



Implementation of the Recycling Fund



Recycling Fund

- ❿ The **\$1 billion Recycling Fund** was launched in Oct 2015.
- ❿ Open for applications for **5 years**.
- ❿ Aims to raise the quantity and quality of recyclables recovered, enhance the overall capability, capacity, efficiency and skills of the recycling industry, thus facilitating its sustainable development.
- ❿ HKPC acts as the implementation partner and Secretariat.
- ❿ An Advisory Committee on Recycling Fund (RFAC) has been established to advise and make recommendations to the Government on the administration and operation of the Fund as well as the vetting of applications, approval conditions, amount of funding.

Scope of the Recycling Fund

Include:

ESP

- ❿ **Enterprise Support Programme** – provides matching funds for projects to enhance the value of the recycling chain, covering source separation, collection, transportation, processing, marketing and sales of recycled products made from recyclables.

SSP

- ❿ **Small-scale Standard Project** – provide targeted assistance to **small and medium enterprises (SMEs)** to upgrade their operation and enhance their capability with streamlined application, reporting and reimbursement seeking procedures.

ISP

- ❿ **Industry Support Programme** – subsidizes non-profit-distributing organisations to conduct projects for enhancing the operational standards and productivity of the industry. Funded projects should be for the benefit of the industry as a whole rather than individual enterprises, and the project outcome should be open for sharing to the industry.

Approval Status

- As at 18th Nov, 2016, totally **137 applications** have been considered and **48 projects have been approved**, involving a total funding of around **\$54 million**.



- ❁ The applications approved under the Enterprise Support Programme involve projects handling different types of recyclables e.g. plastics, waste electrical and electronic equipment and tyres, etc.
- ❁ Approved funding amounts: range from **\$90k** to **\$3M** per project.
- ❁ Example: a successful applicant launched a project to collect and process waste plastic bags into raw materials.



Collection of waste plastic bags



Installation of plastic treatment equipment



Raw plastic materials

Enterprise Support Programme (2)

- ❁ Supports SMEs to expand their collection networks to cover a larger amount of low-value recyclables.
- ❁ Example: a number of small scale recyclers have committed to expand their networks to collect more waste plastic bottles from the community.



Waste plastic bottles collected by small scale recyclers



Operation site of a small scale recycler

Industry Support Programme (1)

- Approved funding amounts: range from **\$0.4M** to **\$14M** per project.
- Example: a project to develop and implement a scheme to improve the occupational safety and health (OSH) standard of the recycling industry.
- Recyclers attaining the required OSH standard can benefit from having an insurance premium discount from the Employees' Compensation Insurance Residual Scheme Bureau.



Kick off ceremony cum seminar for the recycling industry organized by a grantee

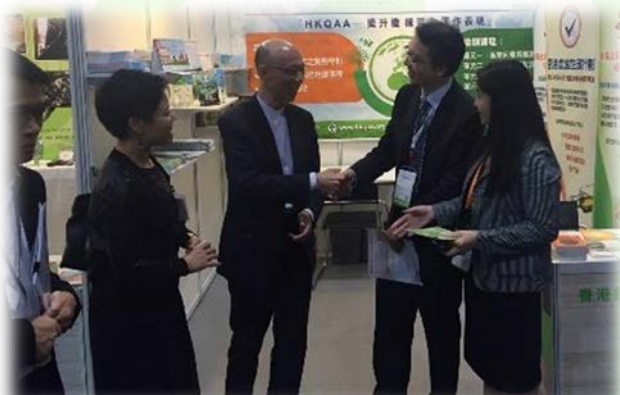


Industry Support Programme (2)

- ❖ Two other examples: to develop practice notes and operational guidelines for recycling various types of wastes originated from households as well as the commercial and industrial sectors, organise seminars, provide trainings.
- ❖ Coverage: waste paper, glass, plastic, metal, food waste, used cooking oil, textile, tyres and wood.



A recycling industry seminar organised by a grantee



Participation in a major exhibition in Hong Kong



A study mission to understand overseas recycling facilities

- ❿ Briefing sessions
 - ❿ 14 briefings organised with over 900 recyclers and industry stakeholders attended.
- ❿ Hotline service provided by the Secretariat
 - ❿ Dedicated hotline / email services
 - ❿ Dedicated website



Briefing sessions organised by the Secretariat



- ♻️ Participated in major exhibitions
- ♻️ Organised technical seminars
- ♻️ Placed 70 times of radio and newspaper advertisements



Booth set up at Eco Expo



Technical Seminar

Project Monitoring (1)

- ❖ Robust monitoring mechanism in place to guard against abuse and ensure prudent use of public funds.
- ❖ Grantees required to sign a funding agreement.
- ❖ Disbursement made only in phases upon completing milestones with the submission of progress reports and audited accounts prepared by independent auditors.
- ❖ On-site inspections.

On-site inspection of project implementation



Project Monitoring (2)

- ❁ Grantees are obligated to undergo an audit of the increased throughput.
- ❁ A set of guidelines on quantity audits has been developed and briefings have been provided to recyclers, independent certified public accountants and approved certification bodies.



A briefing session introducing the quantity requirements for recyclers, auditors and approved certification bodies

Facilitation Measures (1)

Institutional facilitation measures

- ✓ Small-scale Standard Project (SSP) with streamlined rules and procedures under the Enterprise Support Programme to facilitate SMEs to apply for the Fund to upgrade their capacities and capabilities expeditiously.
- ✓ A set of guidelines for quantity audits has been developed and briefings have been provided to recyclers, independent certified public accountants and approved certification bodies.

Facilitation Measures (2)

Operational facilitation measures

- ✓ Waived the requirement of opening a designated bank account for SSP projects.
- ✓ To consider allowing grantees to apply for mid-term reimbursement of expenses upon meeting significant milestones.
- ✓ To facilitate recyclers to procure equipment to reduce nuisance, uplift their images or improve efficiency. Funding for such undertakings does not require processing of additional quantity of recyclables.
- ✓ To encourage recyclers to undertake new recycling business, the rental expenses relevant to the additional throughput under a proposed project, will become a fundable item.

Expected benefits to the public and the community

- ❁ Enhance the operation efficiency and capability of recycling industry and its sustainable development.
- ❁ Upgrade the quality of waste recovery and recycling and, reduce the disposal of waste at landfills.
- ❁ Promoting the development of the local recycling industry is an important part of the Government's overall waste management strategy.

