16 February 2021

Clerk to Bills Committee Legislative Council Secretariat Legislative Council Complex 1 Legislative Council Road Central, Hong Kong Email: <u>bc 01 20@legco.gov.hk</u>

Dear Bills Committee Chairman and Members,

Statement of Support to Bills Committee on Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 from Business Environment Council Limited 商界環保協會有限公司

Over the last 29 years, Business Environment Council Limited 商界環保協會有限公司 ("BEC") has played a leading role in advocating the business case for environmental excellence, given the importance of sustainable development to Hong Kong. Our members are committed to actively engage with the HKSAR Government ("the Government") to help develop a supporting policy framework as well as impactful implementation in respect of environmental protection and sustainability.

Views expressed in this submission are those of BEC, in line with BEC's Mission and Vision as well as policy position on relevant issues, but may not necessarily be the same as the views of each individual member. BEC is an independent charitable membership organisation comprising approximately 200 member companies, from Hong Kong's major holding companies to small and medium-sized enterprises.

Background

In November 2018, the Waste Disposal (Charging for Municipal Solid Wate) (Amendment) Bill 2018 (the Bill) was gazetted and introduced into the Legislative Council (LegCo) for first and second readings. A Bills Committee was formed by the House Committee to study the Amendment Bill. Subsequently, the Bills Committee decided to discontinue its scrutiny work on the Bill in July 2020 and the House Committee agreed to dissolve the Bills Committee. During the LegCo 2020-21 session, the House Committee set up a new Bills Committee on 16 October 2020 to study the Bill again.

MSW charging, resource circulation and carbon reduction

BEC fully supports the Bill and the municipal solid waste (MSW) charging scheme. We strongly agree that waste charging, which premises on the "polluter-pays" principle, is a proven means around the world to drive change in corporate and individual behaviour and achieve waste avoidance, reduction, separation and recycling, an effective way to make recycling a financially viable option, and a significant move towards the transition from a linear to a circular economy in the long term. As explained in the Government's



new Waste Blueprint for Hong Kong 2035 (Waste Blueprint),¹ announced on 8 February 2021, quantity-based waste charging is an essential and indispensable part of Hong Kong's comprehensive resource circulation and waste management strategy.

The passage of the MSW charging bill is a critical step towards the Government's vision of achieving "Waste Reduction • Resources Circulation • Zero Landfill" under the Waste Blueprint. As the MSW charging scheme will provide the necessary incentives and impetus for waste reduction and recycling, it will also contribute towards the Government's target to achieving carbon neutrality by 2050, since waste management accounted for 7.4% of Hong Kong's greenhouse gas emissions.²

Implementation of waste charging

It will be a challenging task to implement the MSW charging scheme, as it involves multiple stakeholders in different sectors of society. Hence, BEC welcomes the Government's plan to build in a period of about 12 to 18 months after the passage of the Bill to prepare for the implementation. In this respect, BEC looks forward to supporting and working with the Government in trials and programmes that would facilitate the smooth adoption of and adaptation to MSW charging among the business sector and the wider community.

Conclusion

BEC urges support from the honourable members of the Bills Committee and all members of society for the passage of the Bill and early implementation of the MSW charging scheme. For queries related to this submission, please contact our Chief Executive Officer, Mr Adam Koo at

Yours sincerely,

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Richard Lancaster Chairman **Business Environment Council Limited**

https://www.enb.gov.hk/sites/default/files/pdf/waste_blueprint_2035_eng.pdf ² Figures from 2018. See http://www.climateready.gov.hk/page.php?id=23&lang=1

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