# Promotion of Recycling and Proper Disposal of Products (Miscellaneous Amendments) Bill 2025

## **Contents**

Clause		Page
	Part 1	
	Preliminary	
1.	Short title and commencement	. C2269
2.	Enactments amended	. C2271
	Part 2	
A	amendments to Product Eco-responsibility Ordinance (Cap. 603)	)
3.	Section 2 amended (purposes of this Ordinance)	. C2273
4.	Section 3 amended (interpretation)	. C2275
5.	Section 4 amended (prescribed products to which Part 2 applies)	. C2275
6.	Section 5 amended (general provisions as to regulations made under this Ordinance)	. C2275
7.	Part 2A heading amended (service of notices under Parts 4 and 5)	. C2277
8.	Section 16A amended (application of Part 2A)	. C2277
9.	Section 16B amended (service of notices under Parts 4 and 5)	. C2277
10.	Section 17 amended (interpretation of Part 3)	. C2279

Clause			Page
11.	Section	28A amended (Director may give penalty notice) C	2279
12.		28D amended (Director may serve demand n case of failure to pay fixed penalty etc.)	2281
13.	Section	28G amended (recovery of fixed penalty)	2281
14.	Section	28MA addedC	2281
	28MA.	Director may specify form for this Division C	2281
15.	Section	29 amended (Secretary may make regulations in	
	respect	of Part 3)	2281
16.	Part 7 a	ddedC	2283
		Part 7	
		Schedule 12 Products	
		Division 1—Preliminary	
	102.	Interpretation of Part 7	2283
	103.	Meanings of distribute, consume and recover C	2285
	104.	Meaning of supplier	2289
	105.	Meaning of holder of approved producer	
		responsibility plan	
	Divisio	on 2—Distribution or Consumption of Schedule 12 Produ	ıcts
		by Suppliers	
	106.	Prohibition on distribution or consumption	
		of Schedule 12 products by suppliers	2291
	107.	Service of assessment notice on contravention	
		of section 106(1)	2293

Clause		Page
	108.	Suppliers to keep records of products distributed or consumed in reliance on section 106(3)
		Division 3—Registration of Suppliers
	109.	Registration of suppliers
	110.	Cancellation of registration of registered suppliers
		Division 4—Producer Responsibility Plans
	111.	Reference to terms or conditions imposed in respect of approved producer responsibility plans
	112.	Approval of producer responsibility plans C2301
	113.	Revision of producer responsibility plans C2301
	114.	Variation, suspension and cancellation of approval of producer responsibility plans that are in force
	115.	Variation and cancellation of approval of producer responsibility plans that are suspended
	116.	Cancellation of approval of producer responsibility plans
	117.	Offence for non-compliance with terms or conditions

Clause		Page
		Division 5—Registered Scheme Operators
	118.	Registration of scheme operators
	119.	Cancellation of registration of registered scheme operators
	120.	Registration of engagement of registered scheme operators
	121.	Cancellation of registration of engagement of registered scheme operators
		Division 6—Returns and Audit Reports
Subdivision 1—Products Distributed or Consumed by Registered		
		Suppliers
	122.	Submission of returns on products distributed or consumed by registered suppliers
	123.	Submission of annual audit reports on products distributed or consumed by registered suppliers
	Sub	division 2—Products Recovered by Registered Suppliers
	124.	Submission of returns on products recovered by registered suppliers
	125.	Submission of annual audit reports on products recovered by registered suppliers C2319

Clause		Page	
	Subdivision 3—Products Recovered by Registered Scheme Operators		
	126.	Submission of returns on products recovered by registered scheme operators	
	127.	Submission of annual audit reports on products recovered by registered scheme operators	
	D	ivision 7—Other Requirements regarding Distribution,	
		Consumption and Recovery of Schedule 12 Products	
		Subdivision 1—Application	
	128.	Application of Division 7 of Part 7	
	S	ubdivision 2—Registration and Labelling of Products	
	129.	Requirements on registration and labelling of products	
	130.	Registration of Schedule 12 products C2325	
	131.	Offence relating to use of prescribed logo C2327	
	132.	Retailers must not distribute or offer to distribute products in certain circumstances C2327	
		Subdivision 3—Recovery Target	
	133.	Interpretation of Subdivision 3 of Division 7 of Part 7	
	134.	Registered suppliers required to meet recovery	

Clause		Page
	135.	Registered scheme operators required to meet
		recovery target
	136.	Service of assessment notice on failure to
		meet recovery target
		Subdivision 4—Registered Return Points
	137.	Requirement to set up registered return
		points
	138.	Registration of return points
	139.	Cancellation of registration of return points C2339
		Subdivision 5—Rebate
	140.	Retailers to provide rebate
	141.	Registered suppliers and registered scheme
		operators to provide rebate
		Division 8—Fixed Penalty and Related Provisions
	142.	Interpretation of Division 8 of Part 7
	143.	Director may give penalty notice
	144.	No prosecution or conviction if compliance
		with penalty notice
	145.	Director may demand personal details and
		inspect proof of identity
	146.	Director may serve demand notice in case of
		failure to pay fixed penalty etc

Clause			Page
	147.	No prosecution or conviction if compliance with demand notice	C2351
	148.	Withdrawal of penalty notice or demand notice	C2351
	149.	Recovery of fixed penalty	C2353
	150.	Consequences of compliance with recovery order or failure to do so	C2357
	151.	Application for review of recovery order	C2357
	152.	Outcome of review	C2359
	153.	Power to rescind order on application by Director	C2361
	154.	Dispute of liability for offence	C2361
	155.	Protection of Director and authorized officers	C2363
	156.	Director may specify form for this Division	C2365
	157.	Legislative Council may amend certain amounts	C2365
		Division 9—Supplementary Provisions	
	158.	Burden of proof	C2365
	159.	Secretary may make regulations for Part 7	C2365
	160.	Secretary may amend Schedule 12	C2369
17.	Schedule	12 added	C2369
	Schedule	12 Schedule 12 Products	C2371

## Promotion of Recycling and Proper Disposal of Products (Miscellaneous Amendments) Bill 2025

		C2267
Clause		Page
28.	"某些" substituted for "若干"	C2389
29.	"特區政府" substituted for "政府"	C2389
	Part 5	
A	Amendments to Waste Disposal (Designated Waste Di	sposal Facility)
	Regulation (Cap. 354 sub. leg. L)	
30.	Section 3AB amended (designated waste dispo-	sal facility
	must not accept e-waste)	C2393
31	"特區政府" substituted for "政府"	C2393

## A BILL

## To

Amend the Product Eco-responsibility Ordinance and its subsidiary legislation to introduce producer responsibility schemes for various products under which suppliers, retailers or scheme operators are required to make arrangements for the recovery of those products; to replace the use of prescribed forms by specified forms for notices and certificates issued under the existing producer responsibility scheme for plastic shopping bags; to revise the power to make regulations for the purposes of that existing scheme; and to amend the Waste Disposal Ordinance and its subsidiary legislation to regulate the disposal of certain products.

Enacted by the Legislative Council.

### Part 1

## **Preliminary**

#### 1. Short title and commencement

(1) This Ordinance may be cited as the Promotion of Recycling and Proper Disposal of Products (Miscellaneous Amendments) Ordinance 2025.

Part 1
Clause 2
C2271

(2) Subject to subsection (3), this Ordinance comes into operation on the day on which it is published in the Gazette.

(3) Sections 3, 4(2), 5, 6, 7, 8, 9, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30 and 31 come into operation on a day to be appointed by the Secretary for Environment and Ecology by notice published in the Gazette.

#### 2. Enactments amended

The enactments specified in Parts 2 to 5 are amended as set out in those Parts.

## Part 2

# Amendments to Product Eco-responsibility Ordinance (Cap. 603)

- 3. Section 2 amended (purposes of this Ordinance)
  - (1) Section 2(2)(e)—

#### Repeal

"and".

(2) Section 2(2)(f)—

### Repeal

"products."

#### **Substitute**

"products; and".

(3) After section 2(2)(f)—

#### Add

- "(g) a producer responsibility scheme under which a supplier, retailer or scheme operator is required to recover certain products—
  - (i) whether or not an incentive (whether pecuniary in nature or not) is offered to a person who returns any of the products;
  - (ii) whether or not a payment (however described) is required to be made to the Government for a failure to comply with a requirement in relation to the recovery of the products under the scheme; and

- (iii) whether or not a payment (however described) is required to be made to the Government in relation to the distribution of the products to finance proper waste management.".
- 4. Section 3 amended (interpretation)
  - (1) Section 3(1) and (2)—

#### Repeal

- ", unless the context otherwise requires".
- (2) After section 3(2)—

#### Add

- "(3) In this Ordinance—
  - (a) a reference to a Schedule 12 product is a reference to a product of a type specified in column 2 of Part 1 of Schedule 12; and
  - (b) a reference to a type of Schedule 12 product is to be construed accordingly.".
- 5. Section 4 amended (prescribed products to which Part 2 applies)

Section 4—

#### Repeal

"and regulated plastic products"

#### Substitute

- ", regulated plastic products and Schedule 12 products".
- 6. Section 5 amended (general provisions as to regulations made under this Ordinance)

Section 5(1)—

Repeal

"or 100"

#### Substitute

", 100 or 159".

#### 7. Part 2A heading amended (service of notices under Parts 4 and 5)

Part 2A, heading—

Repeal

"and 5"

**Substitute** 

", 5 and 7".

## 8. Section 16A amended (application of Part 2A)

Section 16A—

#### Repeal

"and regulated articles"

#### **Substitute**

", regulated articles and Schedule 12 products".

#### 9. Section 16B amended (service of notices under Parts 4 and 5)

(1) Section 16B, heading—

Repeal

"and 5"

**Substitute** 

", 5 and 7".

(2) Section 16B(1)—

### Repeal

"or 5"

**Substitute** 

- ", 5 or 7".
- (3) Section 16B(3), definition of registered supplier—

#### Repeal

"or 47"

#### **Substitute**

", 47 or 102".

#### 10. Section 17 amended (interpretation of Part 3)

(1) Section 17(1)—

## Repeal

", unless the context otherwise requires".

(2) Section 17(1), English text, definition of recovery order—

#### Repeal

"28G(2)."

#### Substitute

"28G(2);".

(3) Section 17(1)—

### Add in alphabetical order

"specified form (指明格式) means a form specified under section 28MA.".

### 11. Section 28A amended (Director may give penalty notice)

Section 28A(2)—

### Repeal

"prescribed"

#### **Substitute**

"specified".

## 12. Section 28D amended (Director may serve demand notice in case of failure to pay fixed penalty etc.)

Section 28D(2) and (5)—

#### Repeal

"prescribed"

**Substitute** 

"specified".

### 13. Section 28G amended (recovery of fixed penalty)

Section 28G(5)(c)—

#### Repeal

"prescribed"

**Substitute** 

"specified".

#### 14. Section 28MA added

After section 28M—

Add

#### "28MA. Director may specify form for this Division

The Director may specify the form of any notice or certificate for the purposes of this Division.".

## 15. Section 29 amended (Secretary may make regulations in respect of Part 3)

(1) Section 29(1)—

Repeal paragraph (da).

(2) Section 29—

Repeal subsection (2).

Part 2 Clause 16

C2283

#### 16. Part 7 added

After Part 6—

## "Part 7

#### Schedule 12 Products

## **Division 1—Preliminary**

### 102. Interpretation of Part 7

In this Part—

approved producer responsibility plan (獲批准生產者責任計劃書) means a producer responsibility plan approved under section 112(1) or 113(3)(a);

consume (耗用)—see section 103;

- consumer (消費者), in relation to a Schedule 12 product, means a person who acquires the product otherwise than for distributing it in the course of business;
- designated barcode (指定條碼), in relation to a Schedule 12 product, means the barcode generated on the basis of the barcode number assigned to the product under section 130(3);

distribute (分發)—see section 103;

- Individual Product Regulation (《個別產品規例》) means regulations made under section 159;
- prescribed (訂明), when used in a provision, means prescribed by the Individual Product Regulation for the purposes of that provision;

- producer responsibility plan (生產者責任計劃書), in relation to a type of Schedule 12 product, means a plan that provides for arrangements relating to the recovery of Schedule 12 products of the type;
- recover (回收)—see section 103;
- registered product (登記產品) means a Schedule 12 product that is registered under section 130;
- registered return point (登記退還點) means a return point that is registered under section 138;
- registered scheme operator (登記計劃營運者), in relation to a type of Schedule 12 product, means a person who is registered under section 118 as a registered scheme operator of the type of Schedule 12 product;
- registered supplier (登記供應商), in relation to a type of Schedule 12 product, means a person who is registered under section 109 as a registered supplier of the type of Schedule 12 product;
- retailer (零售商), in relation to a Schedule 12 product, means a person who distributes, or offers to distribute, the product to a consumer in the course of the person's business;
- return point (退還點) means a facility at which, or premises on which, a Schedule 12 product distributed by a person, or any part of such a product, may be collected for recovery purpose;
- supplier (供應商)—see section 104.

#### 103. Meanings of distribute, consume and recover

- (1) For the purposes of this Part, a person distributes a Schedule 12 product if the person—
  - (a) sells the product;

- (b) supplies the product by way of hire or hire-purchase;
- (c) exchanges or disposes of the product for consideration; or
- (d) gives the product to another person as a prize or gift.

#### (2) Despite subsection (1)—

- (a) even though a person does any of the acts mentioned in subsection (1)(a), (b), (c) and (d), the person does not distribute a Schedule 12 product if the act is done with a view that the product is to be exported in the course of business; and
- (b) a person does not distribute a Schedule 12 product merely because the person enters into an agreement to do any of the acts mentioned in subsection (1)(a), (b), (c) and (d).
- (3) For the purposes of this Part, a person consumes a Schedule 12 product if the person—
  - (a) for a product constituted by a substance and a container containing the substance—
    - (i) opens the container for the first time after the container is sealed; or
    - (ii) abandons the product; or
  - (b) for any other product—abandons the product.
- (4) For the purposes of this Part, a person recovers a Schedule 12 product if the person collects the product, or any part of the product, for the purpose of reuse, recycling or repurposing.

### 104. Meaning of supplier

- (1) For the purposes of this Part, a person is a supplier of a type of Schedule 12 product if—
  - (a) the person, in the course of the person's business, manufactures Schedule 12 products of the type in Hong Kong for distribution or consumption by the person;
  - (b) subject to subsection (2), the person, in the course of the person's business, imports Schedule 12 products of the type into Hong Kong for distribution or consumption by the person; or
  - (c) the person is prescribed as a supplier of the type of Schedule 12 product.
- (2) A person is not a supplier of a type of Schedule 12 product by reason of subsection (1)(b) if the person—
  - (a) does not own the products; and
  - (b) only provides a service for transporting the products into Hong Kong for another person.

## 105. Meaning of holder of approved producer responsibility plan

For the purposes of this Part—

- (a) a person is a holder of an approved producer responsibility plan if the plan is approved under section 112(1) or 113(3)(a) on the application of the person; and
- (b) a reference to an approved producer responsibility plan held by a person is to be construed accordingly.

## Division 2—Distribution or Consumption of Schedule 12 Products by Suppliers

## 106. Prohibition on distribution or consumption of Schedule 12 products by suppliers

- (1) A supplier of a type of Schedule 12 product must not distribute or consume a Schedule 12 product of the type unless—
  - (a) the supplier is a registered supplier of the type of Schedule 12 product;
  - (b) the supplier or a specified registered scheme operator of the supplier holds an approved producer responsibility plan for the type of Schedule 12 product, and the plan is in force; and
  - (c) either—
    - (i) the Schedule 12 product is not of a type to which section 130 applies; or
    - (ii) the Schedule 12 product is a registered product.
- (2) Subsection (1)(b) does not apply in relation to the distribution or consumption of a Schedule 12 product of a type if there is prescribed a condition for that distribution or consumption, and the condition is met.
- (3) Subsection (1) does not prohibit a supplier of a type of Schedule 12 product who is not a registered supplier of the type of Schedule 12 product from distributing or consuming a Schedule 12 product of the type if there is prescribed a condition for that

- distribution or consumption, and the condition is met.
- (4) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 6.
- (5) For the purposes of subsection (1)(b), a person is a specified registered scheme operator of a registered supplier of a type of Schedule 12 product if—
  - (a) the person is a registered scheme operator of the type of Schedule 12 product;
  - (b) the person is engaged by the supplier to recover Schedule 12 products of the type for the supplier; and
  - (c) the engagement is registered under section 120.

## 107. Service of assessment notice on contravention of section 106(1)

- (1) This section applies if a supplier of a type of Schedule 12 product distributes or consumes a product in contravention of section 106(1).
- (2) The Director may serve an assessment notice (assessment notice) on the supplier demanding payment of an amount, assessed in accordance with the Individual Product Regulation, in respect of the distribution or consumption of the product (assessed amount).
- (3) The Director—
  - (a) may replace an assessment notice with another assessment notice served for that purpose; and
  - (b) may at any time withdraw an assessment notice by serving a notice to this effect.

- (4) An assessment notice must be served within 5 years after the date on which the product is distributed or consumed in contravention of section 106(1).
- (5) An assessment notice must state—
  - (a) the reasons for serving the notice;
  - (b) how the assessed amount is calculated;
  - (c) when and how the supplier must pay the assessed amount; and
  - (d) the right of the supplier to appeal against the notice.
- (6) The supplier must, within the prescribed period, pay the assessed amount to the Director in the prescribed manner.
- (7) A person who contravenes subsection (6) commits an offence and is liable—
  - (a) on the first conviction—to a fine at level 6; and
  - (b) on a subsequent conviction—to a fine of \$200,000.
- (8) A person who is convicted of an offence under subsection (7) is also liable to pay—
  - (a) a surcharge of 5% of the assessed amount that is outstanding at the expiry of the period mentioned in subsection (6); and
  - (b) an additional surcharge of 10% of the assessed amount or the surcharge mentioned in paragraph (a), or both, that is outstanding at the expiry of 6 months after the period mentioned in subsection (6).

- (9) An outstanding amount of the assessed amount or surcharge payable under this section is recoverable as a civil debt due to the Government.
- (10) If an appeal is made under Division 5 of Part 2 against an assessment notice, any amount of assessed amount or surcharge that is outstanding remains payable under this section pending the determination of the appeal unless the Director decides otherwise.

## 108. Suppliers to keep records of products distributed or consumed in reliance on section 106(3)

- (1) This section applies if—
  - (a) a supplier of a type of Schedule 12 product distributes or consumes a Schedule 12 product of the type;
  - (b) the supplier is not a registered supplier of the type of Schedule 12 product; and
  - (c) by reason of section 106(3), the distribution or consumption of the product is not prohibited under section 106(1).
- (2) The supplier must keep the prescribed records and documents relating to the distribution or consumption for the prescribed period.
- (3) A person who contravenes subsection (2) commits an offence and is liable on conviction to a fine at level 5.

## **Division 3—Registration of Suppliers**

### 109. Registration of suppliers

(1) The Director must register a person as a registered supplier of a type of Schedule 12 product if—

- (a) the person applies to be registered as such a registered supplier in accordance with the Individual Product Regulation; and
- (b) the Director is satisfied that the application complies with the prescribed requirements.
- (2) On registering a person under subsection (1), the Director may impose on the registration any term or condition that relates to a prescribed matter.
- (3) A person who fails to comply with any term or condition imposed on the registration of the person under subsection (2) commits an offence and is liable on conviction to a fine at level 6.

### 110. Cancellation of registration of registered suppliers

The Director may cancel the registration of a person as a registered supplier of a type of Schedule 12 product if—

- (a) the Director is satisfied that the person is no longer a supplier of the type of Schedule 12 product; or
- (b) the person applies for the cancellation of the registration.

## Division 4—Producer Responsibility Plans

## 111. Reference to terms or conditions imposed in respect of approved producer responsibility plans

For the purposes of this Division, a reference to any term or condition imposed in respect of an approved producer responsibility plan is a reference to—

(a) a term or condition imposed in respect of the plan under section 112(2)(b) or 113(3)(c);

- (b) a term or condition imposed in respect of the plan under section 114(2)(a) or 115(2)(a); or
- (c) a term or condition mentioned in paragraph (a) or (b) as amended under section 114(2)(b) or 115(2)(b).

#### 112. Approval of producer responsibility plans

- (1) The Director must approve a producer responsibility plan for a type of Schedule 12 product if—
  - (a) an application for approval of the plan is made in accordance with the Individual Product Regulation; and
  - (b) the Director is satisfied that the application complies with the prescribed requirements.
- (2) On approving a producer responsibility plan under subsection (1), the Director—
  - (a) must specify a period of not more than 5 years for which the plan is to be in force; and
  - (b) may impose in respect of the plan any term or condition that—
    - (i) relates to a prescribed matter; or
    - (ii) requires the setting up of a return point.

#### 113. Revision of producer responsibility plans

- (1) This section applies in relation to an approved producer responsibility plan (*previous plan*)—
  - (a) that is in force; or
  - (b) the approval granted in respect of which under subsection (3)(a) or section 112(1) is suspended under section 114(2)(c).

- (2) The Director must approve a revision of the previous plan if—
  - (a) an application for approval of the revision is made by the holder of the previous plan in accordance with the Individual Product Regulation; and
  - (b) the Director is satisfied that the application complies with the prescribed requirements.
- (3) On approving a revision under subsection (2), the Director—
  - (a) must also approve the previous plan as revised (revised plan);
  - (b) must specify that the revised plan is to be in force for a period that expires—
    - (i) if the previous plan is a plan approved under section 112(1)—at the end of the period specified under section 112(2)(a) as the period for which the plan is, but for subsection (4), to be in force; or
    - (ii) if the previous plan is a plan approved under paragraph (a)—at the end of the period specified under this paragraph as the period for which the plan is, but for subsection (4), to be in force; and
  - (c) may impose in respect of the revised plan any term or condition that—
    - (i) relates to a prescribed matter; or
    - (ii) requires the setting up of a return point.
- (4) The approval granted in respect of the previous plan under subsection (3)(a) or section 112(1) is cancelled on the approval of the revised plan.

(5) On the cancellation of an approval granted in respect of the previous plan under subsection (4), the plan ceases to be in force.

## 114. Variation, suspension and cancellation of approval of producer responsibility plans that are in force

- (1) This section applies in relation to an approved producer responsibility plan that is in force.
- (2) If the Director is satisfied that any one or more of the conditions specified in subsection (3) are satisfied, the Director—
  - (a) may impose in respect of the plan any new term or condition that—
    - (i) relates to a prescribed matter; or
    - (ii) requires the setting up of a return point;
  - (b) may amend any term or condition imposed in respect of the plan;
  - (c) may suspend the approval granted in respect of the plan under section 112(1) or 113(3)(a) for a period specified by the Director; and
  - (d) may cancel the approval granted in respect of the plan under section 112(1) or 113(3)(a) with effect beginning on a date specified by the Director.
- (3) The conditions are—
  - (a) there is non-compliance with any term or condition imposed in respect of the plan;
  - (b) the holder of the plan has been convicted of an offence under this Part; and

- (c) it is necessary to exercise any one or more powers under subsection (2) for protecting public health or for protecting the environment.
- (4) If the approval granted in respect of a producer responsibility plan is suspended under subsection (2)(c), the plan is not in force during the period while the approval is so suspended.
- (5) If the approval granted in respect of a producer responsibility plan is cancelled under subsection (2)(d), the plan ceases to be in force on the date specified by the Director under that subsection.

## 115. Variation and cancellation of approval of producer responsibility plans that are suspended

- (1) This section applies in relation to an approved producer responsibility plan the approval granted in respect of which under section 112(1) or 113(3)(a) is suspended under section 114(2)(c).
- (2) If the Director is satisfied that any one or more of the conditions specified in subsection (3) are satisfied, the Director—
  - (a) may impose in respect of the plan any new term or condition that—
    - (i) relates to a prescribed matter; or
    - (ii) requires the setting up of a return point;
  - (b) may amend any term or condition imposed in respect of the plan; and
  - (c) may cancel the approval granted in respect of the plan under section 112(1) or 113(3)(a) with effect beginning on a date specified by the Director.

#### (3) The conditions are—

- (a) there is non-compliance with any term or condition imposed in respect of the plan;
- (b) the holder of the plan has been convicted of an offence under this Part; and
- (c) it is necessary to exercise any one or more powers under subsection (2) for protecting public health or for protecting the environment.
- (4) If the approval granted in respect of a producer responsibility plan is cancelled under subsection (2)(c), the plan ceases to be in force on the date specified by the Director under that subsection.

### 116. Cancellation of approval of producer responsibility plans

- (1) The Director may cancel the approval granted in respect of a producer responsibility plan under section 112(1) or 113(3)(a) if the holder of the plan applies for the cancellation of the approval.
- (2) On the cancellation of an approval granted in respect of a producer responsibility plan under subsection (1), the plan ceases to be in force.

### 117. Offence for non-compliance with terms or conditions

A holder of an approved producer responsibility plan who fails to comply with any term or condition imposed in respect of the plan commits an offence and is liable on conviction to a fine at level 6.

## **Division 5—Registered Scheme Operators**

#### 118. Registration of scheme operators

- (1) The Director must register a person as a registered scheme operator of a type of Schedule 12 product if—
  - (a) the person applies to be registered as such a registered scheme operator in accordance with the Individual Product Regulation;
  - (b) the Director is satisfied that the application complies with the prescribed requirements; and
  - (c) the person is the holder of an approved producer responsibility plan for the type of Schedule 12 product, and the plan is in force.
- (2) On registering a person under subsection (1), the Director may impose on the registration any term or condition that relates to a prescribed matter.
- (3) A person who fails to comply with any term or condition imposed on the registration of the person under subsection (2) commits an offence and is liable on conviction to a fine at level 6.

#### 119. Cancellation of registration of registered scheme operators

The Director may cancel the registration of a person as a registered scheme operator of a type of Schedule 12 product if—

(a) the approved producer responsibility plan for the type of Schedule 12 product held by the person is cancelled under section 114(2)(d), 115(2)(c) or 116(1);

- (b) the person has been convicted of an offence under this Part or the Individual Product Regulation; or
- (c) the person applies for the cancellation of the registration.

## 120. Registration of engagement of registered scheme operators

- (1) This section applies if—
  - (a) a person (who is a registered scheme operator of a type of Schedule 12 product) is engaged by a registered supplier of the type of Schedule 12 product; and
  - (b) the person is so engaged to recover Schedule 12 products of the type for the supplier.
- (2) The Director must register the engagement if—
  - (a) an application for registration of the engagement is made in accordance with the Individual Product Regulation; and
  - (b) the Director is satisfied that the application complies with the prescribed requirements.

## 121. Cancellation of registration of engagement of registered scheme operators

- (1) This section applies if the Director has registered, under section 120, the engagement of a person (who is a registered scheme operator of a type of Schedule 12 product) (person A) by another person (who is a registered supplier of the type of Schedule 12 product) (person B) to recover Schedule 12 products of the type for person B.
- (2) The Director may cancel the registration if—

- (a) person A ceases to be registered as a registered scheme operator of the type of Schedule 12 product;
- (b) person B ceases to be registered as a registered supplier of the type of Schedule 12 product;
- (c) the Director is satisfied that person A has ceased to be so engaged by person B; or
- (d) person A or person B applies for the cancellation of the registration.

## **Division 6—Returns and Audit Reports**

# Subdivision 1—Products Distributed or Consumed by Registered Suppliers

# 122. Submission of returns on products distributed or consumed by registered suppliers

- (1) A registered supplier of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director a return on the quantity of Schedule 12 products of the type distributed or consumed by the supplier during a prescribed period.
- (2) A registered supplier who submits a return under subsection (1) must keep the prescribed records and documents relating to the return for the prescribed period.
- (3) A person who contravenes subsection (1) commits an offence and is liable—
  - (a) on the first conviction—to a fine at level 6; and

- (b) on a subsequent conviction—to a fine of \$200,000.
- (4) A person who contravenes subsection (2) commits an offence and is liable on conviction to a fine at level 5.

## 123. Submission of annual audit reports on products distributed or consumed by registered suppliers

- (1) A registered supplier of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director an audit report in respect of returns submitted by the supplier under section 122(1) every year.
- (2) However, subsection (1) does not require a registered supplier of a type of Schedule 12 product to submit an audit report in respect of returns submitted for a year if the aggregate of the quantity of Schedule 12 products of the type distributed by the supplier, and the quantity of such products consumed by the supplier, in that year does not exceed the prescribed quantity.
- (3) The audit report must be prepared by a certified public accountant (practising) as defined by section 2(1) of the Accounting and Financial Reporting Council Ordinance (Cap. 588), who must not be an employee of the registered supplier.
- (4) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 5.

# Subdivision 2—Products Recovered by Registered Suppliers

## 124. Submission of returns on products recovered by registered suppliers

- (1) A registered supplier of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director a return on the quantity of Schedule 12 products of the type recovered by the supplier during a prescribed period.
- (2) A registered supplier who submits a return under subsection (1) must keep the prescribed records and documents relating to the return for the prescribed period.
- (3) A person who contravenes subsection (1) commits an offence and is liable—
  - (a) on the first conviction—to a fine at level 6; and
  - (b) on a subsequent conviction—to a fine of \$200,000.
- (4) A person who contravenes subsection (2) commits an offence and is liable on conviction to a fine at level 5.

# 125. Submission of annual audit reports on products recovered by registered suppliers

- (1) A registered supplier of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director an audit report in respect of returns submitted by the supplier under section 124(1) every year.
- (2) However, subsection (1) does not require a registered supplier of a type of Schedule 12 product to submit an audit report in respect of returns submitted for a

year (*recovery year*) if the aggregate of the quantity of Schedule 12 products of the type distributed by the supplier, and the quantity of such products consumed by the supplier, in the year that ends immediately before the recovery year does not exceed the prescribed quantity.

- (3) The audit report must be prepared by a certified public accountant (practising) as defined by section 2(1) of the Accounting and Financial Reporting Council Ordinance (Cap. 588), who must not be an employee of the registered supplier.
- (4) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 5.

# Subdivision 3—Products Recovered by Registered Scheme Operators

## 126. Submission of returns on products recovered by registered scheme operators

- (1) A registered scheme operator of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director a return on the quantity of Schedule 12 products of the type recovered by the operator in accordance with the approved producer responsibility plan for the type of Schedule 12 product held by the operator during a prescribed period.
- (2) A registered scheme operator who submits a return under subsection (1) must keep the prescribed records and documents relating to the return for the prescribed period.
- (3) A person who contravenes subsection (1) commits an offence and is liable—

- (a) on the first conviction—to a fine at level 6; and
- (b) on a subsequent conviction—to a fine of \$200,000.
- (4) A person who contravenes subsection (2) commits an offence and is liable on conviction to a fine at level 5.

### 127. Submission of annual audit reports on products recovered by registered scheme operators

- (1) A registered scheme operator of a type of Schedule 12 product must, in accordance with the Individual Product Regulation, submit to the Director an audit report in respect of returns submitted by the operator under section 126(1) every year.
- (2) The audit report must be prepared by a certified public accountant (practising) as defined by section 2(1) of the Accounting and Financial Reporting Council Ordinance (Cap. 588), who must not be an employee of the registered scheme operator.
- (3) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 5.

# Division 7—Other Requirements regarding Distribution, Consumption and Recovery of Schedule 12 Products

#### **Subdivision 1—Application**

#### 128. Application of Division 7 of Part 7

A provision in this Division applies to a type of Schedule 12 product specified in column 2 of Part 2 of Schedule 12 if the provision is specified in column 3 of that Part opposite the type of Schedule 12 product.

#### Subdivision 2—Registration and Labelling of Products

#### 129. Requirements on registration and labelling of products

- (1) A registered supplier of a type of Schedule 12 product to which this section applies must not distribute or consume a Schedule 12 product of the type unless—
  - (a) the product is a registered product;
  - (b) the designated barcode for the product is printed on, or is affixed to, the surface of the product in the prescribed manner; and
  - (c) the prescribed logo for the type of Schedule 12 product is printed on, or is affixed to, the surface of the product in the prescribed manner.
- (2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 6.
- (3) If a person is charged with an offence under subsection (2), it is a defence to establish that the person had a reasonable excuse for contravening subsection (1).

#### 130. Registration of Schedule 12 products

- (1) The Director must register a Schedule 12 product of a type to which this section applies if—
  - (a) a person specified in subsection (2) applies for the registration of the product in accordance with the Individual Product Regulation; and
  - (b) the Director is satisfied that the application complies with the prescribed requirements.

(2) The person is a registered supplier of the type of Schedule 12 product by whom the product is to be distributed or consumed.

(3) On registering a product under subsection (1), the Director must assign a barcode number to the product.

#### 131. Offence relating to use of prescribed logo

- (1) A person must not print the prescribed logo for a type of Schedule 12 product to which this section applies on, or affix such a logo to, the surface of a Schedule 12 product of the type that is not a registered product with intent to cause any person to believe that the product is a registered product.
- (2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 6.
- (3) If a person is charged with an offence under subsection (2), it is a defence to establish that the person had a reasonable excuse for contravening subsection (1).

### 132. Retailers must not distribute or offer to distribute products in certain circumstances

- (1) A retailer must not distribute, or offer to distribute, a Schedule 12 product of a type to which this section applies if the retailer knows, or reasonably ought to know, that the product is a non-compliant product.
- (2) Subsection (1) does not prohibit a retailer from distributing, or offering to distribute, a Schedule 12 product that is a non-compliant product if—
  - (a) the retailer is at the same time a supplier of the type of Schedule 12 product; and

- (b) there is prescribed a condition for that distribution or offer, and the condition is met.
- (3) For the purposes of this section, a Schedule 12 product of a type is a non-compliant product if—
  - (a) the product is not a registered product;
  - (b) the designated barcode for the product is not printed on, or affixed to, the surface of the product in the prescribed manner; or
  - (c) the prescribed logo for the type of Schedule 12 product is not printed on, or affixed to, the surface of the product in the prescribed manner.
- (4) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 6.
- (5) If a person is charged with an offence under subsection (4), it is a defence to establish that the person had a reasonable excuse for contravening subsection (1).

#### **Subdivision 3—Recovery Target**

#### 133. Interpretation of Subdivision 3 of Division 7 of Part 7

In this Subdivision—

prescribed distribution period (訂明分發期間), in relation to a prescribed recovery period, means the period that—

- (a) is prescribed as the distribution period of the prescribed recovery period; and
- (b) ends immediately before the prescribed recovery period;

prescribed recovery period (訂明回收期間), in relation to a type of Schedule 12 product, means the period that is prescribed as the recovery period for the type of product.

#### 134. Registered suppliers required to meet recovery target

- (1) This section applies to a registered supplier of a type of Schedule 12 product if this section applies to the type of Schedule 12 product.
- (2) If the registered supplier has distributed or consumed any Schedule 12 products of the type during the prescribed distribution period in relation to the prescribed recovery period, the supplier is required to recover not less than the prescribed quantity of Schedule 12 products of the type during the prescribed recovery period.

### 135. Registered scheme operators required to meet recovery target

- (1) This section applies to a registered scheme operator of a type of Schedule 12 product if—
  - (a) this section applies to the type of Schedule 12 product;
  - (b) the operator is engaged by a registered supplier of the type of Schedule 12 product to recover Schedule 12 products of the type for the supplier during the prescribed recovery period of the type of Schedule 12 product; and
  - (c) the engagement is registered under section 120.
- (2) If the registered supplier has distributed or consumed any Schedule 12 products of the type during the prescribed distribution period in relation to the

prescribed recovery period, the registered scheme operator is required to recover not less than the prescribed quantity of Schedule 12 products of the type during the prescribed recovery period.

### 136. Service of assessment notice on failure to meet recovery target

- (1) This section applies if—
  - (a) a registered supplier or registered scheme operator of a type of Schedule 12 product to which this section applies (*responsible person*) is required, under section 134 or 135, to recover not less than the prescribed quantity of Schedule 12 products of the type during a period; and
  - (b) the quantity of Schedule 12 products of the type recovered by the person during the period falls short of the prescribed quantity.
- (2) The Director may serve an assessment notice (assessment notice) on the responsible person demanding payment of an amount, assessed in accordance with the Individual Product Regulation, in respect of the shortfall (assessed amount).
- (3) The Director—
  - (a) may replace an assessment notice with another assessment notice served for that purpose; and
  - (b) may at any time withdraw an assessment notice by serving a notice to this effect.
- (4) An assessment notice must be served within 5 years after the expiry of the period mentioned in subsection (1)(a).

- (5) An assessment notice must state—
  - (a) the reasons for serving the notice;
  - (b) how the assessed amount is calculated;
  - (c) when and how the responsible person must pay the assessed amount; and
  - (d) the right of the responsible person to appeal against the notice.
- (6) The responsible person must, within the prescribed period, pay the assessed amount to the Director in the prescribed manner.
- (7) A person who contravenes subsection (6) commits an offence and is liable—
  - (a) on the first conviction—to a fine at level 6; and
  - (b) on a subsequent conviction—to a fine of \$200,000.
- (8) A person who is convicted of an offence under subsection (7) is also liable to pay—
  - (a) a surcharge of 5% of the assessed amount that is outstanding at the expiry of the period mentioned in subsection (6); and
  - (b) an additional surcharge of 10% of the assessed amount or the surcharge mentioned in paragraph (a), or both, that is outstanding at the expiry of 6 months after the period mentioned in subsection (6).
- (9) An outstanding amount of the assessed amount or surcharge payable under this section is recoverable as a civil debt due to the Government.

(10) If an appeal is made under Division 5 of Part 2 against an assessment notice, any amount of assessed amount or surcharge that is outstanding remains payable under this section pending the determination of the appeal unless the Director decides otherwise.

#### Subdivision 4—Registered Return Points

#### 137. Requirement to set up registered return points

- (1) A retailer must not distribute a Schedule 12 product of a type to which this section applies on any prescribed premises unless the retailer has set up a registered return point for the collection of Schedule 12 products of the type, or any part of such products, for recovery purpose.
- (2) A retailer who sets up a registered return point for the purposes of subsection (1) must display at a conspicuous place of the prescribed premises—
  - (a) information on the location of the registered return point; and
  - (b) if the Schedule 12 product is of a type to which section 140 applies—the conditions to be met for obtaining a rebate mentioned in that section.
- (3) A person who contravenes subsection (1) or (2) commits an offence and is liable on conviction to a fine at level 6.
- (4) If a person is charged with an offence under subsection (3), it is a defence to establish that the person had a reasonable excuse for contravening subsection (1) or (2).

#### 138. Registration of return points

- (1) The Director must register a return point as a registered return point set up by a retailer for a type of Schedule 12 product to which this section applies if—
  - (a) the retailer applies for the registration of the return point in accordance with the Individual Product Regulation; and
  - (b) the Director is satisfied that the application complies with the prescribed requirements.
- (2) On registering a return point under subsection (1), the Director may impose on the registration any term or condition that relates to a prescribed matter.
- (3) A person who fails to comply with any term or condition imposed under subsection (2) on the registration of the return point set up by the person commits an offence and is liable on conviction to a fine at level 6.

#### 139. Cancellation of registration of return points

The Director may cancel the registration of a return point for a type of Schedule 12 product to which this section applies if—

- (a) the Director is satisfied that the return point no longer operates as a return point; or
- (b) the retailer who sets up the return point applies for the cancellation of the registration.

#### **Subdivision 5—Rebate**

#### 140. Retailers to provide rebate

- (1) Where a retailer sets up a registered return point for the collection of Schedule 12 products of a type to which this section applies, or any part of such products, for the purposes of section 137(1), the retailer must provide a rebate of a value not less than the prescribed amount to a person who returns a Schedule 12 product of the type, or any part of such a product, to the return point if the prescribed condition is met.
- (2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 6.

### 141. Registered suppliers and registered scheme operators to provide rebate

- (1) This section applies to a registered supplier or registered scheme operator of a type of Schedule 12 product to which this section applies (*responsible person*) if—
  - (a) the responsible person is a holder of an approved producer responsibility plan for the type of Schedule 12 product; and
  - (b) under the term or condition imposed in respect of the plan (within the meaning of section 111), the responsible person is required to set up a return point for the collection of Schedule 12 products of the type.
- (2) The responsible person must provide a rebate of a value not less than the prescribed amount to a person who returns a Schedule 12 product of the

type, or any part of such a product, to the return point set up in compliance with the requirement of the term or condition if the prescribed condition is met.

(3) A person who contravenes subsection (2) commits an offence and is liable on conviction to a fine at level 6.

#### **Division 8—Fixed Penalty and Related Provisions**

#### 142. Interpretation of Division 8 of Part 7

In this Division—

- demand notice (繳款通知書) means a notice served under section 146(2);
- fixed penalty (定額罰款) means the penalty referred to in section 143(2);
- penalty notice (罰款通知書) means a notice given under section 143(2);
- recovery order (追討令) means an order made under section 149(2);
- specified form (指明格式) means a form specified under section 156.

#### 143. Director may give penalty notice

- (1) This section applies if the Director has reason to believe that a person is committing or has committed an offence under section 131(2), 132(4), 137(3), 140(2) or 141(3).
- (2) The Director may give the person a notice in the specified form offering the person an opportunity to discharge the person's liability for the offence by

- paying a fixed penalty of \$2,000 within 21 days after the date on which the notice is given.
- (3) A penalty notice may be given to the person personally or by affixing it to the person's place of business.

### 144. No prosecution or conviction if compliance with penalty notice

- (1) This section applies to a person who has been given a penalty notice in respect of an offence.
- (2) Subject to section 148, the person is not liable to be prosecuted or convicted for the offence if the person has paid the fixed penalty within 21 days after the date on which the notice is given.

### 145. Director may demand personal details and inspect proof of identity

- (1) This section applies if the Director has reason to believe that a person is committing or has committed an offence under section 131(2), 132(4), 137(3), 140(2) or 141(3).
- (2) The Director may, for issuing or serving a summons or other document in relation to the offence, require the person—
  - (a) for an individual—
    - (i) to supply the person's name, date of birth, address and contact telephone number (if any); and
    - (ii) to produce for inspection the person's proof of identity; or
  - (b) for a body corporate—

- (i) to supply the person's corporate name, registered or principal office address and contact telephone number (if any); and
- (ii) to produce for inspection the person's business registration certificate issued under section 6 of the Business Registration Ordinance (Cap. 310).
- (3) A person who fails to comply with a requirement made under subsection (2) commits an offence and is liable on conviction to a fine at level 2.
- (4) If a person is charged with an offence under subsection (3), it is a defence to establish that the person had a reasonable excuse for failing to comply with a requirement made under subsection (2).
- (5) In this section—

proof of identity (身分證明文件) has the meaning given by section 17B(1) of the Immigration Ordinance (Cap. 115).

### 146. Director may serve demand notice in case of failure to pay fixed penalty etc.

- (1) This section applies if—
  - (a) a person—
    - (i) has been given a penalty notice in respect of an offence; and
    - (ii) fails to pay the fixed penalty within 21 days after the date on which the notice is given; or
  - (b) a person refuses to accept a penalty notice intended to be given to the person in respect of an offence.

- (2) The Director may serve on the person a notice in the specified form—
  - (a) demanding payment of the fixed penalty;
  - (b) informing the person that the person must notify the Director in writing if the person wishes to dispute liability for the offence; and
  - (c) stating that the payment or notification must be made within 10 days after the date on which the notice is served.
- (3) A demand notice may not be served later than—
  - (a) if subsection (1)(a) applies—6 months after the date on which the penalty notice is given; or
  - (b) if subsection (1)(b) applies—6 months after the date on which the person refuses to accept the penalty notice.
- (4) A demand notice may be served by sending it by post to—
  - (a) for an individual—the person's address; or
  - (b) for a body corporate—the person's registered or principal office address.
- (5) A certificate of posting in the specified form purporting to be signed by or for the Director is admissible in evidence in any proceedings under this Part.
- (6) Unless there is evidence to the contrary, it is presumed—
  - (a) that the certificate of posting was signed by or for the Director; and
  - (b) that the demand notice to which the certificate of posting relates was duly served.

### 147. No prosecution or conviction if compliance with demand notice

- (1) This section applies to a person on whom a demand notice has been served in respect of an offence.
- (2) Subject to section 148, the person is not liable to be prosecuted or convicted for the offence if the person has paid the fixed penalty within 10 days after the date on which the notice is served.

#### 148. Withdrawal of penalty notice or demand notice

- (1) The Director may withdraw a penalty notice given, or a demand notice served, in respect of an offence—
  - (a) at any time before a recovery order is made; or
  - (b) at any time before any proceedings for the offence commence.
- (2) If a penalty notice or demand notice is withdrawn—
  - (a) the Director must serve notice of the withdrawal on the person to whom, or on whom, the penalty notice or demand notice has been given or served; and
  - (b) on application by the person, the Director must refund, through the Director of Accounting Services, any amount paid for the fixed penalty.
- (3) If a penalty notice or demand notice is withdrawn, proceedings for the offence may only be commenced where—
  - (a) the ground, or one of the grounds, on which the notice is withdrawn is that it contains incorrect information; and

(b) the incorrect information was supplied by the person to whom, or on whom, the notice was given or served.

#### 149. Recovery of fixed penalty

- (1) This section applies if a person on whom a demand notice has been served—
  - (a) fails to pay the fixed penalty in accordance with the notice; and
  - (b) fails to notify the Director in accordance with the notice that the person wishes to dispute liability for the offence.
- (2) On application made in the name of the Secretary for Justice and production of the documents specified in subsection (5), a magistrate must order the person to pay, within 14 days after the date of service of notice of the order—
  - (a) the fixed penalty;
  - (b) an additional penalty equal to the amount of the fixed penalty; and
  - (c) \$300 by way of costs.
- (3) An application may be made in the absence of the person and the Secretary for Justice may appoint a person or class of persons to make an application.
- (4) A magistrate must cause notice of a recovery order to be served on the person against whom it is made and it may be served by sending it by post to—
  - (a) for an individual—the person's address; or
  - (b) for a body corporate—the person's registered or principal office address.

- (5) The documents specified for subsection (2) are—
  - (a) a copy of the demand notice;
  - (b) a certificate of posting the demand notice under section 146(5); and
  - (c) an evidentiary certificate, in the specified form, stating the following matters—
    - (i) that the person specified in the certificate had not, before the date of the certificate, paid the fixed penalty;
    - (ii) that the person specified in the certificate had not, before the date of the certificate, notified the Director that the person wished to dispute liability for the offence;
    - (iii) that the address specified in the certificate was, on the date specified in the certificate in relation to the address—
      - (A) for an individual—the person's address; or
      - (B) for a body corporate—the person's registered or principal office address.
- (6) An evidentiary certificate referred to in subsection (5)(c) and purporting to be signed by or for the Director is admissible in evidence in any proceedings under this Part.
- (7) Unless there is evidence to the contrary—
  - (a) it is presumed that the evidentiary certificate was signed by or for the Director; and
  - (b) the evidentiary certificate is evidence of the facts stated in it.

### 150. Consequences of compliance with recovery order or failure to do so

- (1) This section applies to a person against whom a recovery order is made.
- (2) If the person has complied with the recovery order, the person is not liable to be prosecuted or convicted for the offence to which the order relates.
- (3) If the person fails to comply with the recovery order, the person—
  - (a) is to be regarded, for the purposes of section 68 of the Magistrates Ordinance (Cap. 227), as having failed to pay the sum adjudged to be paid by a conviction; and
  - (b) is liable to be imprisoned under that section.

#### 151. Application for review of recovery order

- (1) A person against whom a recovery order is made may apply to a magistrate for review of the order.
- (2) An application must be made within 14 days after the date on which the recovery order first came to the personal notice of the applicant.
- (3) The applicant must give reasonable notice of the application to the Director.
- (4) An application may be made in person or by counsel or solicitor.
- (5) For securing the attendance of witnesses and generally for conducting the proceedings, the magistrate has all the powers of a magistrate hearing a complaint under the Magistrates Ordinance (Cap. 227).

#### 152. Outcome of review

- (1) On application under section 151, a magistrate may rescind a recovery order if the magistrate is satisfied that the demand notice did not come to the personal notice of the applicant without any fault of the applicant.
- (2) If the magistrate rescinds a recovery order, and the applicant wishes to dispute liability for the offence to which the order relates, the magistrate must give leave to that effect.
- (3) If the magistrate rescinds a recovery order, and the applicant does not wish to dispute liability for the offence to which the order relates, the magistrate—
  - (a) must order the applicant to pay the fixed penalty within 10 days after the date of an order made under this paragraph; and
  - (b) must order that, if the applicant fails to pay the fixed penalty within that period, the applicant must immediately pay—
    - (i) the fixed penalty;
    - (ii) an additional penalty equal to the amount of the fixed penalty; and
    - (iii) \$300 by way of costs.
- (4) Despite section 26 of the Magistrates Ordinance (Cap. 227), if a magistrate gives leave under subsection (2), proceedings may be commenced within 6 months after the date on which the magistrate gives the leave.
- (5) If the applicant fails to comply with the order under subsection (3)(b), the applicant—

- (a) is to be regarded, for the purposes of section 68 of the Magistrates Ordinance (Cap. 227), as having failed to pay the sum adjudged to be paid by a conviction; and
- (b) is liable to be imprisoned under that section.
- (6) If the applicant has complied with the order under subsection (3)(a) or (b), the applicant is not liable to be prosecuted or convicted for the offence to which the order relates.

#### 153. Power to rescind order on application by Director

At any time, a magistrate may for good cause, on application by the Director, rescind—

- (a) an order for the payment of the fixed penalty; and
- (b) any other order made under this Division in the same proceedings.

#### 154. Dispute of liability for offence

- (1) This section applies if a person—
  - (a) has notified the Director in accordance with a demand notice that the person wishes to dispute liability for an offence; or
  - (b) has been given leave under section 152(2) to dispute liability for an offence.
- (2) A summons issued in any proceedings against the person for the offence may be served on the person in accordance with section 8 of the Magistrates Ordinance (Cap. 227).
- (3) If—

- (a) in consequence of the notification or leave, the person appears in any proceedings in answer to a summons; and
- (b) the person is convicted of the offence after having offered no defence or a defence that is frivolous or vexatious,

the magistrate before whom the proceedings are heard must, in addition to any other penalty and costs, impose an additional penalty equal to the amount of the fixed penalty.

- (4) Any proceedings commenced against a person falling within subsection (1)(a) must terminate if the person pays in accordance with subsection (5)—
  - (a) the fixed penalty;
  - (b) an additional penalty equal to the amount of the fixed penalty; and
  - (c) \$500 by way of costs.
- (5) Payment under subsection (4) must be made at any magistrates' court not less than 2 days before the day specified in the summons for the person's appearance, and the summons must be produced at the time of the payment.
- (6) Neither a Saturday nor a public holiday may be included in the computation of the 2 days' period mentioned in subsection (5).

#### 155. Protection of Director and authorized officers

(1) The Director or an authorized officer is not personally liable for anything done or omitted to be done by the Director or officer in good faith in the performance or purported performance of a function under this Division.

(2) The protection conferred by subsection (1) does not affect any liability of the Government for the act or omission.

#### 156. Director may specify form for this Division

The Director may specify the form of any notice or certificate for the purposes of this Division.

#### 157. Legislative Council may amend certain amounts

The Legislative Council may, by resolution, amend the amount specified in section 143(2), 149(2)(c), 152(3)(b)(iii) or 154(4)(c).

#### **Division 9—Supplementary Provisions**

#### 158. Burden of proof

A person charged with an offence against this Part is taken to have established a matter that needs to be established for a defence under this Part if—

- (a) there is sufficient evidence to raise an issue with respect to the matter; and
- (b) the contrary is not proved by the prosecution beyond reasonable doubt.

#### 159. Secretary may make regulations for Part 7

The Secretary may make regulations in respect of one or more of the following matters—

- (a) the assessment of an amount demanded under section 107(2) or 136(2);
- (b) an application for registration as a registered supplier under section 109, and the determination in relation to the application;

- (c) an application for registration as a registered scheme operator under section 118, and the determination in relation to the application;
- (d) an application for registration of the engagement of a registered scheme operator under section 120, and the determination in relation to the application;
- (e) an application for registration of a Schedule 12 product under section 130, and the determination in relation to the application;
- (f) an application for registration as a registered return point under section 138, and the determination in relation to the application;
- (g) the cancellation of registration under section 110, 119, 121 or 139;
- (h) an application for approval of a producer responsibility plan under section 112, and the determination in relation to the application;
- (i) an application for approval of a revision of a producer responsibility plan under section 113, and the determination in relation to the application;
- (j) the suspension or cancellation of an approval under section 114, 115 or 116;
- (k) the submission of returns under section 122, 124 or 126;
- (l) the information to be contained in the returns mentioned in paragraph (k);
- (m) the submission of annual audit reports under section 123, 125 or 127;

- (n) the information to be contained in the annual audit reports mentioned in paragraph (m);
- (o) the requirements relating to rebate;
- (p) the requirements relating to the setting up and operation of registered return points;
- (q) payment of fixed penalties, additional penalties and other amounts payable under this Part.

#### 160. Secretary may amend Schedule 12

- (1) The Secretary may, after consultation with the Advisory Council on the Environment, by notice published in the Gazette amend Schedule 12.
- (2) A notice under subsection (1) may contain incidental, consequential, supplemental, transitional or savings provisions that are necessary or expedient in consequence of an amendment made by the notice.".

#### 17. Schedule 12 added

After Schedule 11—

Add

#### "Schedule 12

[ss. 3, 128 & 160]

#### **Schedule 12 Products**

#### Part 1

#### Type of Schedule 12 Product

Column 1

Item

Column 2

Type of product

#### Part 2

#### **Provisions Applicable to Different Products**

Column 1

Column 2

Column 3

Item

Type of product

Provision".

#### 18. "某些" substituted for "若干"

- (1) The following provisions, Chinese text—
  - (a) long title;
  - (b) section 2(2)(a), (b), (c), (d), (e) and (f)—

#### Repeal

"若干" (wherever appearing)

#### **Substitute**

"某些".

(2) Schedule 7, Chinese text, heading—

#### Repeal

"若干"

#### **Substitute**

"某些"

#### 19. "特區政府" substituted for "政府"

The following provisions, Chinese text—

- (a) section 28M(2);
- (b) section 37(3);
- (c) section 40(12);
- (d) section 51(3);
- (e) section 54(12);
- (f) section 95(2);
- (g) Schedule 5, sections 2(3) and 8—

#### Repeal

"政府" (wherever appearing)

#### **Substitute**

"特區政府".

Part 3 Clause 20

C2375

#### Part 3

## Repeal of Product Eco-responsibility (Plastic Shopping Bags) Regulation (Cap. 603 sub. leg. A)

20. Product Eco-responsibility (Plastic Shopping Bags) Regulation repealed

Product Eco-responsibility (Plastic Shopping Bags) Regulation—

Repeal the Regulation.

#### Part 4

#### Amendments to Waste Disposal Ordinance (Cap. 354)

#### 21. Section 2 amended (interpretation)

(1) Section 2(1), definition of *disposal*, paragraph (b)—

#### Repeal

"; and"

Substitute a semicolon.

(2) Section 2(1), definition of disposal, after paragraph (c)—

#### Add

- "(d) in relation to plastic waste, includes treatment, reprocessing and recycling, but does not include reuse, sorting, baling, compression and disassembling of articles with plastic component;
  - (e) in relation to liquid carton waste, includes treatment, reprocessing and recycling, but does not include reuse, sorting, baling and compression;
  - (f) in relation to vehicle tyre waste, includes treatment, reprocessing and recycling, but does not include repair, reuse and retreading; and
  - (g) in relation to electric vehicle battery waste, includes treatment, reprocessing and recycling;".
- (3) Section 2(1), definition of *waste*, after "container waste,"—

#### Add

"plastic waste, liquid carton waste, vehicle tyre waste, electric vehicle battery waste,".

#### (4) Section 2(1)—

#### Add in alphabetical order

- "electric vehicle battery waste (電動車電池廢物) means a battery that—
  - (a) is primarily manufactured or designed for installation in a vehicle that is—
    - (i) a pure electric vehicle or plug-in hybrid electric vehicle; and
    - (ii) a vehicle falling within a class of vehicle specified in Schedule 1 to the Road Traffic Ordinance (Cap. 374), other than a special purpose vehicle, invalid carriage, trailer and rickshaw;
  - (b) is primarily manufactured or designed to provide traction to propel the vehicle for use on roads; and
  - (c) has been abandoned;
- liquid carton waste (液體紙包盒廢物) means a container (whether damaged or not) that—
  - (a) judging by its appearance, is one used for containing liquid or semi-liquid with direct contact;
  - (b) is made predominantly of fibreboard;
  - (c) is laminated with a layer of plastic or aluminium that provides technical properties to the container; and
  - (d) has been abandoned;
- plastic waste (塑膠廢物) means any substance or article that is made of plastic (within the meaning of the Product Eco-responsibility Ordinance (Cap. 603))

and has been abandoned, but does not include chemical waste, clinical waste, e-waste and any waste of a kind specified in column 2 of item 1 or 4 of Part 2 of Schedule 7A;

- plug-in hybrid electric vehicle (插電式混合動力車輛) means a motor vehicle that is propelled by batteries, supplemented by another fuel source to power an internal combustion engine;
- pure electric vehicle (純電動車輛) means a motor vehicle that is propelled by only battery and emits no air pollutant when running;

vehicle tyre (車輛輪胎) means a pneumatic tyre—

- (a) that is specifically designed for use on a vehicle falling within a class of vehicle specified in Schedule 1 to the Road Traffic Ordinance (Cap. 374), other than a rickshaw; and
- (b) the outside diameter of which does not exceed 1 400 mm;

vehicle tyre waste (車輛輪胎廢物) means any substance or article that—

- (a) judging by its appearance, is a vehicle tyre (whether intact or split); and
- (b) has been abandoned;".

### 22. Section 16 amended (prohibition of unauthorized disposal of waste)

(1) After section 16(2)(ef)—

#### Add

"(eg) the disposal of plastic waste on land or premises with an area of not more than 100 m<sup>2</sup>;

- (eh) the disposal of liquid carton waste on land or premises with an area of not more than 100 m<sup>2</sup>;
- (ei) the disposal of vehicle tyre waste on land or premises with an area of not more than 100 m<sup>2</sup>;
- (ej) the disposal of container waste, plastic waste, liquid carton waste or electric vehicle battery waste in a designated waste disposal facility;".
- (2) After section 16(2D)—

#### Add

- "(2E) Despite subsection (2)(eg), (eh) or (ei), a person may apply to the Director for a licence to use any land or premises for the disposal of plastic waste, liquid carton waste or vehicle tyre waste.
  - (2F) The Secretary may, after consulting the Advisory Council on the Environment and subject to the approval of the Legislative Council, by notice published in the Gazette, amend subsection (2)(eg), (eh) or (ei) by varying the area mentioned in that subsection."

### 23. Section 20A amended (permit required for the import of waste into Hong Kong)

(1) Section 20A(1)(a)—

#### Repeal

"waste;"

#### **Substitute**

"waste; or".

(2) Section 20A(1)(b)—

#### Repeal

"Schedule; or"

#### **Substitute**

"Schedule,".

(3) Section 20A(1)—

Repeal paragraph (d).

### 24. Section 20B amended (permit required for the export of waste from Hong Kong)

(1) Section 20B(1)(a)—

#### Repeal

"waste;"

#### Substitute

"waste; or".

(2) Section 20B(1)(b)—

#### Repeal

"Schedule; or"

#### Substitute

"Schedule.".

(3) Section 20B(1)—

Repeal paragraph (d).

# 25. Section 21A amended (circumstances under which waste disposal licence for chemical waste, clinical waste, e-waste or container waste is to be granted)

(1) Section 21A, heading—

#### Repeal

everything after "licence"

#### Substitute

"for certain wastes is to be granted".

(2) Section 21A—

#### Repeal

"or container waste" (wherever appearing)

#### Substitute

", container waste, plastic waste, liquid carton waste, vehicle tyre waste or electric vehicle battery waste".

### 26. Sixth Schedule amended (waste specified for purposes of sections 20A(1)(a) and 20B(1)(a))

(1) Sixth Schedule, under heading "GE—Glass waste in non-dispersible form", entry relating to GE010, after "except for"—

#### Add

"container waste.".

(2) Sixth Schedule, under heading "GI—Paper, paperboard and paper product waste", entry relating to GI014, after "laminated paperboard"—

#### Add

"(excluding liquid carton waste)".

(3) Sixth Schedule, under heading "GK—Rubber waste", entry relating to GK020, after "pneumatic tyres"—

#### Add

"(excluding vehicle tyre waste)".

### 27. Schedule 7A amended (waste specified for purposes of sections 20A(1)(b) and 20B(1)(b))

(1) Schedule 7A—

#### Repeal

"[ss. 20A"

#### **Substitute**

"[ss. 2, 20A".

(2) Schedule 7A, Part 2, after item 1—

#### Add

- "2. Container waste
  - 3. Liquid carton waste
  - 4. Vehicle tyre waste".

#### 28. "某些" substituted for "若干"

(1) Section 26(1), Chinese text—

#### Repeal

"若干"

#### **Substitute**

"某些".

- (2) The following provisions, Chinese text—
  - (a) section 12, heading;
  - (b) section 20DA, heading;
  - (c) section 38, heading—

#### Repeal

"若干" (wherever appearing)

#### **Substitute**

"某些".

#### 29. "特區政府" substituted for "政府"

- (1) The following provisions, Chinese text—
  - (a) section 3(4);

Part 4
Clause 29
C2391

- (b) section 6(3);
- (c) section 14;
- (d) section 15B(1);
- (e) section 15F(1)(b);
- (f) section 20Q(1)(a);
- (g) section 42;
- (h) section 43(1)(a) and (2)—

#### Repeal

"政府" (wherever appearing)

#### **Substitute**

"特區政府".

(2) Section 43, Chinese text, heading—

#### Repeal

"政府"

#### Substitute

"特區政府".

#### Part 5

## Amendments to Waste Disposal (Designated Waste Disposal Facility) Regulation (Cap. 354 sub. leg. L)

- 30. Section 3AB amended (designated waste disposal facility must not accept e-waste)
  - (1) Section 3AB, heading, after "e-waste"—

Add

"or vehicle tyre waste".

(2) Section 3AB, after "e-waste"—

Add

"or vehicle tyre waste".

31. "特區政府" substituted for "政府"

The following provisions, Chinese text—

- (a) section 2(1), definition of 設施經營人;
- (b) section 3(2)—

#### Repeal

"政府" (wherever appearing)

#### **Substitute**

"特區政府".

#### **Explanatory Memorandum**

The purpose of this Bill is to deal with matters relating to the recycling and disposal of products under the Product Ecoresponsibility Ordinance (Cap. 603) (*Cap.* 603), the Waste Disposal Ordinance (Cap. 354) (*Cap.* 354) and their subsidiary legislation by—

- (a) establishing a legislative framework to regulate producer responsibility scheme (*PR scheme*) for different products under a market-led approach;
- (b) revising the existing PR scheme for plastic shopping bags by replacing the use of prescribed forms by specified forms and to revise the power to make regulations for the purposes of that scheme; and
- (c) regulating the disposal of certain products covered or may be covered by the PR schemes.
- 2. The Bill contains 5 Parts.

#### Part 1—Preliminary

3. Clause 1 sets out the short title and provides for commencement.

#### Part 2—Amendments to Cap. 603

4. Clause 3 amends section 2 of Cap. 603 to revise the purpose of Cap. 603 to include the introduction of a PR scheme that requires a supplier, retailer or scheme operator to recover certain products.

- 5. Clause 4 amends section 3 of Cap. 603 to add a provision to explain the meaning of Schedule 12 product.
- 6. Clauses 5 and 6 amend sections 4 and 5 respectively of Cap. 603 to extend the application of Part 2 of Cap. 603 (which provides for general provisions) to Schedule 12 products.
- 7. Clauses 8 and 9 amend sections 16A and 16B respectively of Cap. 603 to extend the application of Part 2A of Cap. 603 (which provides for the service of notices) to Schedule 12 products.
- 8. Clauses 10, 11, 12 and 13 provide for amendments to sections 17, 28A, 28D and 28G respectively of Cap. 603 (which establishes a PR scheme for plastic shopping bags) to replace the requirement for penalty notices, demand notices and evidentiary certificates to be in the prescribed form by a form specified by the Director of Environmental Protection (*DEP*). Clause 14 adds a new section 28MA to Cap. 603 to empower the DEP to specify the forms.
- 9. Clause 15(1) amends section 29 of Cap. 603 to remove the power for the Secretary for Environment and Ecology (*SEE*) to prescribe forms consequential on the replacement of prescribed forms by specified forms. Clause 15(2) amends section 29 of Cap. 603 to remove the requirement for a regulation made under that section to be subject to the approval of the Legislative Council.
- 10. Clause 16 adds a new Part 7 to Cap. 603 to introduce PR schemes for different products under a market-led approach.
- 11. The new Part 7 contains 9 Divisions.

- 12. Division 1 of the new Part 7 contains preliminary provisions. Those provisions set out the meanings of terms and expressions used in that Part.
- 13. Division 2 of the new Part 7 deals with the distribution and consumption of Schedule 12 products. Under the new section 106, except in the circumstances provided for in that section, a supplier must not distribute or consume a Schedule 12 product unless the supplier is a registered supplier of the type of product and either is a holder of an approved producer responsibility plan or has engaged a registered scheme operator to recover Schedule 12 products distributed or consumed by the supplier. The new section 107 provides that the DEP may serve a notice to demand payment from a supplier who contravenes the new section 106. The new section 108 requires a supplier who falls within an exception provided in the new section 106 to keep records and documents as may be prescribed.
- 14. Division 3 of the new Part 7 deals with the registration of suppliers. The new section 109 provides for matters relating to the registration and the new section 110 provides for matters relating to the cancellation of the registration.
- 15. Division 4 of the new Part 7 deals with the approval of producer responsibility plans. The new section 112 provides for matters relating to the approval of a producer responsibility plan, the new section 113 provides for matters relating to the revision of such a plan, the new sections 114 and 115 provide for matters relating to the variation, suspension and cancellation of an approval granted in respect of such a plan, the new section 116 provides for matters relating to the cancellation of an approval granted in respect of such a plan, and the new section 117 provides for an offence for

contravening a term or condition imposed in respect of such a plan.

- 16. Division 5 of the new Part 7 deals with the registration of scheme operators. The new section 118 provides for matters relating to the registration and the new section 119 provides for matters relating to the cancellation of the registration. The new sections 120 and 121 provide for matters relating to the registration of an engagement of a registered scheme operator by a registered supplier and the cancellation of such a registration respectively.
- Division 6 of the new Part 7 deals with returns and audit 17. reports required to be submitted by registered suppliers and registered scheme operators. The new section 122 requires a registered supplier to submit to the DEP returns on the quantity of Schedule 12 products distributed or consumed by the supplier and the new section 123 requires the supplier to submit to the DEP annual audit reports in respect of such returns. The new section 124 requires a registered supplier to submit to the DEP returns on the quantity of Schedule 12 products recovered by the supplier and the new section 125 requires the supplier to submit to the DEP annual audit reports in respect of such returns. The new section 126 requires a registered scheme operator to submit to the DEP returns on the quantity of Schedule 12 products recovered by the operator and the new section 127 requires the operator to submit to the DEP annual audit reports in respect of such returns.
- 18. Division 7 of the new Part 7 deals with other requirements regarding the distribution, consumption and recovery of Schedule 12 products.

- 19. Subdivision 1 of Division 7 of the new Part 7 provides that a provision in that Division applies to a type of Schedule 12 product if it is specified in the new Schedule 12 (added by clause 17) as a provision that applies to the type of product.
- 20. Subdivision 2 of Division 7 of the new Part 7 deals with the registration of Schedule 12 products and contains the requirement relating to the use of designated barcode and prescribed logo on the products.
- 21. Subdivision 3 of Division 7 of the new Part 7 deals with the requirement for registered suppliers and registered scheme operators to meet recovery target. The new section 136 provides that the DEP may serve a notice to demand payment from a registered supplier or registered scheme operator who fails to meet the recovery target.
- 22. Subdivision 4 of Division 7 of the new Part 7 deals with the requirement to set up registered return points, the registration of return points and the cancellation of the registration.
- 23. Subdivision 5 of Division 7 of the new Part 7 sets out the requirement for certain retailers, registered suppliers and registered scheme operators to provide a rebate of a value not less than the prescribed amount to a person who returns a Schedule 12 product to a return point set up by them.
- 24. Division 8 of the new Part 7 provides that the DEP may issue a penalty notice in respect of certain offences under that Part. The fixed penalty is \$2,000, which may be amended by the Legislative Council by resolution.
- 25. Division 9 of the new Part 7 contains supplementary provisions on the burden of proving the defences under that Part, the

power of the SEE to make regulations for the purposes of that Part and the power of the SEE, after consultation with the Advisory Council on the Environment, to amend the new Schedule 12.

- 26. Clause 17 adds a new Schedule 12 to Cap. 603. In particular, Part 1 of the Schedule will set out the type of Schedule 12 product for the purposes of the new Part 7.
- 27. Clauses 18 and 19 contain technical amendments to Cap. 603 to achieve internal consistency in terminology.

### Part 3—Repeal of Product Eco-responsibility (Plastic Shopping Bags) Regulation (Cap. 603 sub. leg. A) (Cap. 603A)

28. Clause 20 repeals Cap. 603A. The repeal is consequential to the repeal of the requirement to use prescribed forms effected by clauses 10, 11, 12 and 13.

#### Part 4—Amendments to Cap. 354

- 29. Clause 21 amends section 2(1) of Cap. 354 to add, among others, the definitions of *electric vehicle battery waste*, *liquid carton waste*, *plastic waste* and *vehicle tyre waste*.
- 30. Clause 22 amends section 16 of Cap. 354 to deal with the disposal of electric vehicle battery waste, liquid carton waste, plastic waste and vehicle tyre waste (*specified waste*).
- 31. Clauses 23, 24, 26 and 27 amend sections 20A and 20B of, and the Sixth Schedule and Schedule 7A to, Cap. 354 to deal with the import and export of specified waste.

- 32. Clause 25 amends section 21A of Cap. 354 to extend the application of that section to specified waste.
- 33. Clauses 28 and 29 contain technical amendments to Cap. 354 to achieve internal consistency in terminology.

### Part 5—Amendments to Waste Disposal (Designated Waste Disposal Facility) Regulation (Cap. 354 sub. leg. L) (Cap. 354L)

- 34. Clause 30 amends section 3AB of Cap. 354L so that vehicle tyre waste may not be accepted at a designated waste disposal facility.
- 35. Clause 31 contains technical amendments to Cap. 354L to achieve consistency in terminology between Cap. 354 and Cap. 354L.