

**A New Producer Responsibility Scheme for  
Waste Electrical & Electronic Equipment**

Written Submission by  
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1. *Should our WEEE Scheme cover (i) television sets, washing machines, refrigerators and air conditioners, and (ii) computer products?*  
We consider it appropriate to cover these four items plus computer products at the beginning of the Scheme. As the Scheme matures, it can be expanded to cover other smaller home appliances as overseas experience indicated that the number of these appliances is large.
2. *Should we introduce a licensing requirement for the dismantling and recycling of regulated WEEE and for the storage sites for used regulated products and regulated WEEE?*  
The introduction of a licensing requirement will be imperative to put the WEEE issue on track; otherwise unregulated imports / exports and improper treatment will persist. It is however, equally important that the Government steps up enforcement to ensure that the regulations are respected and the desired results achieved.
3. *Should regulated WEEE be banned from disposal as ordinary trash and be collected separately for recycling?*  
While the intention to ban WEEE from being disposed of at landfills is good, enforcement may be extremely difficult. It may trigger a higher level of fly tipping activities and the mixing of waste with MSW. The pressure to ensure WEEE does not end up at landfills may also be shifted to the landfill operators who do not have the appropriate jurisdiction. We suggest using a modest approach to discourage the disposal of WEEE at landfills and achieve voluntary compliance through the establishment of a user-friendly scheme, and the provision of education and financial incentive(s).
4. *Should retailers offer consumers mandatory take-back services free of charge on a “new for old” basis?*  
For sizable retailers or chain stores, they may find a commercial advantage to offer take-back services free-of-charge on a “new for old” basis. However, it may not be the case for smaller, owner-operated shops. The limited space and collection network of these shops may pose great problems for these shops to deliver the take-back service. We suggest that the Government considers making it optional for these shops at the beginning.

Having said that, we strongly recommend that an appropriate Reverse Logistics Scheme be developed to ease the pressure of storage at the retailers end, and to ensure an effective flow of materials for the purpose of recapturing value and/or proper disposal.

5. *Should we apply permit controls to the import and export of used regulated products and regulated WEEE?*

Yes, to ensure that the investment and support given by the Government is used to collect and treat only the waste generated in Hong Kong, particularly under the financial model that we proposed, we support the application of permit controls to the import and export of used regulated products and regulated WEEE.

6. *Should some form of fee be introduced to recover the costs of the WEEE Scheme? Is an end-of-life fee infeasible in Hong Kong? Should a fee at the point of sale be applied instead? If we decide on a fee at the point of sale, should it be incorporated into the retail price as a combined payment?*

To sustain the operation of the WEEE Treatment Centre, we agree that some form of fee has to be introduced. Given the context of Hong Kong, we propose that this fee be applied and collected at the point of sale as a separate payment on top of the retail price and be listed out as such. This will serve dual purposes: the categorical separation of the fee will help further educate the consumers on the “polluter pays” principle and what it takes to properly treat and dispose of WEEE; it will also discourage sizable retailers from making this fee part of their competitive pricing.

Furthermore, we propose that the fee be a flat fee for individual items rather than a percentage of the retail price as it will cost the same for the collection and treatment of the same item regardless of the price for which it is being sold.

7. *Under the “polluter pays” principle, the full costs of the scheme should be recovered. Should this principle be applied fully, with WEEE producers, including manufacturers, importers, brand agents, distributors, retailers and consumers, sharing out the full costs?*

To recover the full costs of the Scheme is a good long-time objective. However, since there are historical products to deal with (which may take an average of five years to complete their product life cycle), the Government will have to prepare for supporting the Scheme at the initial stages of the program, including the funding of the capital cost for the establishment of the Treatment Centre.

The fee to be introduced can start from a low level at the beginning to bring about a change of behavior and past practices and be increased over time. Periodical reviews will check whether there is any mis-match between costs and effectiveness of the Scheme.

We see that there are three major participants of this Scheme - the Government, the consumers and the manufacturers (and dealers). Over time, when the consumers and the manufacturers (and dealers) are adequately educated and the Scheme matures, the involvement of the Government can be reduced.

8. *Other comments.*

The success of the Scheme is closely linked to the value of the recyclables and commodities in the international market. In the past, we have seen how the recycling industry was impacted due to the economic down turn and generally the cyclic nature of the recovered materials markets. It will be important that the operator of the Treatment Centre be protected accordingly in order that the collection and treatment work is sustainable. In this regard, we propose that the Government pays the operator a fixed treatment fee based on the extent and level of the collection and treatment work required, plus an incentive program focused on the value of the recovered materials to encourage the operator to maximize its recycling efforts.

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