 (a) most of the plastic recyclables were exported to the Mainland and/or overseas countries for recycling; 	
		(b) the three-coloured recycling bins would facilitate the collection of plastic recyclables, including used PSBs;	
		 (c) the levy should not be used to fund environmental initiatives to avoid giving consumers the impression that they would be supporting environmental protection by paying the levy, which was contrary to the 	

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Time Marker	Speaker	Subject(s)objective of the levy to discourage the indiscriminate use of PSBs; and(d) efforts would be made to facilitate recycling of used PSBs but this would be dealt with separately from the levy scheme	Action Required	
002620 - 003642	Mr SIN Chung-kai Administration Chairman	Mr SIN Chung-kai's concern about the relocation of the public cargo working areas (PCWA) and its impact on the operation of local recyclers	The Administration to advise the impact of the anticipated removal of certain PCWA on local recyclers, and the measures which would be taken to address the problem and to facilitate the development of recycling industry in Hong Kong.	
003643 - 004307	Ms Emily LAU Chairman Administration	 Ms Emily LAU's enquiry on - (a) progress of EcoPark; and (b) details of the "No Plastic Bag Day" Administration's explanation - (a) retailers had been encouraged to continue with and increase the frequency of the "No Plastic Bag Day" before the introduction of the levy scheme; and (b) fees collected on "No Plastic Bag Day" were donated to the charitable organizations chosen by individual retailers, including the Environmental Campaign Committee, the Community Chest, and green groups 	The Panel on Environmental Affairs to follow up on the latest development of the EcoPark	
004308 - 005921	Miss CHAN Yuen-han Chairman Administration	Miss CHAN Yuen-han's view that supporting measures, such as provision of PCWA, were needed to facilitate waste recycling		
		Administration's explanation -		

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Time Marker	Speaker	Subject(s)	Action Required
		 (a) efforts were made to encourage the recycling of marketable recyclables, such as metals and used electric and electronic equipment, and; 	
		(b) three-coloured recycling bins served as an useful means to segregate wastes; and	
		(c) EcoPark was meant to provide the needed space for environmental industries	
005922 - 012230	Chairman	Discussion on the EcoPark	
	Administration Ms Audrey EU	Chairman's concerns -	
		(a) EcoPark was too small to cater for recycling operations of a larger scale;	
		(b) the location of EcoPark was too remote and the road leading to it was too narrow making it not easily accessible by large trucks;	
		(c) the cost of transport to and fro EcoPark was too high; and	
		(d) EcoPark would become a waste transfer centre	
012231 - 012454	Chairman Administration	Discussion on source separation and recycling of PSBs	The Administration to advise -
		Chairman's concerns -	(a) the cost and
		 (a) few estates had made use of the three-coloured separation bins to recycle PSBs; 	locations of the some 28,000 three-coloured recycling bins, the management cost
		(b) recycling of PSBs was considered not cost-effective given the high cost of transport;	for collection of recyclables from these bins as well as the revenue from
		(c) need for measures to substantially increase the amount of used PSBs to facilitate recycling; and	the sales of these recyclables; and(b) the measures, in addition to the
		(d) separation of dry and wet waste was more cost-effective than	proposed levy on PSBs and the

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Time Marker	Speaker	Subject(s)	Action Required
		the three-coloured recycling bins because the former could be collected by waste trucks with separate compartments for sorting at the refuse transfer stations, thus creating more job opportunities for the low skilled workers, while contractors had to be employed to collect the recyclables from three-coloured recycling bins; and	three-coloured recycling bin, which could/would be taken to substantially increase the amount of used plastic bags for recycling
		(e) removing plastics from the waste load can alleviate the concern about emission of dioxin from incineration	
		Administration's explanation -	
		 (a) efforts would be stepped up to educate the public on proper segregation of waste using three-coloured recycling bins to facilitate recycling; 	
		 (b) in addition to plastic bottles, all plastic materials, including PSBs, could be collected by the three-coloured recycling bins for recycling purposes; 	
		(c) the suggested separation of dry and wet waste would incur additional cost in waste segregation; and	
		(d) the Advisory Council on the Environment was looking at ways to facilitate waste recycling	
012455 -013743	Ms Audrey EU Administration Chairman	Discussion on overseas practices on waste recycling Ms Audrey EU's request for using part of the levy for refund for consumers for every specified clean used PSBs returned The Chairman's request for using part	The Administration to consider using part of the levy collected to provide financial incentives for both prescribed retailers and consumers to facilitate the recycling of used plastic
		of the levy as subsidy for the administrative cost incurred by prescribed retailers to earmark	shopping bags. These might be in the forms of refund for

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Time Marker	Speaker	Subject(s)	Action Required
		certain areas within their outlets for the collection of clean used PSBs returned by consumers.	consumers for every specified clean used plastic shopping bag returned, and subsidy
		Ms Emily LAU's agreement to the need for financial incentives, including those for retailers, to encourage the recycling of PSBs Administration's explanation -	for administrative cost incurred by prescribed retailers to earmark certain areas within their outlets for the collection of clean
		(a) the levy scheme and the financial incentives for waste recycling should be separated from each other;	used plastic shopping bags returned by consumers.
		(b) consideration would be given to introducing measures to encourage waste recycling at retail outlets, subject to support of retailers and availability of space; and	
		 (c) green groups were welcomed to apply funding from the Environment and Conservation Fund to undertake waste recycling projects 	
013744 - 014235	Chairman Administration	 Discussion on the Administration's response to ALA5's letter (LC Paper No. CB(1) 1032/07-08(02)) Administration's explanation on the modified umbrella legislative approach - (a) additional producer responsibility schemes (PRS) on other types of products, if introduced in future, would require new provisions to be added through an amendment 	The Administration to review the Bill, including clauses 18(4) and 19(2), such that future amendments to subsidiary legislation and Schedules 1, 2, 3 and 4 to the Bill would be subject to the positive vetting procedure.
		 bill; (b) while main provisions on individual PRS would be set out in the Ordinance, if enacted, implementation details, such as registration procedures and records to be kept, would be set out in subsidiary legislation subject to negative vetting; and 	

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Time Marker	Speaker	Subject(s)	Action Required
		 (c) the Secretary for the Environment would be empowered to amend Schedules 1, 2, 3 and 4 to the Bill by way of an order published in the Gazette and subject to the negative vetting procedure; and 	
		(d) there would be proper consultation with the affected trades on the proposed amendments	
		Members' concerns -	
		 (a) amendments to the Schedules might carry serious implications but members might not have sufficient time to scrutinize the amendments if these were subject to the negative vetting procedure; and 	
		 (b) consideration should be given to requiring amendments to Schedules 1, 2, 3 and 4 to undergo the positive vetting procedure 	
		ALA5's advice -	
		 (a) members' amendments to subsidiary legislation which was subject to negative vetting might questionable if these carried a charging effect; 	
		(b) members would have more time to scrutinize the amendments if these were subject to the positive vetting procedure; and	
		(c) the scope of clause 5 on the power to make regulations was quite wide	
014236 -015845	Ms Audrey EU Chairman Administration ALA5 Ms Emily LAU	Ms Audrey EU's view that the positive vetting procedure would be more desirable, particularly if PRS on PSBs would be further extended to cover more retailers, as this would allow more time to consult the affected trades and to scrutinize the amendments	

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Time Marker	Speaker	Subject(s)	Action Required	
015846 - 015944	Chairman	Date of next meeting		

Council Business Division 1 Legislative Council Secretariat 11 April 2008