

**Product Responsibility Scheme (PRS)  
Proposed Umbrella Legislation**

**Purpose**

This paper provides background information on the appropriate framework for an umbrella legislation for PRS.

**Product Responsibility Scheme (PRS) 產品責任制**

2. An effective waste management strategy comprises three key elements: (a) waste avoidance and minimisation; (b) recovery, recycling and reuse; and (c) bulk reduction and disposal of unavoidable waste. Waste avoidance and recovery have been and will continue to be our main focus in waste management. Producer Responsibility Scheme or Product stewardship as summarized in the Annex has been adopted by many jurisdictions to help achieve waste avoidance and recovery. PRS applies the same concept and is a shared responsibility tool whereby a host of stakeholders (i.e. manufacturers, importers, distributors, retailers and consumers) are held responsible for the collection, treatment and disposal of the end-of-life products.

**Proposed Legislative Framework**

3. Based on overseas experience, an umbrella legislation would be necessary to provide the framework for the PRS, while product specific measures could be introduced through subsidiary legislation. The aim is to change behaviour so as to avoid and reduce the environmental impact of the end-of-life products.

4. The umbrella legislation will also authorize the Director of Environmental Protection (DEP) as the enforcement authority to ensure compliance of the product specific measures. It will stipulate sanctions such as fines for non-compliance upon the responsible parties. There will be provisions to allow for the set up of bodies for administering of the levies collected or the establishment of funds to be used in the handling of the end-of-life products. The actual need for these bodies or funds will be critically examined when we draw up the individual Regulations for specific products.

## **Priority Types of Products**

5. We propose imposing PRS for the following products, in this order of priority:

- (a) Plastic Bags,
- (b) Electrical and Electronic Equipment (EEE),
- (c) Vehicle Tyres,
- (d) Packaging Materials,
- (e) Beverage Containers and
- (f) Rechargeable Batteries.

## **PRS Measures**

6. PRS usually comprises a set of product specific measures. These measures could include:

- a) imposing take back responsibility for recovery and recycling of end-of-life products (e.g. electrical and electronic equipment),
- b) restricting free distribution of certain types of products (e.g. plastic bags),
- c) imposing a mandatory deposit system for certain types of products (e.g. beverage containers),
- d) imposing restriction on hazardous components in certain products to facilitate recycling (e.g. mercury in batteries).

7. In drawing up the regulatory measures, consideration has to be given to the major parties in the supply chain who should be held responsible, such that the PRS would work effectively in achieving waste avoidance and recovery. For example, retailers may be required to charge a minimum levy for specified types of plastic shopping bags. For used electrical and electronic equipment, retailers may be required to take back the old equipment from the consumers if a new equipment is bought from them, whereas manufacturers and importers may have to set up collection depots, take back the old equipment and arrange for proper recycling of the old equipment. Product specific measures will need to be further examined as regards feasibility, practicality and enforcement considerations.

## **Issues to be considered**

### *Voluntary Scheme*

8. The Australian model introduced legislation that promotes voluntary scheme through signing Covenants with the trade. Where voluntary schemes are not effective, the legislation empowers the government to introduce regulatory PRS schemes. In Hong Kong, the voluntary programme for rechargeable battery recovery has been launched in April 2005. This programme replaces the previous successful programme which only recovered batteries from mobile phones. At present, the programme covers some 34 importers and manufacturers of rechargeable batteries. If voluntary schemes are effective, mandatory measures may not need to be introduced through the umbrella legislation.

### *Landfill Disposal Ban*

9. To complement the diversion of end-of-life products from the landfills to the recycling facilities or collection depots, the regulation may contain provisions to ban the disposal of the end-of-life products at the landfills.

## **Advice sought**

10. Members are invited to advise on the proposed umbrella legislation for introducing PRS in Hong Kong.

**Environmental Protection Department**  
**July 2005**

## Overseas Approaches and Products &amp; Materials Covered

Jurisdictions	Approaches	Products & Materials Covered
<b>EU</b>	Directive 74/442/EEC on Waste requires all member states to take measures for waste prevention, reduction, recovery. Waste specific directives have requirements and targets for member states to comply with.	Packaging waste, WEEE (incl. ROHS), end-of-life vehicles (ELV), batteries & accumulators (batteries – new directive under consideration)
<b>Germany</b>	Product/Material/Waste specific legislations are enacted to provide PRS provisions : – Packaging Ordinance – Electrical and Electronic Equipment Ordinance – End-of-Life Vehicle Ordinance – Batteries Ordinance	Packaging waste, WEEE, end-of-life vehicles, batteries
<b>UK</b>	Environment Act 1995 has PRS provisions. Regulation making power can only be exercised after consultation with the affected parties and in compliance with a set of principles.	Packaging waste (WEEE, ELV are under development)
<b>Canada (Ontario)</b>	<i>Waste Diversion Act</i> confers powers on the Minister of Environment and Energy to make regulations for imposing PRS. When a waste is designated for PRS, a statutory non-government organization will agree with the industry of the fee structure, performance targets and implementation details.	Blue box waste (i.e. Glass, Metal, Paper, Plastic, Textiles), Used tyres, Used oil material (under development) ,WEEE (under development)
<b>Canada (Manitoba)</b>	<i>Waste Reduction and Prevention Act 1990</i> confers powers to the Lieutenant Governor broad and comprehensive authority to make regulations that define and establish stewardship requirements and programs.	Used tyres, Used oil, filters and containers, Hazardous household waste including batteries, paint, pesticides, pharmaceuticals, solvents and propane cylinders, electronic products, mercury-containing products
<b>Canada (British Columbia)</b>	Under the <i>Waste Management Act 1996</i> , the Lieutenant Governor in Council is empowered to make regulations for imposing stewardship (i.e. PRS) and specify the details	Beverage container, paint-related solvents, pesticides, gasoline, non-paint related solvents.
<b>Australia (New South Wales)</b>	<i>Waste Avoidance and Resource Recovery Act 2001</i> , empowers the authority to develop waste strategy including setting targets for waste reduction, resource recovery and the diversion of waste from landfill disposal. Waste strategy is mandated to subject to life cycle analysis.  Regulatory PRS schemes will not be introduced when voluntary reduction schemes have proved effective to encourage industries to take voluntary action to reduce the environmental impacts of their products.	Computers, Televisions, Used tyres, Nickel cadmium batteries, Plastic bags, Agricultural and veterinary chemicals, Agricultural and veterinary chemical containers, Mobile phones and batteries, Packaging waste
<b>Australia (South Australia)</b>	<i>Environment Protection Act 1993</i> has provisions for a container deposit system. A related regulation sets out details of the operation. <i>Environment Protection (Used Packaging Materials) policy 2001</i> which requires voluntary PRS for packaging waste. A National Packaging Covenant based on the principles of product stewardship and shared responsibility is agreed by all related jurisdictions.	Beverage containers Packaging materials
<b>Japan</b>	The <i>Basic Law for Establishing a Sound Material-Cycle Society</i> is the main legislation for PRS.  <i>Law for the Promotion of Utilization of Recyclable Resources</i> has the provisions for waste management and promotion of recycling. Each specific waste will have its own specific law on the implementation details.	Container and packaging waste, home appliance, construction materials, food waste, end-of-life vehicle.
<b>Taiwan</b>	PRS provisions are embedded in the <i>Waste Disposal Act</i> .  Details of the implementation are specified in subsidiary legislation.	Packaging waste, WEEE, fluorescent tube, primary batteries, acid-lead batteries, used tyre, end-of-life vehicle, plastic bags, disposable tableware, lubricant oil, computer and peripherals