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Report of the Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

Purpose

This paper reports on the deliberations of the Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 ("the Bills Committee").

Background

Need for municipal solid waste charging

2. Municipal solid waste ("MSW") comprises domestic, commercial and industrial waste, and excludes construction and demolition waste, chemical waste and clinical waste. As the need to reduce waste disposal has become more imminent and acute amidst the increasing amount of waste being disposed of at the landfills in recent years, and having regard to extensive support received from the public consultation concluded in 2012, the Administration aims to introduce an MSW charging scheme to create incentives to drive behavioural changes in waste generation and hence reduce overall waste disposal.

Proposed municipal solid waste charging framework

3. The Administration engaged the Council for Sustainable Development ("SDC") for an extensive public engagement exercise in 2013. Based on the implementation framework proposed by SDC in 2014 and having regard to the views from different stakeholders subsequently, the Administration proposed the modified charging arrangements in October 2017. Premised on the "polluter-pays" principle and built upon the existing MSW collection and disposal system, MSW charges are proposed to be levied through the dual modes of (a) charging by pre-paid designated bags/designated labels ("DBs/DLs") and (b) charging by weight-based "gate fee". The charging mode applicable to a waste producer will depend on the waste collection service used by the producer.

- 2 -

The Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

4. The Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 ("the Bill") was published in the Gazette on 2 November 2018 and received its First Reading at the Council meeting of 14 November 2018 to amend the Waste Disposal Ordinance (Cap. 354) and the Waste Disposal (Refuse Transfer Station) Regulation (Cap. 354M) to establish a charging scheme for MSW disposal ("the proposed charging scheme"); to make related amendments to the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N) and the Fixed Penalty (Public Cleanliness and Obstruction) Ordinance (Cap. 570); and to provide for related matters.

The Bills Committee

- 5. A bills committee was formed on 16 November 2018 to study the Bill ("the former Bills Committee"). As the majority of its members held reservation on the feasibility of completing scrutiny of the Bill before prorogation of the Sixth Legislative Council ("LegCo") in July 2020, the former bills committee decided on 22 June 2020 to discontinue scrutiny of the Bill and reported to the House Committee ("HC") its deliberations and decision. HC agreed at its meeting on 10 July 2020 to dissolve the former Bills Committee pursuant to rule 21(r) of the House Rules.
- 6. On 31 July 2020, the Government announced that the Chief Executive ("CE") in Council had decided to postpone the 2020 LegCo General Election for one year taking into account the Coronavirus Disease 2019 ("COVID-19") epidemic. On 11 August 2020, the Standing Committee of the National People's Congress decided that after 30 September 2020, the Sixth LegCo was to continue to discharge duties for not less than one year until the Seventh LegCo began. The Government then announced in the Gazette dated 14 August 2020 that CE had revoked the decision to prorogue the Sixth LegCo with effect from 14 August 2020, and the Sixth LegCo continued to operate in the 2020-2021 session.

The former Bills Committee had examined up to clause 4, out of 37 clauses of the Bill. Its report (<u>LC Paper No. CB(1)849/19-20</u>) was issued on 9 July 2020 vide LC Paper No. CB(2)1337/19-20. The report covered, among others, issues raised by the Legal Adviser to the former Bills Committee on several legal and drafting issues of the Bill (<u>LC Paper Nos. CB(1)205/18-19(02</u>) and <u>CB(1)875/18-19(03</u>)) and the Administration's written responses. (<u>LC Paper Nos. CB(1)396/18-19(01</u>) and <u>CB(1)1000/18-19(04</u>)). These papers form important references for the subsequent scrutiny work of the Bill in the 2020-2021 session.

7. Pursuant to section 9 of the Legislative Council Ordinance (Cap. 542) and in accordance with Rule 11(4) of the Rules of Procedure, the consideration of any bill is not to be affected by the end of a session and may be resumed at any subsequent meeting, but is to lapse at the end of a term of office. In light of the above developments, HC agreed at its meeting on 16 October 2020 to form a new bills committee to study the Bill. The membership list of the Bills Committee is in **Appendix I**. Under the chairmanship of Hon Frankie YICK Chi-ming,² the Bills Committee has held five meetings to discuss the Bill with the Administration. The Bills Committee has also invited written views from the public on the Bill. A list of individuals/organizations which have provided written submissions to the Bills Committee is in **Appendix II**.³

Approach of scrutiny work

- 8. At the first meeting held on 3 November 2020, the Bills Committee decided to continue with the scrutiny work of the former Bills Committee and hence continue the clause-by-clause examination of the Bill.
- 9. At the second meeting held on 16 November 2020, some members suggested that taking into account various factors including the then substantial changes in membership, the Bills Committee should re-consider how it should conduct its scrutiny work. In accordance with rule 24(n) of the House Rules, the Bills Committee decided at the third meeting on 27 January 2021 to reopen discussion on how to conduct the scrutiny work on the Bill. After discussion, it was agreed that the scrutiny work should start afresh from the policy aspects for the following reasons:
 - (a) there had been substantial changes in the membership of the Bills Committee after the first meeting on 3 November 2020, and the majority of the incumbent members might not have supported the decision made at that meeting;
 - (b) starting the scrutiny work afresh could better ensure fair participation of members in the process, as some members had not joined the former Bills Committee; and

² Hon Frankie YICK Chi-ming and Hon Steven HO Chun-yin were elected Chairman and Deputy Chairman respectively at the second meeting of the Bills Committee held on 16 November 2020 to fill the respective vacancies arisen.

The Administration's consolidated responses to the written submissions are given in <u>LC Paper No. CB(1)1112/20-21(02)</u>.

(c) outbreak of the COVID-19 epidemic and the resultant economic downturn warranted re-examination of the policy aspects of the Bill.

Deliberations of the Bills Committee

- 10. Members in general have not raised objection to the proposed charging scheme. However, they have expressed various concerns, in particular about the preparation and enforcement of the scheme as well as the Administration's support measures for waste reduction and recycling. Dr CHENG Chung-tai has indicated that he does not support the Bill in principle as the proposed charging scheme will increase the financial burden on the public. He is also worried that there may be a low level of buy-in from the grassroots for the proposed charging scheme, which may lead to evasion of MSW charges or bribery for handling non-compliant waste (i.e. MSW that neither is wrapped in a DB nor has a DL attached to it) in an illegal manner.
- 11. The main subjects deliberated by the Bills Committee are set out below:
 - (a) waste collection service arrangements and proposed charging modes (paragraphs 12 to 15);
 - (b) preparation for implementation of MSW charging (paragraphs 16 to 24);
 - (c) new offences in relation to the mandatory use of DBs/DLs (paragraphs 25 to 37);
 - (d) enforcement (paragraphs 38 to 40);
 - (e) waste reduction and recycling complementary measures (paragraphs 41 to 51); and
 - (f) impact of MSW charging on waste reduction (paragraphs 52 to 54).

Waste collection service arrangements and proposed charging modes

12. At present, MSW is generally collected via two channels: (a) by the Food and Environmental Hygiene Department ("FEHD") or its waste collection service contractors through refuse collection vehicles ("RCVs"), refuse collection points ("RCPs") and bin sites; or (b) by private waste collectors ("PWCs") using RCVs with compactors or RCVs without compactors such as grab lorries, demountable

⁴ These concerns will be discussed in detail in the ensuing paragraphs of this report.

trucks and tippers.

- 13. Building upon the existing MSW collection and disposal system, the Administration has proposed that MSW charges be levied through the dual modes of (a) charging through purchasing and using DBs/DLs and (b) charging by weight-based "gate-fee". The charging mode applicable to a waste producer will depend on the waste collection service used by the producer:
 - (a) for MSW collected by FEHD through RCVs, RCPs and specified bins as well as MSW collected by PWCs using RCVs with rear compactors, 5 charge will be imposed through requiring the use of DBs. The MSW will have to be properly wrapped in DBs before disposal onto waste vehicles, at RCPs and into specified bins as well as at the waste reception chambers or areas on individual floors of multi-storey buildings;
 - (b) for oversized waste collected by FEHD that cannot be wrapped into a DB, charge will be imposed through requiring the oversized waste to be affixed with a DL before disposal. A uniform rate of \$11 per piece will be charged, which is estimated with reference to the price for the largest size of DB of 100 litres for waste producers;
 - (c) MSW that is neither wrapped in a DB nor has a DL attached to it and disposed of at the above locations will be regarded as non-compliant waste; and
 - (d) for MSW collected by PWCs using RCVs without compactors, a "gate fee" will be charged based on the weight of MSW disposed of at the waste disposal facilities, i.e. refuse transfer stations ("RTSs") or landfills.

5 Specified bins refer to refuse containers (usually large refuse bins of 240-litre or 660-litre capacity) managed by FEHD for collecting MSW and are normally placed at RCPs managed by the department. Given the constraints of time and space in RCP operations and having regard to the safety of the public and staff (for instance, enough room has to be provided for RCVs to safely head in and out of RCPs), these large refuse bins are sometimes temporarily relocated outside RCPs. Moreover, since most RCPs in rural areas are bin sites with no building structures, only large refuse bins (usually of 240-litre or 660-litre capacity) are placed there. To ensure effective implementation of MSW charging and to prevent the public from depositing non-compliant waste in these large refuse bins, it is necessary to define these large refuse bins managed by FEHD as specified bins. The Bill requires that a prescribed sign be exhibited on a specified bin for easy identification by the public.

- 14. Having considered relevant factors including affordability, public acceptability and effectiveness in driving behavioural changes, etc., the per-litre charge for DBs is proposed to be set at \$0.11 for the first three years of implementation. At this charging level, if a three-member household uses the most common DB of 10 or 15 litres for daily disposal of MSW, it will have to pay respectively around \$1.1 or \$1.7 per day (i.e. \$33 or \$51 per month). The DBs will be of nine different sizes from 3-litre up to 100-litre to cater for the need of different users. The requirements for DBs and DLs and amendments to the MSW charges, if any, will be specified by way of a notice published in the Gazette, which will be subject to the negative vetting procedure.
- 15. After reviewing, among others, the implementation arrangements and the proposed offences, the Administration intends to move amendments to the Bill to the effect of standardizing the arrangements for those living in general domestic premises under which their MSW is collected by FEHD or PWCs, i.e. both may use RCVs with compactors to collect MSW that is either wrapped in DBs or affixed with DLs.⁷ A diagram showing the charging modes applicable to the two types of waste collection services is provided at **Appendix III**.

Preparation for implementation of municipal solid waste charging

- 16. The Bills Committee has noted that to drive necessary behavioural and cultural changes towards waste reduction and recycling, the Administration will adopt a multipronged strategy based on (a) provision of appropriate preparatory time for implementation of the proposed charging scheme; (b) enhanced support for waste reduction and recycling; (c) intensive public education, publicity and engagement drives; (d) application of innovation and technology initiatives; (e) assistance for the needy; and (f) risk-based enforcement approach.
- 17. To facilitate a gradual adaptation to MSW charging and drive behavioural changes among the community, the Environmental Protection Department ("EPD") originally proposed to put in place a preparatory period of 12 to 18 months after the passage of the Bill in order to provide appropriate time for the Government, various stakeholders and members of the public to prepare for the implementation of MSW charging. Bills Committee members in general opine that the general public may need a longer preparatory period to adapt to MSW charging and cultivate waste reduction habits in their daily lives. The Administration should

Please refer to paragraphs 26 to 29 of this report for explanation of the relevant amendments in connection with the offence provisions.

⁶ 3-litre, 5-litre, 10-litre, 15-litre, 20-litre, 35-litre, 50-litre, 75-litre and 100-litre. There are also 240-litre and 660-litre DBs which will only be sold for use by buildings with refuse chutes such that frontline cleaning workers will not have to unnecessarily put NCW collected at the bottom of the refuse chutes into DBs for further disposal.

also take into account the economic situation in planning when to commence implementation of MSW charging.

- 18. Addressing members' concern, the Administration has agreed to put in place a preparatory period of 18 months as a basic arrangement. During the preparatory period, the Administration will pay close attention to various aspects of the community, particularly the progress of economic recovery after the COVID-19 pandemic, and the level of preparation among different stakeholders. The Administration has indicated that it may extend the preparatory period as appropriate if considered necessary.
- 19. The Administration has undertaken to report to the Panel on Environmental Affairs ("EA Panel") on the progress of work during the preparatory period and consult EA Panel on the commencement date of the legislations at an opportune time. The Administration will publish the relevant commencement notices in the Gazette only if EA Panel agrees on the proposed commencement date. The commencement notices will be scrutinized by LegCo through negative vetting procedure. Upon obtaining EA Panel's support, the subsidiary legislations in relation to the relevant commencement notices will be published in the Gazette, which are also subject to the negative vetting procedure.
- 20. The Bills Committee has raised concern that the proposed charging scheme may cause undue burden and legal risks to the frontline cleaning staff as they may inadvertently commit a proposed offence under the Bill when handling non-compliant waste. The Administration is requested to provide guidance to enhance frontline cleaning staff's understanding of the requirements and their responsibilities under the proposed charging scheme.
- 21. The Administration stresses that it will closely communicate with stakeholders from various sectors, including property management companies and cleansing service providers, to jointly work out operational guidelines for their respective sectors and provide them with relevant training, thereby assisting them in carrying out MSW charging. In this connection, the Administration has provided the Bills Committee with a set of preliminary draft guidelines for reference by households from domestic premises which have engaged property management companies.⁸

The preliminary draft guidelines are given in Annex II to the information note on "Legislative Intent of Proposed Sections 20K to 20P for the Waste Disposal Ordinance (Cap. 354) in relation to the Mandatory Use of Designated Garbage Bags or Designated Labels" provided by the Administration (LC Paper No. CB(1)1013/20-21(01)).

Provision of free designated garbage bags

- 22. Some members have suggested that the Government should consider providing more assistance during the initial stage of the implementation of the proposed charging scheme, such as providing free DBs to the general public, so as to facilitate them to adapt to the arrangement of using DBs for proper waste disposal. The Administration has indicated that it will consider the suggestion. If so pursued, the details of free distribution of DBs will be worked out with reference to the provisions of the Bill as passed by LegCo and other operational considerations.
- 23. Some members urge the Administration to plan early on how to provide free DBs to the general public during the initial stage of the implementation of the proposed charging scheme, and prioritize target groups for making the free provision. They also opine that the duration of free provision should be long enough to achieve the purpose, i.e. to allow the public to adapt to the use of DBs and cultivate proper waste disposal habits. Dr CHENG Chung-tai, however, has queried the feasibility of this suggestion, taking into account the substantial quantity of DBs to be distributed territory-wide and the complex administrative issues involved.
- 24. The Administration has advised that a reasonable quantity of free DBs will A waste producer will need to purchase DBs if the quantity of free DBs distributed cannot fully satisfy his/her need. EPD may collaborate with the Housing Department and property management companies for provision of free DBs to households of public rental housing estates and other residential buildings with property management companies respectively. The provision of free DBs through property management companies should be technically feasible, as most of them have been regularly providing garbage bags to individual households. The Administration is also studying potential modes of distribution for other types of premises, such as "three-nil buildings", i.e. buildings that do not have any property company, incorporated owners association and residents' management It will take time for the Administration to study the options and organization. consult EA Panel on the implementation proposal at an opportune time.

New offences in relation to the mandatory use of designated bags and designated labels

25. For the implementation of MSW charging through purchasing and using DBs/DLs, six new sections, i.e. sections 20K, 20L, 20M, 20N, 20O and 20P, are originally proposed to be added in Cap. 354 by way of clause 4 of the Bill to create

offences in relation to the mandatory use of DBs/DLs.⁹ As for charging by weight-based "gate-fee", it will be effected mainly through clauses 11 to 34 of the Bill, which amend Cap. 354M.

- 26. The proposed sections 20N and 20O of Cap. 354 under the Bill seek to prohibit the depositing of MSW affixed with DLs onto RCVs with compactors used by PWCs and the delivering of MSW affixed with DLs to PWC staff who provide removal services by such vehicles respectively. Under such arrangements, all oversized waste collected by PWCs should only be collected by RCVs without compactors and charged through the "gate-fee" mechanism.
- The legislative intent of the above proposal is premised on the 27. consideration that PWCs collect oversized waste mainly from commercial and industrial premises and certain domestic premises. These oversized waste items, such as large metalware and wood panels, come in a much greater variety in terms of quantity, volume and type, as compared with the general domestic oversized waste collected by FEHD or its contractors. If a uniform rate of \$11 (i.e. the charge through purchasing a DL) is charged for disposing of a single piece of oversized waste regardless of its size, this undermines the "polluter-pays" principle. However, there are views that such arrangements may cause inconvenience for certain domestic premises as their oversized waste can only be charged through the "gate-fee" mechanism. There are also views that as waste items affixed with DLs already have their MSW charges paid, it may be too harsh to criminalize the act of depositing such waste items onto RCVs with compactors used by PWCs.
- 28. Having reviewed the implementation and implications of the relevant arrangements, the Administration has indicated that it will move amendments to delete the proposed sections 20N and 20O with the effect that PWCs are allowed to use RCVs with compactors for collecting MSW affixed with DLs. In other words, PWCs may use RCVs with compactors to collect, at the same time, MSW that is either wrapped in DBs or affixed with DLs.
- 29. The Bills Committee has noted that the proposed amendment will standardize the arrangements for those living in general domestic premises, under which their MSW is collected by FEHD or PWCs, i.e. both may use RCVs with compactors to collect MSW that is either wrapped in DBs or affixed with DLs. Such amendment will bring about waste collection arrangements that are broadly comparable to the existing ones for general domestic premises, hence facilitating their residents' understanding of the waste disposal requirements under the proposed charging scheme and thereby minimizing their chances of inadvertently infringing the law. As for commercial and industrial premises, the Administration notes that most oversized waste items generated from commercial and industrial

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Please refer to paragraphs 26 to 30 of this report about the Administration's proposed amendments to the Bill to delete the proposed sections 20N and 20O.

premises are so voluminous or irregular in shape that, practically, they can only be collected by RCVs without compactors but not RCVs with compactors. Although the above amendment allows PWCs more flexibility in their collection arrangements for oversized waste, the Administration considers that in future the oversized waste generated from most of the commercial and industrial premises will still be collected by PWCs using RCVs without compactors and be charged through the "gate-fee" mechanism. Therefore, while enhancing the flexibility of the proposed charging framework, the amendment remains in accord with the legislative intent.

- 30. To dovetail with the aforesaid proposed amendment, the Administration has proposed consequential amendments, including those to the proposed sections 20Q(1), 20R and 31 of Cap. 354; and the proposed items 12 and 13 of Schedule 1, as well as the entries relating to Authority "Director of Environmental Protection" and Authority "Director of Food and Environmental Hygiene" of Schedule 2, to Cap. 570.
- 31. Members have stressed that the clarity and comprehensibility of the offence provisions will be pivotal to compliance and enforcement. To facilitate understanding by members and other stakeholders, the Administration has provided information to explain the legislative intent and operation of the remaining four proposed offence provisions under the Bill in relation to the mandatory use of DBs/DLs as well as the relevant penalties (**Appendix IV**).
- 32. Apart from its proposed amendments to delete the proposed sections 20N and 20O, the Administration has also indicated that it will move, among others, the following amendments to the Bill concerning exemptions from the relevant offence provisions:¹⁰

Proposed amendments relating to Cap. 354

(a) amendments to the proposed sections 20K(2)(a) and 20M(2)(a) mainly to narrow the scope of exclusion to "a Government-employed waste handler" instead of "the Director of FEH" (i.e. the Director of Food and Environmental Hygiene) to ensure consistency with the scope of exclusion of the proposed section 20M(1), thereby facilitating understanding of the correlations among the offences concerning the prohibition of depositing and delivering non-compliant waste pursuant to the proposed sections 20K, 20L and 20M. The Administration considers that the above amendments help maintain the integrity of the charging mechanism;

For details, please refer to information note on "Committee Stage Amendments Proposed by the Administration" provided by the Administration (<u>LC Paper No. CB(1)1013/20-21(02)</u>).

- (b) amendments to the proposed section 20Q(3)(a) in relation to the statutory defence for a person charged with an offence under the proposed section 20K, 20L or 20M (relating to the handling of noncompliant waste) by stressing that the defence is available for a person who deposits or delivers non-compliant waste (or causes or permits such non-compliant waste to be deposited or delivered) in an honest and reasonable belief that such non-compliant waste will not be disposed of at a scheduled facility, whether because the non-compliant waste is reasonably suitable for recycling or otherwise. The Administration considers that the above clarification helps to give readers a clearer picture of the circumstance under which the said statutory defence may operate;
- (c) addition of the proposed section 20RA to empower the Director of Environmental Protection to consider, if satisfied that it is reasonable to do so, granting exemption on a per application basis, to the effect that the proposed section 20K(1), 20L(1) or 20M(1) ("MSW handling requirement(s)") will not be applicable to any person who collects MSW for or on behalf of the Government, or any person providing service for collecting material which is reasonably suitable for recycling. The Director of Environmental Protection may also revoke an exemption under the specified circumstances (e.g. if Director is satisfied that the applicant has provided any information that was false or misleading in a material particular, or there is no longer any justification for the exemption);
- (d) addition of section 20RB to empower the Director of Environmental Protection, under certain circumstances, to grant exemption on his or her own initiative to the effect that the MSW handling requirement(s) will not be applicable to certain persons; and

Proposed amendments relating to Cap. 354M

(e) addition of the proposed sections 4A, 4B and 4C mainly to empower Director of Environmental Protection to grant exemption on the basis of application or on DEP's own initiative taking into account the need for public safety, environmental hygiene or environmental protection, or exceptional circumstances which will make it impractical or unreasonable to require a person to comply with the relevant provisions, to any person who fulfills certain conditions, so that they do not need to use registered vehicles to dispose of MSW at scheduled facilities. The Director may also revoke such exemption under the specified circumstances (e.g. if the Director is satisfied that the

applicant has provided any information that was false or misleading in a material particular, or there is no longer any justification for the exemption).

Difference in treatment between government and non-government-employed waste handler under the proposed section 20L of the Waste Disposal Ordinance (Cap. 354)

- 33. Under the proposed section 20L(1) of Cap. 354, non-government-employed waste handlers who are acting in the course of providing removal services at certain locations (such as at RCPs or relevant RCVs) will commit an offence for depositing non-compliant waste at the RCPs or onto the relevant RCVs. The Legal Adviser to the Bills Committee ("Legal Adviser") has asked about why this offence is not applicable to government-employed waste handlers ("the differential treatment"); ¹¹ and whether the differential treatment will impinge upon the equality before the law enshrined by Article 25 of the Basic Law and Article 22 of the Hong Kong Bill of Rights.
- 34. The Administration has advised that generally speaking, government employees are subject to the rules and regulations of the civil service. There is also an established mechanism for handling disciplinary matters of the civil service in accordance with relevant rules and regulations with due regard to the principle of fairness and impartiality. Default in compliance will be subject to varying degrees of disciplinary actions according to the circumstances, such as verbal or written warnings, reprimand, severe reprimand, financial penalty, and even reduction in rank, compulsory retirement or dismissal. To a government employee, these disciplinary actions may have more serious implications than a fine at level 2 (i.e. \$5,000) imposed under the proposed section 20L.
- 35. The Administration has pointed out that the policy objective of the Bill is to establish a charging scheme for the disposal of MSW. The Bill as a whole is "regulatory" in nature in that it lays down minimum standards on the design and use of MSW disposal services and facilities, and puts in place a framework which allows regulatory oversight to ensure the smooth operation of the MSW disposal regime. The essence of the scheme is to facilitate behavioural changes among the public in complying with the mandatory use of designated bags/designated labels and contribute to waste reduction, rather than to punish inherently "criminal conduct". As regards the right to equality under Article 25 of the Basic Law and Article 22 of the Hong Kong Bill of Rights, the fundamental question in the present context in determining the equality issue is whether there is enough of a difference

¹¹ For details, please refer to paragraphs 2 to 3 of the letter dated 24 June 2021 from the Legal Adviser (<u>LC Paper No. CB(1)1045/20-21(01)</u>), and paragraphs 2 to 7 of the Administration's written response (<u>LC Paper No. CB(1)1112/20-21(01)</u>).

between government-employed waste handlers and non-government-employed waste handlers to justify the differential treatment accorded to them.

- 36. The Administration explains that that the proposed section 20L provides that the non-government-employed waste handlers shall not deposit non-compliant waste while working at certain enforcement locations (such as at RCPs or RCVs) so as to prevent such personnel from being requested or instructed to assist in disposing of non-compliant waste, and to maintain the integrity of the charging mechanism. It should be noted that there can be occasions where disposal of noncompliant waste at certain enforcement locations should be permitted when the situation does not allow the granting of exemption on application or on the Director of Environmental Protection's own initiative e.g. due to urgency, hygiene or other Similar to other law enforcement officers, their exercise of the discretionary power will be governed by government guidelines and offenders will be subject to varying degrees of disciplinary actions. As non-governmentemployees are not governed by government guidelines and that they are subject to different regulatory regimes, it is inappropriate to let them have the same discretionary power.
- 37. Against the abovementioned considerations, the Administration takes the view that even though the day-to-day duties performed by government-employed waste handlers and non-government-employed waste handlers may be similar in nature, they are not in a comparable or analogous position. Therefore, the Administration believes that the proposed section 20L will not impinge upon the equality before the law enshrined by Article 25 of the Basic Law and Article 22 of the Hong Kong Bill of Rights.

Enforcement

- 38. Members have expressed concern about the Administration's capability and resources to enforce the proposed charging scheme and prevent aggravation of the illegal waste disposal problems. In particular, members are worried about delineation of powers and responsibilities among government departments on certain environmental hygiene issues (e.g. issues associated with the operation of street corner recycling shops, mobile recyclers and frontline collectors).
- 39. The Administration has advised that while evasion of MSW charges is likely to occur in the initial stage of the implementation of the proposed charging scheme according to the experiences of other cities, it is envisaged that the provision of free DBs during the initial stage of the implementation of MSW charging will help cultivate proper waste disposal habits and prevent fly-tipping or disposal of non-compliant waste to a certain extent. The Administration's plan is to set up a Municipal Solid Waste Reduction Office under EPD after the passage of the Bill to coordinate the efforts of various departments in the implementation

and enforcement of MSW charging. Enforcement actions against non-compliant waste will be taken at black spots under a risk-based approach. The Administration has assured members that it will critically examine the need to create additional posts for enforcing the proposed MSW charging scheme, having regard to the compliance situation and other factors, with a view to ensuring prudent use of public resources.

40. The Administration has further advised that the efficiency of follow-up actions to fly-tipping and marine refuse incidents has already been improved through enhanced interdepartmental coordination. Following the use of a geographic information system platform together with increased enforcement manpower, there has been significant reduction in the amount of construction and demolition waste illegally disposed of. The Administration will make reference to such experience when preparing for the implementation of the proposed charging scheme. At the request of the Bills Committee, the Administration has provided supplementary information on its stepped-up efforts to combat illegal disposal of construction and demolition waste, and statistics to demonstrate the effectiveness of such efforts. ¹²

Waste reduction and recycling complementary measures

- 41. The Administration has reported to the Bills Committee its waste reduction and recycling complementary measures launched or planned since June 2020 and their progress. Notably, the Administration has launched in 2020 various pilot schemes of centralized collection and recycling services on recyclables including waste paper and plastic recyclable materials, and a pilot scheme to test out the application of reverse vending machines for collecting plastic beverage containers, with a view to enhancing public participation in waste separation and recycling while promoting sustainable development of the local recycling industry. The second phase of the Pilot Scheme on Food Waste Collection Service has also commenced in early 2021 and will progressively be expanded to cover domestic food waste.
- 42. Regarding enhancement of the Community Recycling Network, EPD has commenced the provision of regularized funding support since October 2020 for community recycling centre projects previously subsidized by the Environment and Conversation Fund, with the number of Recycling Stores increased to

The relevant information is given in paragraphs 10 to 15 of the Administration's written response to the list of follow-up actions arising from the meeting on 25 February 2021 (LC Paper No. CB(1)880/20-21(02)).

¹³ For details, please refer to the information note on "Waste Reduction and Recycling Complementary Measures Launched by Environmental Protection Department and their Progress" provided by the Administration (LC Paper No. CB(1)187/20-21(01)).

- 22 covering 18 districts, more than 100 Recycling Spots set up across the territory and nine Recycling Stations (previously referred to as Community Green Stations) in operation.
- 43. To increase public confidence in proper handling of recyclables, EPD has taken over from FEHD the management of waste separation bins ("recycling bins") in public places (such as near pedestrian walkways) since 1 October 2020. EPD has introduced a series of new requirements under the new contracts for recyclables collection services and made some improvements on the recycling bins, including changing the original litter compartments to collect recyclables, so as to increase the collection capacity and reduce the chance of misplacement of litter into recycling bins by the public, with a view to improving the cleanliness of recyclables.
- 44. The Administration has noted the following views/suggestions raised by individual members requesting the Administration to:
 - (a) maintain environmental hygiene of recycling bins (managed by EPD) and recyclables collection points in the Community Recycling Network;
 - (b) step up publicity and education to enhance the public's understanding of the proposed charging scheme;
 - (c) engage wider participation in waste reduction and recovery by members of the public;
 - (d) monitor the effectiveness of outsourced services, if any, for implementation of MSW charging as well as waste reduction and recycling;
 - (e) explore with the Development Bureau ways to encourage the setting up of resource recovery facilities in new and existing domestic premises;
 - (f) collaborate with the business sector in the provision of resource recovery facilities in supermarkets and convenience stores, and organization of reward schemes to encourage the depositing of recyclables into those facilities; and
 - (g) enhance the development of local green industries and creation of green-collar jobs through the proposed charging scheme and other initiatives to promote waste separation and recycling.

Food waste collection

- 45. Currently, the Administration has launched the Pilot Scheme on Food Waste Collection to provide free collection and delivery of food waste to food waste recycling facilities progressively according to the progress of the expansion of downstream food waste recycling facilities. The Administration also plans to arrange free collection and delivery of food waste properly separated from the catering trade to food waste recycling facilities progressively upon the implementation of MSW charging, subject to the development progress of such facilities. According to the Administration, more trials on source separation and collection of food waste in collaboration with associations of the catering trade will be conducted during the preparatory period of MSW charging.
- 46. Some members have expressed concerns on the implications of the implementation of MSW charging on various trades. For example, the catering trade will have to bear additional costs for handling food waste. There is a suggestion that exemptions from the proposed MSW charges on food waste be provided to encourage the catering trade and the general public to practice waste separation at source. Members have also urged the Administration to expand the free food waste collection and delivery service to residential premises in the long run. As most residential premises have yet to be covered by the free food waste collection and delivery service, there is a concern that the general public may be in effect subsidizing the operators of some commercial and industrial establishments and public institutions in terms of food waste handling, given that the Administration's recycling work will be funded by the revenue to be generated from MSW charging.
- 47. The Administration has advised that if the catering trade separates food waste properly, food waste sent to food waste recycling facilities will not be subject to MSW charges. This arrangement will be same as the case where recyclables properly recovered by the general public will not be subject to MSW charges. The Administration will endeavour to engage the catering trade in the formulation of operational arrangements of the food waste collection service. The Administration also has plans to expand the service to the domestic sector in the long run, subject to the development progress of food waste recycling facilities.

Financial and manpower resources

- 48. The Bills Committee has discussed with the Administration the allocation of financial and manpower resources to implement the proposed charging scheme, and enhance support for waste reduction and recycling.
- 49. The Administration has advised that it has been providing additional recurrent resources to strengthen waste reduction and recycling work from the

financial year 2019-2020 since the introduction of the Bill into LegCo in 2018. In the financial year 2019-2020, the actual expenditure incurred by EPD for strengthening waste reduction and recycling work is around \$100 million. With the progressive implementation of various waste reduction and recycling initiatives, the relevant estimated expenditure for the financial year 2020-2021 is around \$500 million. Looking forward, the Administration expects that the annual provision will be further increased to no less than \$800 million to \$1 billion approximately, which will be commensurate with the estimated gross revenue to be generated from MSW charging during the initial period, so as to achieve the effect of "dedicated-fund-for-dedicated-use". ¹⁵

- 50. The Administration has further advised that, as the administration authorities of MSW charging, EPD and FEHD will require substantial manpower to undertake a wide range of heavy non-enforcement responsibilities. These include developing the infrastructure required for implementing MSW charging, as well as mapping out and administering the charging arrangements. Furthermore, additional manpower will be required to implement various complementary measures on waste reduction and recycling with a view to facilitating proactive public participation in waste reduction and resource recovery, thereby paving the way for the implementation of MSW charging in future. As some of the new posts created/to be created are non-civil service contract posts, it will enable the Administration to recruit suitable staff more flexibly to meet service needs. The new posts created will continue to undertake initiatives on waste reduction and recycling regardless of whether the Bill is passed.
- 51. At the request of the Bills Committee, the Administration has provided information setting out (a) the direct recurrent and non-recurrent costs associated with the proposed charging scheme that will be incurred by the Government before and after the passage of the Bill; and (b) details of related manpower planning, including the estimated number of staff and notional annual salary costs of relevant government departments for the implementation of MSW charging.¹⁶

¹⁴ All estimated expenditures are in money-of-the-day prices.

At the request of the Bills Committee, the Administration has provided the details and expenses of waste disposal and recycling based on the waste statistics for 2019, as set out in Annex II to the Administration's written response to the list of follow-up actions arising from the meeting on 25 February 2021 (<u>LC Paper No. CB(1)880/20-21(02)</u>).

¹⁶ The relevant information is given in paragraphs 5 to 14 of the Administration's written response to the list of follow-up actions arising from the meeting on 27 January 2021 (LC Paper No. CB(1)605/20-21(02)).

Impact of municipal solid waste charging on waste reduction

- 52. The Bills Committee has sought the Administration's assessment of the potential impact of MSW charging on waste reduction.
- The Administration has advised that according to the experiences of other cities with MSW charging in place, the implementation of MSW charging can generally help reduce MSW disposal by around 15% to 25% during the initial stage Under the Waste Blueprint for Hong Kong 2035 ("the of implementation. Blueprint") announced by the Environment Bureau on 8 February 2021, 17 the Administration's medium-term target is to gradually reduce per-capita MSW disposal by 40% to 45% and increase the recovery rate to about 55% by implementing MSW charging together with other waste reduction and recycling initiatives. The Administration stresses that MSW charging is the main driving force behind waste reduction which helps drive enterprises and the public to practise waste reduction and recycling proactively. Whether the targets on waste reduction and recycling under the Blueprint can be achieved depends on the implementation of MSW charging, together with the progress of other waste reduction and recycling initiatives, including the implementation of new producer responsibility schemes, expansion of community recycling network and services, construction of new waste management facilities, and enhanced publicity and public education, etc.
- The Administration has also advised that the implementation of MSW 54. charging will be a decisive factor in the sustainable development of the local recycling industry, as MSW charging is expected to promote waste separation at source, thereby increasing the overall quantity of recyclables available for recycling and facilitating recyclers' achievement of the economy of scale.

Amendments

55. The Bills Committee has noted that apart from the amendments mentioned in paragraphs 28, 30 and 32 above, the Administration will move other amendments to the Bill relating to technical aspects to improve the drafting of

¹⁷ Setting out the vision of "Waste Reduction · Resources Circulation · Zero Landfill", the

Blueprint outlines the strategies, goals and measures to tackle the challenge of waste management up to 2035. To achieve those goals, the Government will promote six major areas of action, namely Waste Reduction, Waste Separation, Resources Circulation, Industry Support, Innovation and Cooperation, and Education and Publicity, leading the advancement of various policies and measures as well as building a circular economy and a sustainable green living environment.

provisions or which are consequential in nature. ¹⁸ The major ones are as follows:

Proposed amendments relating to Cap. 354

- (a) amendments to the Chinese and English wording of certain proposed defined terms to make them more precise and easier to understand; and
- (b) amendments to the proposed sections 20K(2)(b), 20L(1), 20M(1)b and 20M(2)(b) to describe more specifically and clearly the identity of the persons concerned and make the text more readable and comprehensible.
- 56. In response to the enquiries raised by the Legal Adviser, the Administration has also provided supplementary information to explain its proposed amendments to the Bill. The Bills Committee has examined and agreed to the amendments to be moved by the Administration. The Bills Committee has no objection to the amendments proposed to be moved by the Administration and will not propose any amendments to the Bill.

Resumption of Second Reading debate

57. The Bills Committee has no objection to the resumption of the Second Reading debate on the Bill at the Legislative Council meeting of 25 August 2021.

Consultation with the House Committee

58. The Bills Committee reported its deliberations to the House Committee on 13 August 2021.

Council Business Division 1
<u>Legislative Council Secretariat</u>
17 August 2021

¹⁸ For details, please refer to information note on "Committee Stage Amendments Proposed by the Administration" provided by the Administration (<u>LC Paper No. CB(1)1013/20-21(02)</u>).

¹⁹ For details, please refer to paragraphs 4 to 8 of the letter dated 24 June 2021 from the Legal Adviser (<u>LC Paper No. CB(1)1045/20-21(01)</u>), and paragraphs 8 to 21 of the Administration's written response (<u>LC Paper No. CB(1)1112/20-21(01)</u>).

Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

Membership list*

Chairman Hon Frankie YICK Chi-ming, SBS, JP

Deputy Chairman Hon Steven HO Chun-yin, BBS, JP

Members Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon CHAN Hak-kan, SBS, JP Hon Paul TSE Wai-chun, JP Hon YIU Si-wing, SBS

Hon MA Fung-kwok, GBS, JP Hon KWOK Wai-keung, JP Hon Elizabeth QUAT, BBS, JP

Hon Martin LIAO Cheung-kong, GBS, JP Ir Dr Hon LO Wai-kwok, GBS, MH, JP

Hon CHUNG Kwok-pan

Dr Hon Junius HO Kwan-yiu, JP

Hon SHIU Ka-fai, JP

Hon Wilson OR Chong-shing, MH

Dr Hon Pierre CHAN

Dr Hon CHENG Chung-tai

Hon Vincent CHENG Wing-shun, MH, JP

(Total: 19 members)

Clerk Ms Angel SHEK

Legal Adviser Miss Evelyn LEE

^{*} Changes in membership are shown in Annex to Appendix I.

Annex to Appendix I

Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

Changes in membership

Member	Relevant date
Hon SHIU Ka-chun	Up to 5 November 2020
Prof Hon Joseph LEE Kok-long, SBS, JP	Up to 10 November 2020
Hon Claudia MO	Up to 10 November 2020
Hon IP Kin-yuen	Up to 10 November 2020
Hon HUI Chi-fung	Up to 11 November 2020
Hon Jeremy TAM Man-ho	Up to 11 November 2020
Hon James TO Kun-sun	Up to 12 November 2020
Hon WU Chi-wai, MH	Up to 12 November 2020
Dr Hon Helena WONG Pik-wan	Up to 12 November 2020
Hon Andrew WAN Siu-kin	Up to 12 November 2020
Hon LAM Cheuk-ting	Up to 12 November 2020
Hon KWONG Chun-yu	Up to 12 November 2020
Hon LEUNG Yiu-chung	Up to 15 November 2020
Dr Hon Junius HO Kwan-yiu, JP	Since 16 November 2020
Dr Hon Pierre CHAN	Since 16 November 2020
Dr Hon Fernando CHEUNG Chiu-hung	Up to 18 November 2020
Hon Tony TSE Wai-chuen, BBS, JP	Up to 25 June 2021

Changes in LegCo Membership

Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018

List of deputations and individuals which/who have provided written submissions to the Bills Committee

- 1. Adrienne NG
- 2. Advisory Council on the Environment
- 3. Aiko Stevenson
- 4. Alicia Shen
- 5. Anne Copeland
- 6. Asia Circular Economy Association
- 7. Basel Kirmani
- 8. Business Environment Council Limited
- 9. Cathy Pacific Airways Limited
- 10. Chartered Institution of Water and Environmental Management
- 11. Christian Family Service Centre
- 12. Circular City Limited
- 13. Civic Exchange
- 14. Claire Yates
- 15. Coco TANG
- 16. Designs on Life
- 17. Dr CHUNG Shan-shan
- 18. Dr Merrin Pearse
- 19. Drink Without Waste
- 20. Eco Enrich Company Limited
- 21. EcoDrive Hong Kong
- 22. EnviroEvents Hong Kong Limited
- 23. Federation of Hong Kong Industries
- 24. Food Made Good Hong Kong Limited
- 25. Friends of the Earth
- 26. GHM Greater Bay Area Institute of Urban Architecture (Hong Kong)
- 27. Green Dragons HK
- 28. Green Power
- 29. Green Sense
- 30. Greeners Action
- 31. Greenlace Environment Company
- 32. Harold YIP
- 33. HK Circular Economy Alliance
- 34. Hong Kong General Chamber of Commerce
- 35. Hong Kong Green Building Council Limited
- 36. Hong Kong Green Strategy Alliance
- 37. Hong Kong Institute of Qualified Environmental Professionals
- 38. Hong Kong Scrap Plastic Association
- 39. Hong Kong Waste Management Association
- 40. Hong Kong Women Professionals and Entrepreneurs Association Limited

- 41. Jacquline Green
- 42. Julia Brown
- 43. Leigh Farina
- 44. LI Chung-chi
- 45. Liberal Party
- 46. Living Islands Movement
- 47. Louise Taylor
- 48. Megan Schmalzried
- 49. Metanoia HK
- 50. MilMill
- 51. Mutual Aid Committee of Fu Keung House, Tai Wo Hau Estate
- 52. New People's Party
- 53. Nimi Dsa
- 54. OIWA Limited
- 55. Path of Democracy
- 56. Patrick LAU
- 57. Paul Snelgrove
- 58. Plastic Free Seas
- 59. Professor Alexis LAU
- 60. Professor Benjamin Steuer
- 61. Professor Irene LO
- 62. Professor Jonathan WONG
- 63. Professor POON Chi-sun
- 64. Reconnect Environmental Institute
- 65. Reshma Sadashiv Uchil
- 66. Robert Clark
- 67. Ron CHUNG
- 68. Ryan Harper
- 69. Sarah Johnson
- 70. Steve Quilkey
- 71. Steve White
- 72. Steven Molyneux-Webb
- 73. Swire Coca-Cola HK
- 74. Swire Pacific Limited
- 75. Swire Properties Limited
- 76. Tessa Faure
- 77. The British Chamber of Commerce in Hong Kong
- 78. The Conservancy Association
- 79. The Environmental Management Association of Hong Kong Limited
- 80. The Green Earth
- 81. The Hong Kong Institution of Engineers
- 82. The Lion Rock Institute
- 83. Tony WONG
- 84. Wander Meijer
- 85. Yan Oi Tong
- 86. 236 members of the public

Municipal Solid Waste Charging – Waste Collection Services and Relevant Charging Modes



[Source: Annex I to the information note on "Legislative Intent of Proposed Sections 20K to 20P for the Waste Disposal Ordinance (Cap. 354) in relation to the Mandatory Use of Designated Garbage Bags or Designated Labels" provided by the Administration (LC Paper No. CB(1)1013/20-21(01)).

Newly Created Offences in Relation to the Mandatory Use of Designated Bags/Designated Labels

The proposed enforcement locations under sections 20K, 20L, 20M and 20P include:

- (a) refuse collection points ("RCPs") and specified bins managed by the Food and Environmental Hygiene Department ("FEHD");¹
- (b) refuse collection vehicles ("RCVs") used by FEHD or its contractors;
- (c) RCVs with compactors used by private waste collectors ("PWCs"); and
- (d) temporary storage areas at premises for depositing municipal solid waste ("MSW") pending removal from the premises for disposal (such as refuse chambers or rear staircases on individual floors).

Section 20K – Depositing non-compliant waste prohibited

2. To prompt the public to pay for MSW as generated by them, it is necessary to prohibit the public from disposing of MSW that is not properly wrapped in designated bags ("DBs") or attached with designated labels ("DLs") (i.e. non-compliant waste) at certain waste collection points. The proposed section 20K provides that a person commits an offence if the person deposits non-compliant waste at an RCP, onto an RCV used by FEHD or its contractors, onto an RCV with compactors used by PWCs, or into a specified bin (such as depositing non-compliant waste at an RCP or into a specified bin that is generally provided for collecting MSW in rural areas). This section targets not only those who deposit non-compliant waste but also those who cause or permit others' non-compliant acts. This section is not applicable to personnel that are employed to work at relevant RCPs or RCVs who need to handle MSW as required by their duties.

Specified bins refer to refuse containers (usually large refuse bins of 240-litre or 660-litre capacity) managed by FEHD for collecting municipal solid waste and are normally placed at RCPs managed by the department. Given the constraints of time and space in RCP operations and having regard to the safety of the public and staff (for instance, enough room has to be provided for refuse collection vehicles to safely head in and out of RCPs), these large refuse bins are sometimes temporarily relocated outside RCPs. Moreover, since most RCPs in rural areas are bin sites with no building structures, only large refuse bins (usually of 240-litre or 660-litre capacity) are placed there. To ensure effective implementation of municipal solid waste charging and to prevent the public from depositing non-compliant waste in these large refuse bins, it is necessary to define these large refuse bins managed by FEHD as specified bins. The Bill requires that a prescribed sign be exhibited on a specified bin for easy identification by the public.

<u>Section 20L – Depositing non-compliant waste by removal services provider</u> prohibited

- 3. To prevent the abovementioned personnel from being requested or instructed to assist in disposing of non-compliant waste, and to maintain the integrity of the charging mechanism, section 20L provides the same that such personnel shall not deposit non-compliant waste while working at certain enforcement locations:
 - (a) an employee of FEHD contractors or PWCs commits an offence if the employee deposits non-compliant waste at an RCP or onto relevant RCV in the course of providing waste removal services. This section also targets those who cause or permit others' noncompliant acts; and
 - (b) this proposed section is not applicable to government employees who are handling waste at relevant RCP or RCV to provide some operational flexibility. Nonetheless, they shall still comply with the above prohibition on depositing non-compliant waste in general. The Administration will devise guidelines for these government employees. Offenders will be subject to varying degrees of disciplinary actions.

Section 20M – Delivering non-compliant waste to certain persons prohibited

4. Similarly, to prevent the abovementioned waste-handling personnel from being requested or instructed to assist in disposing of non-compliant waste, the proposed section 20M prohibits the delivery of non-compliant waste by any person (including those who cause or permit others' non-compliant acts) to the abovementioned personnel who handle waste at relevant RCPs or RCVs. This section is not applicable to personnel that are employed to work at relevant RCPs or RCVs who need to handle waste as required by their duties.

<u>Section 20P – Depositing non-compliant waste in certain common areas prohibited</u>

5. For multi-storey domestic buildings, households usually deposit waste at common areas such as refuse chambers or rear staircases on individual floors for cleansing workers to collect.² To prompt households to pay by using DBs/DLs, the proposed section 20P prohibits households from disposing of non-compliant waste in common areas that are used for the temporary storage of waste pending collection and removal. Violation of this section constitutes an offence.

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² Such cleansing workers are usually directly employed by the households concerned or hired through PMCs/building management bodies.

Depending on the arrangements adopted by different premises, examples of common areas include refuse chambers, rear staircases and waste chutes (if any) on individual floors of multi-storey buildings. In addition to individuals who deposit non-compliant waste, this section also targets those who cause others' non-compliant acts.

- 6. The proposed section 20P is not applicable under certain circumstances. First, it is noted that PMCs of multi-storey buildings usually place small litter bins at lobbies or lift waiting areas for individuals to dispose of MSW that is of small quantity and small size, such as used tissue papers. As these small litter bins are not designed for individuals to dispose of daily waste from places such as households or offices, it is therefore not bounded by section 20P.
- 7. Moreover, if the waste concerned is collected by RCVs without compactors and charged by weight-based "gate-fee", it will not be bounded by section 20P. An example is the oversized waste collected and removed from an industrial building by an RCV without compactor.
- 8. To cater for the operational needs of cleansing workers who collect and deliver MSW within premises, this section allows them to collect non-compliant waste from any part of the premises and deliver them to the waste reception points. Taking multi-storey domestic buildings as an example, cleansing workers can collect MSW (including non-compliant waste) from any part of the premises (e.g. the refuse collection bin or refuse chamber on each floor), and deliver them to central refuse chambers for storage. However, personnel of the related PMCs or cleansing service providers are required to wrap non-compliant waste in DBs or affix DLs on it, before disposing of such waste onto RCVs used by FEHD or its contractors, or RCVs with compactors used by PWCs. If the concerned premises have their oversized waste collected by PWCs using RCVs without compactors (e.g. grab lorries, demountable trucks and tippers), the MSW charges payable will be levied through the "gate-fee" mode.
- 9. In addition, this section is not applicable to circumstances under which recyclables are deposited into relevant collection containers or areas. For instance, members of public are not required to wrap the waste glass in DBs or attach it with DLs when disposing of waste glass at the collection bin of waste glasses in a building.

Penalties

10. The Bill amends the Fixed Penalty (Public Cleanliness and Obstruction) Ordinance (Cap. 570) to provide for a fixed penalty of \$1,500 for offences stipulated in the newly created sections 20K, 20L, 20M and 20P. The fixed penalty is imposed at the same level as the offence of littering in a public place under the Public Cleansing and Prevention of Nuisances Regulation (Cap. 132BK).

- 11. Prosecution by way of summons may also be brought against serious or repeated offenders. The proposed penalties are as follows:
 - (a) Proposed section 20K Depositing non-compliant waste prohibited: A person who commits the offence will be liable to a fine at level 4 (\$25,000) and to imprisonment for 6 months on the first conviction, and to a fine at level 5 (\$50,000) and to imprisonment for 6 months on a subsequent conviction. The level of penalty for a first conviction is the same as an offence of littering in a public place under the Public Cleansing and Prevention of Nuisances Regulations (Cap. 132BK).
 - (b) Proposed section 20L Depositing non-compliant waste by removal services provider prohibited: A person who commits the offence is liable to a fine at level 2 (\$5,000) without imprisonment penalty. The penalty level is lower as compared with that for the offence of similar nature under the proposed section 20K because the legislative intent of the Amendment Bill does not target the personnel concerned.
 - (c) Proposed section 20M Delivering non-compliant waste to certain persons prohibited: A person who commits the offence will be liable to a fine at level 4 (\$25,000) and to imprisonment for 6 months on the first conviction, and to a fine at level 5 (\$50,000) and to imprisonment for 6 months on a subsequent conviction. The penalty levels are consistent with those of the proposed section 20K.
 - (d) Proposed section 20P Depositing non-compliant waste in certain common areas prohibited: A person who commits the offence will be liable to a fine at level 4 (\$25,000) and to imprisonment for 6 months on the first conviction, and to a fine at level 5 (\$50,000) and to imprisonment for 6 months on a subsequent conviction. The penalty levels are consistent with those of the proposed sections 20K and 20M.

[Source: Adapted from paragraphs 6 to 16 of the information note on "Legislative Intent of Proposed Sections 20K to 20P for the Waste Disposal Ordinance (Cap. 354) in relation to the Mandatory Use of Designated Garbage Bags or Designated Labels" provided by the Administration (LC Paper No. CB(1)1013/20-21(01)).