

**Confirmed Minutes of the 144<sup>th</sup> Meeting of  
the Advisory Council on the Environment  
held on 10 September 2007 at 2:30 pm**

**Present:**

Prof LAM Kin-che, SBS, JP (Chairman)  
Prof WONG Yuk-shan, BBS, JP (Deputy Chairman)  
Dr Dorothy CHAN, BBS  
Mr James GRAHAM  
Prof Paul LAM  
Mr Edwin LAU  
Ms Goretti LAU  
Dr MAN Chi-sum, JP  
Dr NG Cho-nam, BBS  
Prof POON Chi-sun  
Mr Markus SHAW  
Mr TSANG Kam-lam  
Mr Simon WONG  
Prof WONG Tze-wai  
Dr YAU Wing-kwong  
Mr Carlson K S CHAN (Secretary)

**Absent with Apologies:**

Ms Betty HO  
Prof Howard HUANG  
Mr Eddie WONG

**In Attendance:**

Mr Edward YAU, JP	Secretary for the Environment
Ms Anissa WONG, JP	Permanent Secretary for the Environment
Mr Eric CHAN	Administrative Assistant to Secretary for the Environment
Miss Teresa CHIU	Press Secretary to the Secretary for the Environment
Mr C C LAY	Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department
Mr P Y TAM	Assistant Director/Technical Services, Planning Department
Ms Queenie CHAN	Acting Principal Information Officer, Environmental Protection Department (EPD)
Ms Josephine CHEUNG	Chief Executive Officer (CBD), EPD
Mr KWAN Chung-kit	Office Manager (CBD), EPD
Miss Sarah NG	Executive Officer (CBD), EPD

### **In Attendance for Agenda Item 3 :**

Mr Raymond FAN  
Mr Alfred LEE

Deputy Director of Environmental Protection (2), EPD  
Assistant Director (Waste Management Policy), EPD

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### Action

The Chairman welcomed Mr Edward Yau, Secretary for the Environment, who attended the meeting for the first time.

2. Mr Edward Yau said that he was grateful to work with the Council which was the Government's principal advisory body on matters relating to environmental protection and nature conservation. Members had provided valuable advice on and contributions to a wide range of policy initiatives. He would continue to count on their expert advice with a view to making Hong Kong a better place to live. With a series of policy initiatives to be rolled out in the coming years and the community's expectation of more actions than words, he looked forward to the professional inputs from the Council in meeting the challenges ahead.

### **Agenda Item 1 : Confirmation of the Draft Minutes of the 143rd Meeting held on 11 June 2007**

3. The draft minutes were confirmed without amendments.

### **Agenda Item 2 : Matters Arising from the Minutes of the 143<sup>rd</sup> Meeting held on 11 June 2007**

4. There were no matters arising from the minutes of the last meeting.

### **Agenda Item 3 : Public consultation report on the proposal on an environmental levy on plastic shopping bags** *(ACE Paper 17/2007)*

5. Mr Raymond Fan briefed Members on the outcome of the public consultation on the scheme of environmental levy on plastic shopping bags. He highlighted that a multi-pronged approach had been adopted in the public consultation process. The scheme, to be implemented in phases, aimed to tackle the indiscriminate use of plastic shopping bags. It was not the Administration's

intention to raise public revenue through the levy. The proposal had taken note of the findings of the GHK's study and mindful of the risk of 'switching' to single-use carriers. Voluntary efforts would work hand-in-hand with the proposed levy.

6. A Member expressed full support for the proposal. He considered that the result of the public opinion survey showed a wide support for the proposal and thus it should be implemented as soon as possible. The survey result was also an indication of the community's determination to reduce waste. He suggested taking more proactive steps on public education by rolling out educational programmes, such as by engaging schools on joint educational projects, to promulgate the important message of waste reduction.

7. Mr Raymond Fan agreed that the opportunity should be taken to step up efforts on public education. With the funding of \$10 million from the Environmental Conservation Fund to implement public education programmes under the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)" (Policy Framework), interested parties and green groups were encouraged to make use of the funds.

8. A Member said that he was pleased with the result of the public consultation which showed support from a wide range of sectors on the proposal. To address the concerns of the relevant stakeholders who opposed to the proposed levy, it would be important to demonstrate clearly that the figures quoted by the Administration, such as those on the sources of plastic shopping bags disposed of at landfills, were transparent. On the concern of level-playing field expressed by some Members at the last meeting, he was pleased that the Administration had undertaken to review the proposal after one year of implementation. It was important for the Administration to demonstrate that the review would look into the possibility of extending the scheme to other retail outlets. Actions should also be taken to plan ahead on the scope of the retail outlets to be targeted under the second phase.

9. A Member considered that it was important for the Administration to emphasize that the objective of the proposal was not raising public revenue but reducing the indiscriminate use of plastic shopping bags at source as some members of the public had such an impression. He suggested that the amount of levy collected should be made transparent. He also hoped that part of the revenue collected could be used for supporting projects related to waste reduction.

10. A Member supported the scheme and also another Member's suggestion that the amount of levy collected should be made transparent. He considered that it was important for the review to assess the effectiveness of the scheme and consider what measures would be taken if the targets could not be achieved. On top of qualitative assessment, quantitative assessment should also be conducted in evaluating the effectiveness of the scheme.

11. A Member considered that the Administration should be transparent in providing the necessary data in support of its decision to select the target sectors. To address their concern of level-playing field, it was important to get across a clear message to the affected sectors that the scheme would be extended to other retail outlets and the objective was to reduce the indiscriminate use of plastic shopping bags. Moreover, the review should be properly framed well before the end of the first year's implementation.

12. Mr Raymond Fan said that the Department conducted a scientific count at landfill sites in 2005. As elaborated at the last meeting, the result showed that over 8 billion plastic shopping bags were disposed of at landfills in the year. Among them, about 1.8 billion, representing about 20%, was attributable to supermarkets, convenience stores and personal health and beauty stores. These retail outlets made up about 2000, representing about 4%, of the total retail outlets. The Department noted that the Hong Kong Retail Management Association had quoted some lower figures which were from a different timeframe. Nonetheless, the order of magnitude of the problem attributed to the target retailers was similar. While the voluntary schemes had helped to reduce about 150 million plastic shopping bags per year, these were far less than the estimated reduction of one billion plastic shopping bags per year by the proposed levy. He agreed with Members' suggestion of addressing the call for more transparency. In fact, the figures quoted were made public and also uploaded onto the EPD's website. In respect of the planned review one year after implementation of the Product Responsibility Schemes (PRSs) for plastic shopping bags, the Administration would consult the Waste Management Subcommittee on how the objectives and parameters of monitoring and assessing the effectiveness of the scheme were to be set with a view to extending the scope of the scheme.

13. A Member agreed in principle to the need to reduce the use of plastic shopping bags. Nonetheless, he wondered whether the Administration

was focusing on the right target. He considered that the problems of construction waste and packaging materials were also very serious in terms of the amount of waste generated. Moreover, members of the public might consider it not fair to be penalized for shopping at the targeted retail outlets.

14. Mr Raymond Fan explained that the Administration was implementing different measures in tackling the problem of waste from construction sites, commercial and domestic sources. The construction waste charging scheme was implemented in January 2006 to tackle the waste problem from construction sites. Construction waste at landfills had reduced by about 40%. This demonstrated the effectiveness of economic disincentive on waste disposal. On top of the three “Rs”, i.e., “Reduce”, “Reuse” and “Recycle”, the charging scheme added the fourth element of ‘Responsibility’ for waste generation. The environmental levy was based on the concept of economic disincentive and “Responsibility”. He highlighted that PRSs were only one of the 11 initiatives under the Policy Framework and the proposed levy was only the first phase of the PRS on plastic shopping bags. With the introduction of the voluntary schemes and “No Plastic Bag Day” campaign for a period of time, the community was ready for implementing the levy on plastic shopping bags. Other initiatives under the Policy Framework included the municipal solid waste charging scheme, territory-wide source separation programme, Integrated Waste Management Facility, EcoPark, landfill extensions, etc. Efforts were being made on these initiatives in parallel and advice from the Waste Management Subcommittee and the Council would continue to be sought.

15. The Chairman agreed that the waste problem was a complex issue which called for a macro approach with a wide range of measures. The PRSs were only one of the many measures. The proposed levy on plastic shopping bags was only the starting point of the PRSs. Being the first, it was important to ensure that the scheme would work and be effective.

16. A Member said that while she supported the imminent need to reduce the use of plastic shopping bags, she shared another Member’s concern that it was unfair to penalize those retail outlets which could be more easily identified at source. She considered that a comprehensive, consistent and sustainable approach should be adopted to cover all the retail outlets rather than focusing on a certain group of retail outlets.

17. Mr Raymond Fan highlighted that the scheme was only the starting

point of the macro approach of PRSs and a phased approach was being adopted. There was no intention to penalize any sector. Voluntary schemes on other sectors would be stepped up alongside the introduction of the scheme.

18. A Member supported the scheme. She considered that there was adequate community support for minimizing the use of plastic shopping bags. Having 20% of plastic shopping bags coming from about 4% of the retail outlets, the figure was convincing enough for the introduction of the first phase on this target group. On the way forward, she considered that it was important for the Administration to keep the public informed about the next step following the scheme.

19. A Member said that the proposal would be the first part of the PRSs. He hoped that the Product Eco-Responsibility (PER) Bill to be introduced to the Legislative Council (LegCo) in the coming legislative session would be an embracing bill with sufficient flexibility to enable the smooth implementation of other PRSs. Otherwise, a very lengthy process would be necessary to introduce a separate bill each time a new scheme was introduced.

20. Mr Raymond Fan said that the PER Bill was being drafted based on the umbrella legislative approach whereby the Administration would introduce the enabling legislation first and individual PRSs in the form of subsidiary legislation subsequently. They would keep the Waste Management Subcommittee informed of the development.

21. A Member considered that the PER Bill should be a digestible one allowing the maximum flexibility. Though the umbrella approach enabled the introduction of a PRS to be put under subsidiary legislation, it would still be a very complicated and lengthy process as compared with the passing of a regulation by negative vetting which would allow more flexibility to the Administration.

22. A Member expressed concern over the tight timeframe in the coming legislative session in processing the Bill. Mr Raymond Fan said that the drafting of the Bill was in full swing with a view to introducing the Bill in the 2007-08 legislative session. He agreed that the Bill should be flexible enough to facilitate the introduction of PRSs in the future and digestible to avoid too many details.

23. A Member informed Members that he had attended the LegCo Panel on Environmental Affairs meeting on 16 July 2007 on behalf of the Council as the Chairman of the Waste Management Subcommittee was out of town. He had expressed the Council's stance on the proposal, including the full support for the scheme, suggestion of review after one year of implementation and extension of the scheme to other retailer outlets. Majority of the deputations attending the meeting supported the scheme. Many points raised at the Panel meeting had been deliberated at the Council meetings. During the Panel meeting, the Panel Chairman had also raised concern about the tight timeframe in processing the PER Bill within the legislative session 2007-08.

24. A Member said that he once considered that vehicle tyres and electrical and electronic equipment should be the top priorities for the introduction of PRSs. However, he agreed to switch the priority to plastic shopping bags as the community was more ready for this type of product as shown in the public engagement process of the Council for Sustainable Development and result of the voluntary schemes introduced so far. The merit was that individuals in the whole community would be involved in the levy on plastic shopping bags and this would be a good education process demonstrating public acceptance of the "polluter pays" principle. Mr Raymond Fan fully agreed that the educational value behind the scheme was most important whereby everybody in the whole community would be involved in or could feel the impact of the "polluter pays" principle.

25. In reply to a Member's enquiry about the recycling of plastic bags, Mr Raymond Fan confirmed that it was possible to recycle plastic bags. Plastic bags together with other plastic materials were collected in one of the three-colour bins for recycling.

26. A Member considered that in parallel to the implementation of the scheme to target retailers, action should be taken to step up efforts on reducing and recycling plastic shopping bags at other retail outlets. Moreover, the source separation scheme should be extended to plastic materials other than plastic bottles and other types of waste, such as iron cans and tin cans. Promotion programmes should be launched on these aspects. The Chairman agreed that in rolling out the scheme, the opportunity should also be taken to step up efforts on recycling and encouraging behavioural changes. This would let the public understand that the scheme was only one of the many initiatives on waste reduction.

27. A Member said that as the scheme was the first PRS to be introduced, it was important to ensure that concerns of different groups in the community could be addressed to make the scheme successful. He noted that the underprivileged community had voiced concerns over the scheme. He considered that appropriate assistance, education and promotion should be targeted at this community group.

28. Mr Raymond Fan said that the proposed levy would go hand-in hand with the continuing voluntary efforts, especially at those retailers not yet covered by the scheme, in achieving a more reasonable use of plastic shopping bags. On the source separation scheme, actions would be taken to strengthen the collection of plastic waste other than plastic bottles and extend the scheme to other types of waste. On the concerns raised by the underprivileged groups, the Administration would work together with green groups and voluntary agencies to see what assistance could be offered to relieve their financial burden when the scheme was rolled out. For example, they had been liaising with the target retailers on the means to make use of reusable plastic shopping bags.

29. Mr Edward Yau thanked the Council for the advice and suggestions on how the scheme could be rolled out more effectively and how the voices in the community could be addressed. From his discussion with the relevant trade associations and stakeholders so far, he also noted the views expressed against the scheme. Against the 3 “Rs”, he anticipated that there would be 4 “Ds” from some groups who might “doubt” the effectiveness of the scheme, “deny” the magnitude of the problem, “divert” the attention of the community to other serious problems and appeal for ‘democracy’ by arousing the sensation of the minorities. On the other hand, he noted that this proposal had gone through an extensive and rational discussion in the community. The proposed levy on plastic shopping bags would be an important milestone for the introduction of PRSs and pave the way for other initiatives under the Policy Framework. He would make it clear that it had never been the Administration’s intention to raise public revenue through the environmental levy. Instead, an economic disincentive was used to change habits and behaviour on waste disposal. In fact, implementation of PRSs could take different forms, such as deposit-refund system and product take-back. These elements would be embedded in the PER Bill. In view of the tight timeframe in the coming legislative session and the complexity of the Bill, a balance would be struck to cover the major principles of different PRSs while keeping the Bill digestible. In parallel, efforts would be stepped up on public education on the concept of product responsibility. The Administration would

keep the Council informed of the development and seek the Council's views in the process of drafting the Bill.

30. The Chairman agreed that the Council would be in partnership with the Administration as well as the community in facing up to the challenges and work together in rolling out the scheme and other environmental initiatives to build a better living environment. Members would help explain to those less informed who might not understand fully the matter at issue. A Member agreed that presentation of arguments for and against the proposal would facilitate the gaining of public acceptance of the scheme.

31. The Chairman concluded Members' views as follows –

- (a) the Council was pleased to note the broad-based public support and consensus as reflected from the public consultation exercise on the proposed environmental levy on plastic shopping bags;
- (b) the Council was supportive of the proposal and considered that the scheme should be implemented as soon as possible with a view to reducing the indiscriminate use of plastic shopping bags through a direct economic disincentive;
- (c) the Council agreed that the scheme was not a means to raise public revenue and the opportunity should be captured to step up public education with a view to changing habits and behaviour on waste disposal;
- (d) some Members considered that the amount of levy collected should be made transparent and be put to good use;
- (e) the Council suggested that the review to be conducted should include both qualitative and quantitative assessment, not only to evaluate the effectiveness of the scheme, but also to provide concrete data and information on the way forward in extending the scheme to other retail outlets and in implementing other PRSs; and
- (f) the Council suggested that the promotion of the scheme should be put into the broader picture of the Policy Framework for a common goal of waste reduction.

**Agenda Item 4 : Any Other Business**

Tentative items for discussion at the next meeting

32. The agenda was being compiled. Members would be informed in due course.

**Agenda Item 5 : Date of Next Meeting**

33. The next meeting was scheduled for 15 October 2007.

ACE Secretariat  
September 2007