



Hong Kong General Chamber of Commerce
香港總商會 (1861)

香港總商會
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Helping Business since 1861

14 June, 2013

Dr Hon Kenneth CHAN Ka-lok
Chairman
Bills Committee on Product Eco-responsibility (Amendment) Bill 2013
Legislative Council Secretariat
Hong Kong

Dear Mr Chan

The Hong Kong General Chamber of Commerce welcomes the Government's proposal to extend the Levy Scheme on Plastic Shopping Bags to cover all retailers so as to further address the problem of excessive use of plastic shopping bags ("PSBs").

2. The Chamber has always been advocating for the existing levy to be applied not just to four percent of retailers, which are mainly supermarkets and chain stores. Not only is it inadequate in meeting the declared environmental objective, but also an unlevel playing field is created in the retail market.

3. As indicated in earlier Chamber submissions, we support the proposal to streamline the compliance system by adopting a "retention" approach so that retailers may retain and handle the PSB charges without the need of remitting to the Government. We welcome the suggestion to repeal the various administrative requirements relating to registration, quarterly reporting and record keeping. This would greatly reduce the compliance cost for retailers, especially SMEs. In view of the fact that some existing registered retailers would need time to modify their system from the "remittance" approach to the "retention" approach, the Government might consider allowing them a transition period, say six months, to make the switch. We hope that the arrangement on the extension of the Levy Scheme to all retailers as proposed would be implemented in a clear, fair and reasonable manner.

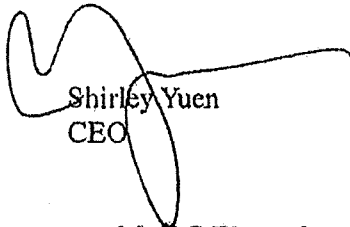
4. While flat-top plastic bags are exempted under the current regulation, the proposed PSB will also apply to them. There is a concern among retailers that such bags are used to collect condensation from pre-packed frozen/chilled food products and thereby preventing the condensation from being absorbed into paper food packaging and causing damage. This is especially important in the hot and humid summertime conditions experienced in Hong Kong. In addition, even "securely pre-packed frozen/chilled" food items may eventually have leakages. Therefore, for food hygiene reasons, we support the continued exemption of flat-top plastic bags from the PSB levy.



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5. We are glad that the Government is planning to launch a publicity and education programme to enhance the understanding of the new regulation for both businesses, especially SMEs, and the general public. As to the related set of draft guidelines, we expect that stakeholders would be involved in its development so that it will meet the primary objective of helping business and their staff to comply with the new regulation.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Shirley Yuen', written over the typed name and title.

Shirley Yuen
CEO

c.c. Mr K S Wong, Secretary for the Environment