

立法會

Legislative Council

LC Paper No. CB(1)956/2023(03)

Ref. : CB1/SS/5/23

Subcommittee on Three Pieces of Subsidiary Legislation Relating to Implementation of Municipal Solid Waste Charging and Adjustment of Construction Waste Disposal Charges

Background brief

Purpose

This paper provides background information on three pieces of subsidiary legislation relating to implementation of municipal solid waste (“MSW”) charging and adjustment of construction waste disposal charges, which were gazetted in October 2023. It also summarizes the major views and concerns expressed by Members when related issues were discussed by the relevant committees of the Legislative Council (“LegCo”) in recent years.

Background

Municipal solid waste charging

2. The Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 (“the Bill”),¹ which sought to establish a scheme for MSW charging, was passed at the Council meeting of 25 August 2021 and enacted as the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 (“the Amendment Ordinance”). Under the scheme, MSW charges are to be levied through the dual modes of (a) charging through purchasing and using designated bags (“DBs”) or designated labels (“DLs”); and (b) charging by weight-based “gate-fee”.

¹ A bills committee was formed in November 2018 to study the Bill. This Bills Committee subsequently decided to discontinue its scrutiny work on the Bill and reported the House Committee on 10 July 2020. The House Committee agreed to dissolve the Bills Committee. In 2020-2021 session, the House Committee agreed to set up a new bills committee to study the Bill. The reports of these two Bills Committees are hyperlinked in the Appendix.

The charging mode applicable to a waste producer will depend on the waste collection service used by the producer. MSW that is neither wrapped in a DB nor affixed with a DL and disposed of at specified locations will be regarded as non-compliant waste.

Preparation for implementation

3. It is the Administration's plan to put in place a period of at least 18 months from the passage of the Bill to prepare for implementation of MSW charging including, among other things, establishment of a Manufacturing, Inventory and Distribution System and a retail network for the supply of DBs and DLs; communication with various stakeholders to formulate relevant guidelines and provide support to them; as well as launching extensive public education and publicity campaigns on waste reduction and recycling.

4. To complement the preparatory work of MSW charging, the then Secretary for the Environment published a notice in the Gazette on 20 May 2022 and appointed 1 September 2022 as the day on which certain provisions of the Amendment Ordinance would come into operation by virtue of the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 (Commencement) Notice 2022, which include provisions relating to establishing registration arrangements for gate-fee at waste disposal facilities etc.² Separately, the Director of Environmental Protection ("DEP") published the Waste Disposal (Specified Requirements for Designated Bag and Designated Label) Notice in the Gazette on 20 May 2022 to specify the requirements for DBs and DLs including their design and sizes, etc.³

² The commenced provisions of the Amendment Ordinance are:

- (a) Part 1;
- (b) sections 3(1) and (2), 5, 7, 9, 12(2), 13(1), 15, 17, 19, 21, 22(1), 24(5) and (6), 27, 28(1), 29, 30(1) and (3), 32(1), (2) and (3), 33(1) and 35(1) and (3);
- (c) section 3(3) in so far as it relates to the new definitions of DB, DL, Director of Food and Environmental Hygiene, MSW, refuse collection point, scheduled facility, specified bin, waste vehicle in Government service, waste vehicle in private use (with compactor) and waste vehicle in private use (without compactor);
- (d) section 4 (except in so far as it relates to the new sections 20K, 20L, 20M, 20N, 20O, 20P, 20Y and 20Z); and
- (e) Part 4.

³ No subcommittee was formed to study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 (Commencement) Notice 2022 and the Waste Disposal (Specified Requirements for Designated Bag and Designated Label) Notice.

5. When the Administration reported the progress of its preparatory work to the Panel on Environmental Affairs (“EA Panel”) in July 2023, the Administration indicated that it could have implemented MSW charging by end of 2023 as planned. Nonetheless, some sectors, such as the cleansing service providers, had been appealing for postponing the implementation, in view of the expected large quantity of waste that would be disposed of around Christmas and Chinese New Year (“CNY”), as well as the manpower shortage during CNY. The Administration therefore decided to implement MSW charging on 1 April 2024.

Specifications for designated bags

6. The Administration conducted an open tender exercise for the manufacturing contracts for DBs in June 2022. However, the tender prices of all conforming tenders that could fully comply with the technical requirements were much higher than expected. In order to utilize public financial resources prudently, the Administration cancelled the tender exercise in November 2022 and re-examined the specifications for DBs and the terms of tender documents with a view to reducing the production costs of designated bags. Two of the changes made to the specifications for DBs were (a) to use high-density polyethylene in lieu of low-density polyethylene to produce DBs of 3-litre to 75-litre capacities with reduced thickness but without changing their loading capacities; and (b) to adjust the requirement for the recycled materials content in DBs from 50% to not less than 20% to provide greater flexibility to manufacturers for controlling production costs.

Construction waste disposal charges

7. The existing construction waste disposal charge at landfills is \$200 per tonne. Upon implementation of MSW charging, the MSW disposed of at landfills and to be charged by a weight-based gate fee will be charged at \$365 per tonne under the Amendment Ordinance. To prevent any deliberate mixing of MSW and construction waste for profit, which may be incentivized by the difference between the charging levels of the two types of waste, as well as cost considerations, the Administration considers it necessary to adjust the charging levels of construction waste disposal at the prescribed facilities from the commencement date of the implementation of MSW charging.

Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 (Commencement) Notice 2023

8. Under section 1(2) of the Amendment Ordinance, the Secretary for Environment and Ecology (“SEE”) has appointed 1 April 2024 as the day on which the uncommenced provisions of the Amendment Ordinance shall

come into operation by virtue of the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 (Commencement) Notice 2023 (“the Commencement Notice 2023”) to implement MSW charging.⁴ The Commencement Notice 2023 was published in the Gazette on 13 October 2023 and tabled before LegCo on 18 October 2023.

Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Amendment of Schedules) Notice 2023

9. SEE has made the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Amendment of Schedules) Notice 2023 (“the CDCW Amendment Notice”) under section 25 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354 sub. leg. N). The CDCW Amendment Notice, which was published in the Gazette on 13 October 2023 and tabled before LegCo on 18 October 2023, will take effect from 1 April 2024, with a view to adjusting the construction waste disposal charges.

Waste Disposal (Specified Requirements for Designated Bag and Designated Label) (Amendment) Notice 2023

10. Under section 20T of the Waste Disposal Ordinance (Cap. 354), DEP has made the Waste Disposal (Specified Requirements for Designated Bag and Designated Label) (Amendment) Notice 2023 (“the Specified Requirements Amendment Notice”) with the aim of amending the designs for DBs. The Specified Requirements Amendment, which was published in the Gazette on 20 October 2023 and tabled before LegCo on 25 October 2023, comes into effect upon gazettal.

Major views and concerns expressed by Members

11. Since passage of the Bill in August 2021, issues relating to MSW charging were discussed at various meetings of EA Panel and the Subcommittee to Study Policy Issues Relating to Municipal Solid Waste Charging, Recovery and Recycling. Relevant issues were also brought up during examination of the Estimates of Expenditure in recent years.

⁴ The uncommenced provisions are mainly related to:

- (a) MSW charging arrangements;
- (b) mechanism for amending the prices of DBs and DLs;
- (c) offences relating to depositing or delivery of non-compliant waste, defences and penalties to/for particular offences, and related exemptions; and
- (d) requirement or prohibition on exhibition of prescribed signs on waste vehicles and related offences.

Members' major views and concerns are summarized in the ensuing paragraphs.

Timing for commencement of charging arrangements

12. Members generally supported the policy objectives of MSW charging to encourage the community to reduce waste at source, and the direction to strengthen related publicity and public education. In view that MSW charging had been discussed in LegCo and the community for more than a decade and an 18-month preparatory period had been provided since the passage of the Bill, some Members expressed disappointment at the postponement of the commencement date of MSW charging to 1 April 2024.

13. The Administration advised that based on the current progress of various preparatory work for MSW charging, the Administration was ready to implement the initiative by end of 2023 as originally planned. However, some sectors, such as cleansing service providers, had recently appealed for postponing the implementation for reasons including (a) a larger quantity of waste would be disposed of around Christmas and CNY and (b) tight manpower supply during CNY as a large number of cleaning workers would be out of town visiting their families. After careful consideration and to better ensure a smooth implementation, the Administration therefore proposed to commence MSW charging on 1 April 2024.

14. Members called on the Administration to learn from the experience in MSW charging-related trial projects and Community Involvement Projects ("CIPs") and follow up as appropriate the feedback gauged from the project participants. The Administration was requested to assess, in relation to different types of premises (residential buildings in rural areas and three-nil buildings in particular), the readiness of relevant stakeholders including residents, property management companies and cleansing contractors, etc. for the implementation of MSW charging. The Administration should also strengthen public confidence in waste reduction and recycling initiatives by ensuring that recyclables collected through the community recycling network and other government initiatives would be recycled, and not end up being disposed of at landfills.

15. The Administration advised that during the preparatory period, it would 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 had all along attached importance to developing a reliable recycling network, and would see how regional collaboration could help address the lack of local outlets for some types of recyclables. It would also consider regulating the proper collection and handling of recyclables in residential buildings. The Administration had stepped up publicity and education for the

implementation of MSW charging, covering different target groups including residents in rural areas and three-nil buildings, and installed more surveillance camera systems at suitable locations as appropriate to deter disposal of non-compliant waste.

Enforcement

16. Regarding the six-month phasing-in period after commencement of MSW charging when verbal warnings would be given as far as possible instead of taking enforcement actions, Members expressed concern about the potentially high non-compliance rate during this period, especially in rural areas.

17. The Administration advised that during the phasing-in period, the Environmental Protection Department (“EPD”) would distribute free DBs to, among others, households of rural village houses to facilitate their adaptation to MSW charging. The Green Outreach of EPD would provide outreaching support to the rural community on waste reduction and recycling initiatives and coach residents on the use of DBs/DLs for proper waste disposal. As a temporary measure to facilitate residents to dispose of their household waste as necessary before the launch of MSW charging, the Administration would set up extra designated junk points in rural areas having regard to actual circumstances and needs.

18. Members suggested that the Administration should deploy manpower to monitor the situation of fly-tipping and depositing of non-compliant waste in rural areas in particular, and installing surveillance camera systems on smart lampposts at hygiene blackspots. The Administration should also set up large waste collection bins for villagers to dispose of waste and arrange collection of waste from the bins several times a week. The Administration advised that it would consider and follow up Members’ suggestions as appropriate. It would also install surveillance camera systems at hygiene blackspots and deploy them flexibly.

Guidance for the relevant trades

19. Members stressed that clear guidelines should be provided to property management companies for handling non-compliant waste found in residential buildings, with a view to minimizing direct confrontation between property management companies and residents.

20. The Administration advised that Best Practice Guides,⁵ which had been uploaded to EPD's thematic website on MSW charging, provided guidance to the property management organizations and private waste collectors respectively on handling non-compliant waste. Briefings and specialized trainings would be arranged for frontline staff of relevant trades to assist them to understand the relevant legal requirements and the Best Practice Guides.

Free distribution of designated bags

21. Some Members opined that the Administration's proposal to supply free DBs to households of public rental housing ("PRH") estates, three-nil buildings and rural village houses during the initial stage of implementation of MSW charging might help these households adapt to the charging arrangements. Some other Members however doubted whether it was necessary to make such arrangement, given the number and coverage of trial projects and CIPs already implemented in different sectors, which covered PRH estates, in the past few years. These Members suggested distributing free DBs only to needy persons such as elderly tenants and low-income households.

22. The Administration advised that in the trial projects on MSW charging carried out previously in some PRH estates, rural villages, etc., dummy DBs were provided for participants to get first-hand experience of the quantity-based charging arrangements, and publicity activities were organized to encourage participants to practise waste separation and clean recycling. Having regard to the experiences gained from these projects, the Administration considered that providing free DBs would effectively help residents in PRH estates, three-nil buildings and rural village houses to understand and adapt to MSW charging. Apart from low-income households and the elderly, other PRH households, who were mainly grassroots families, might also need some time to adapt to MSW charging and adjust their waste disposal habits. Providing DBs to only certain households in PRH blocks would increase complexities in the distribution process.

Council questions

23. Members raised questions related to MSW charging at various Council meetings in recent years. The questions and the Administration's replies are hyperlinked in the **Appendix**.

⁵ For details, please refer to the [Best Practice Guide – Residential Premises With Property Management Organizations](#) and [Best Practice Guide – Private Waste Collectors](#) on [EPD's thematic website](#).

Relevant papers

24. A list of relevant papers is set out in the **Appendix**.

Council Business Division 1 and Public Complaints Office
Legislative Council Secretariat
2 November 2023

**Subcommittee on Three Pieces of Subsidiary Legislation Relating to
Implementation of Municipal Solid Waste Charging and
Adjustment of Construction Waste Disposal Charges**

List of relevant papers

Committee	Date of meeting	Paper
Panel on Environmental Affairs	30 October 2017	Agenda item III: Briefing by the Secretary for the Environment on the Chief Executive's 2017 Policy Address Minutes
	26 November 2018	Agenda item VI: Complementary measures in relation to municipal solid waste charging Minutes
Bills Committee on Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018	9 July 2020*	Report of the Bills Committee to the House Committee
Bills Committee Formed on 16 October 2020 to Study the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018	17 August 2021*	Report of the Bills Committee to the Council

Committee	Date of meeting	Paper
Subcommittee to Study Policy Issues Relating to Municipal Solid Waste Charging, Recovery and Recycling	6 June 2022	Agenda item II: Preparatory Work for the Implementation of Municipal Solid Waste Charging Minutes
	31 January 2023	Agenda item I: Progress report on preparatory work for the implementation of municipal solid waste charging and related waste reduction and recycling initiatives Minutes
	15 June 2023*	Report of the Subcommittee
Finance Committee	13 April 2021	Administration's written replies to Members' initial questions on the Estimates of Expenditure 2021-2022 (Reply serial numbers: ENB130, 146 and 148)
	11 April 2022	Administration's written replies to Members' initial questions on the Estimates of Expenditure 2022-2023 (Reply serial numbers: ENB007, 020, 024 and 028)
	13 April 2023	Administration's written replies to Members' initial questions on the Estimates of Expenditure 2023-2024 (Reply serial numbers: EEB(E)051, 072, 073, 079, 081, 088, 095, 103, 108, 112 and 114)

* Date of issuance of paper

Council meeting	Paper
12 July 2017	Council question 18 : The charging arrangement based on the weight of waste under the Municipal Solid Waste Charging Scheme
5 December 2018	Council question 20 : Municipal solid waste
19 June 2019	Council question 15 : Implementation of municipal solid waste charging
16 December 2020	Council question 11 : Reduction of waste
25 May 2022	Council question 6 : Implementation of GREEN@COMMUNITY at public housing estates
3 May 2023	Council question 10 : District Services and Community Care Teams