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Strengthening Regulation of Recycling of “Waste Cooking Oils”

PURPOSE

This paper aims to present and seek Members’ views on a legislative proposal on regulation of recycling of “waste cooking oils” (WCO).

BACKGROUND

2. WCO is a traded recyclable which has a robust market both locally and internationally. The substandard lard incident happened in Taiwan in September 2014 has aroused public concern on the safety of edible oils as reports on re-use of WCO as edible oils were made. The administration considers that apart from strengthening regulation of edible fats and oils, regulation of collection and disposal of WCO should also be stepped up in order to safeguard public health and protect the environment.

CURRENT SITUATION

3. During the process of food preparation, WCO is produced in restaurants or food factories. Currently, some local restaurants sell the WCO to collectors, who will then export the collected WCO or sell them locally to recyclers for industrial purposes, such as production of biodiesel, or used as materials or additives for other manufacturing processes.

4. From 2013 to 2014, the Hong Kong Productivity Council was commissioned by the Environmental Protection Department (EPD) to carry out a consultancy study. According to the estimation of the study, restaurants in

Hong Kong produce about 16 000 tonnes of used cooking oil and around 160 000 to 180 000 tonnes of grease trap waste every year^[1].

5. At present, WCO recyclers or collectors are subject to regulation under all prevailing laws, including environmental law on air, water, noise and other relevant aspects though they are not required to be specifically licensed.

CONCERNS THAT LEAD TO INTRODUCTION OF LEGISLATIVE CONTROL OF WCO COLLECTION AND DISPOSAL

6. The substandard lard incident last year has prompted concerns on safety of edible oils and use of WCO in the food production process. WCO, if not properly regulated, may find its way back to the food chain and be reused as edible oil for food production. Moreover, improperly handling of WCO may lead to potential environmental hygiene and pollution problems.

LEGISLATIVE PROPOSAL

7. We propose to define WCO as “*oils abandoned from any cooking process for human consumption other than those from household, regardless whether they have been used for its original purpose*”^[2] under the proposed control regime.

8. The control regime will comprise new mandatory provisions in handling WCO under the Waste Disposal Ordinance (WDO) (Cap. 354). The proposed provisions include introduction of licences for the collection, disposal and import/export of WCO.

9. Under the proposals, any person who allows or causes WCO to be sold, delivered, collected or handed over to a party without a WCO licence under the WDO commits an offence and will be subject to a fine/imprisonment once convicted. We also propose that all WCO collectors must hold a waste collection licence issued under WDO. Collectors will cover businesses which collect WCO from restaurants and food factories, and WCO traders. EPD will formulate licensing requirements of the WCO collectors proposed to be

¹ According to the study by Hong Kong Productivity Council, over 90% of the contents of grease trap waste are water and not more than 10% of grease trap oil separated from grease trap waste can be utilised for recycling.

² Including grease trap waste, used cooking oil and unused oil abandoned for reasons such as spoilage.

regulated with reference to the provisions in the WDO. The major objectives are to ensure (i) collectors undertake to develop a proper WCO collection system and keep proper documentary records of the flow of WCO, in order to prevent improper handling, and (ii) WCO will only be sold or handed over to another holder of WCO licence (e.g. collector or disposer). Collecting WCO without a licence will be subject to a fine/imprisonment once convicted.

10. As regards WCO disposers, they must hold a waste disposal licence under the WDO. Disposers include local processors e.g. biodiesel plants and related government facilities. Any persons who carry out disposal of WCO without a valid waste disposal licence will be subject to a fine/imprisonment once convicted. EPD will formulate licensing requirements of the WCO disposers proposed to be regulated with reference to the provisions in the WDO. The disposers will have to ensure that all their disposal facilities are operating in compliance with the applicable permits/licences. The major objectives are to ensure all licensed disposers can demonstrate that (i) they have a proper operation system and keep proper documentary records of the flow of WCO, in order to prevent improper handling, and (ii) WCO will only be recycled locally for legitimate industrial re-use.

11. Besides, we also propose that importers and exporters of WCO must hold a licence under the WDO and handle the import and export of WCO in accordance with the licence terms and conditions. In addition, all WCO importers and exporters have to obtain a permit issued under the WDO to cover individual import or export shipments of WCO.

INTERIM ADMINISTRATIVE CONTROL

12. Prior to the proposed legislative amendment of the WDO, the Food and Environmental Hygiene Department (FEHD) will work in collaboration with EPD to tighten administrative control on the collection and disposal of WCO. The main objective is to monitor the flow of WCO from restaurants and other sources except that from domestic households into the proper recycling processes for industrial uses and not into the food chain. FEHD proposes that an additional licensing condition be imposed on the 21 400 or so food premises operating under a licence for a restaurant, factory canteen, food factory or bakery, requiring that any WCO produced during the cooking process on the licensed premises must be handed over to a collector, disposer or exporter registered by EPD.

13. In parallel to the licensing condition imposed by FEHD, EPD will

introduce corresponding administrative measures to register competent local collectors, disposers and exporters of WCO. As a condition for registration, a registered collector should only hand over WCO so collected to a registered disposer or exporter, or another registered collector. All registered collectors, disposers and exporters must keep proper transaction records of collection and delivery of WCO for 12 months for inspection by EPD.

14. EPD is planning to announce the administrative registration details and application requirements in early October 2015, and to accept and process the first batch of registration applications in late October 2015, with a target to announce the application results in December 2015.

PUBLIC CONSULTATION

15. To gauge public views on the legislative proposal, a 3-month public consultation has been launched and will last till 6 October 2015. EPD and FEHD will continue to attend consultation forums and engage different stakeholder groups, including the WCO recycling trade, F&B operators and the food industry to solicit their opinions.

ADVICE SOUGHT

16. Members are invited to offer comments on the legislative and administrative proposals on strengthening the recycling of WCO.

Environmental Protection Department
Food and Environmental Hygiene Department

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