

立法會
Legislative Council

LC Paper No. LS65/16-17

**Paper for the House Committee Meeting
on 12 May 2017**

**Legal Service Division Report on
Proposed Resolution under section 44 of the
Product Eco-responsibility Ordinance (Cap. 603)**

The Secretary for the Environment ("SEN") has given notice to move a motion at the Legislative Council ("LegCo") meeting of 24 May 2017 to seek LegCo's approval of the Product Eco-responsibility (Regulated Electrical Equipment) Regulation ("REE Regulation") made by SEN under section 44 of the Product Eco-responsibility Ordinance (Cap. 603) after consulting the Advisory Council on the Environment ("ACE").

2. Members may recall that section 44 of Cap. 603 is one of the provisions which was brought into operation by the Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Ordinance 2016 (Commencement) Notice 2017 (L.N. 73 of 2017) gazetted on 21 April 2017 and considered at the House Committee meeting on 28 April 2017.¹ The Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Ordinance 2016 was enacted in 2016 to amend Cap. 603 and the Waste Disposal Ordinance (Cap. 354) to provide for a regulatory regime for the recycling and proper disposal of eight classes of regulated electrical equipment ("REE"), namely, air conditioner, refrigerator, washing machine, television, computer, printer, scanner and monitor. Section 44 of Cap. 603 empowers SEN to make regulations providing for the operational details of the above regulatory regime.

3. The REE Regulation seeks to provide for matters necessary for the implementation of the regulatory regime for the recycling and proper disposal of REE. These include:

- (a) the registration of suppliers for distribution of REE;
- (b) the amount of recycling levy applicable to each class of REE;²

¹ Members may refer to the Legal Service Division report (LC Paper No. LS58/16-17) for further details. The subcommittee formed to scrutinize L.N. 73 of 2017 will hold its first meeting on 16 May 2017.

² The amounts of recycling levy, as proposed in Schedule 1 to the REE Regulation, are: \$165 per item for refrigerators and televisions, \$125 per item for air conditioners and washing machines, \$45 per item for monitors, and \$15 per item for computers, printers and scanners.

- (c) the provision of recycling labels by registered suppliers and sellers of REE, and the provision of receipts by sellers of REE;
- (d) the requirements for registered suppliers to submit audit reports and returns in respect of REE and to keep records and documents relating to those returns; and
- (e) the arrangement for removal services to be provided by sellers of REE.

4. According to paragraph 7 of the LegCo Brief (File Ref: EP CR 9/150/28) issued by the Environment Bureau/Environmental Protection Department on 26 April 2017, the applicable recycling levies are set having regard to the latest cost estimation for recycling REE and would be able to achieve full cost-recovery.

5. According to paragraph 25 of the LegCo Brief, the Administration has closely engaged the affected trades and other relevant stakeholders in developing the compliance system and finalizing the operational details under the subsidiary legislation. The Administration consulted ACE on 13 February 2017 and ACE was supportive of the producer responsibility scheme ("PRS") for waste electrical and electronic equipment ("WEEE").

6. As advised by the Clerk to the Panel on Environmental Affairs, the Panel was consulted at its meeting on 23 January 2017 on the preparatory work for implementation of PRS for WEEE and the REE Regulation to be made to prescribe the operational details of PRS. Matters discussed by the Panel included compliance facilitation, recycling levies for REE, operation of the removal services and impact of PRS on REE suppliers. Members raised no objection to the legislative timetable of the REE Regulation.

7. The REE Regulation, if approved by LegCo, will come into operation on a day to be appointed by SEN by notice published in the Gazette.

8. The Legal Service Division is seeking clarification from the Administration on certain legal and drafting aspects of the proposed REE Regulation. A further report will be made, if necessary.

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