Chapter 6

Key Issues for Introducing Waste Charging in Hong Kong

6.1 Internationally there is no one-size-fits-all approach to implementing MSW charging. Individual jurisdictions adopt their own preferred approach depending on what works best within their circumstances. The feasibility and effectiveness of charging hinge largely on the implementation of complementary measures that are tailor-made to the specific circumstances of the jurisdictions concerned. Compared to the cities that have been discussed in Chapter 4, Hong Kong faces an even more challenging situation. This Chapter summarizes the references that can be drawn from overseas experience as a background to discussion of Hong Kong's future direction in Chapter 7.

The Case Studies: A Summary

6.2 New York City's case (see paragraph 4.10) underlines the complexity of introducing MSW charging in a populated city like Hong Kong. We have also followed the developments in London where under the former Labour administration, proposals for regional pilot scheme with financial incentives were sought to encourage households to reduce and recycle their waste. The first proposal was submitted in March 2010 but was put on hold in the same year when the Conservative-Liberal Democrat coalition formed a new government.

6.3 As a highly-populated city, Taipei City's unique approach of requiring households in multi-storey buildings to wrap their waste in ordinary garbage bags and put it into large designated bags on a building basis can be a useful reference for Hong Kong. Another key feature of Taipei City's charging system is to require individual waste producers to hand over their waste "at designated times and venues" to the municipal waste collection fleet, which is duly authorized to perform checks and deny collection service where waste is not placed in designated bags.

6.4 In Seoul, people living in multi-storey apartment complexes must bring their waste (wrapped in designated bags) to communal collection containers located in open spaces outside their buildings. This practice enables non-compliance to be easily spotted. In addition, community surveillance plays an important role in making MSW charging successful in Seoul (and also in Taipei City). Metropolitan Tokyo allows individual districts to determine their own system and some suburban cities have chosen to implement quantity-based waste charging through a designated bag requirement.

6.5 Waste charging in Singapore seeks to recover costs through privatized waste collection services. In parallel there are other measures to promote waste reduction and recycling, e.g. the provision of recyclable collection services, but these could be considered as initiatives independent of (rather than complementary to) the waste charge itself.

6.6 On the whole, MSW charging requires a high degree of compatibility with the municipal service systems and is mostly implemented at a city level. Taiwan provides a vivid illustration: while Taipei City has successfully implemented MSW charging through a designated garbage bag requirement, Kaohsiung as the second biggest city continues to follow a proxy approach. To provide further information, Annex C depicts the generic MSW charging approaches of different jurisdictions and the schemes adopted by local municipalities in Taiwan, South Korea and the United States.

Hong Kong's Exploration in MSW Charging

6.7 Hong Kong has already started to test the ground in developing a practicable MSW charging scheme here. We conducted case studies of relevant experiences outside Hong Kong which have been discussed at length in Chapter 4. In addition, in 2007, the Environmental Protection Department conducted a trial scheme in 20 housing estates to examine the logistical requirements for waste recovery and disposal in different domestic housing settings. In 2010, we further completed a baseline study to collect information on waste generation and management practices in different C&I establishments.

6.8 As revealed from these studies, the unique city fabric of Hong Kong and the way our MSW is currently collected could pose significant challenges if we were to implement MSW charging. Summarized below are the challenges we have identified given the characteristics of the existing waste collection system in Hong Kong –

Unique Multi-storey and Multi-tenant Building Setting with a Mix of Domestic and C&I Occupants

6.9 In Hong Kong, 88% of households live in multi-tenant buildings of more than 10 storeys. Some 94% of C&I buildings surveyed under the Baseline Study also have multiple occupants. Many buildings house both domestic and C&I occupants and their waste can get mixed together easily. This unique building setting in Hong Kong makes it very difficult to trace waste to individual households or C&I premises which is a necessity when a charging scheme is based on the quantity of waste generated by individual establishments.

Space Constraints for Storing Waste in Buildings

6.10 Many buildings do not have space to store waste and recyclables. Waste is usually left in staircase landings, refuse rooms or communal areas for collection, or dropped down refuse chutes. In addition, there is very little door-to-door collection. Both add to the difficulties in tracing waste to its source.

Absence of Property Management in Some Buildings

6.11 Property management could play a coordinating role in organizing waste disposal activities and administering (including monitoring) compliance in a waste charging scheme. While over 90% of households live in properties with management service, most village houses and many single-block residential multi-storey buildings in Hong Kong do not have property management bodies. A practicable charging scheme should be able to cater for both situations – with or without management.

Mix of Private and Public Waste Collection

6.12 FEHD collects some 85% of domestic waste. Private waste collectors collect mainly C&I waste and a small portion of domestic waste. Some garbage collectors collect both domestic and C&I waste especially in buildings without management. As explained in paragraph 5.3, MSW collection services in Hong Kong are delivered with an emphasis on efficiency and high hygiene standards. Our waste collection network has not been operated in a way that facilitates the collection of a quantity-based waste charge. Any charging scheme will need

to consider how to administer charges for waste generated at different sources and collected through different means.

RCPs and Public Litter Bins

6.13 Hong Kong has over 3 000 RCPs (mostly unmanned) and over 20 000 public litter bins, which could become potential hotspots for fly-tipping under any charging scheme. Taipei City closed nearly all RCPs and removed public litter bins to control fly-tipping under their waste charging scheme. However, in Hong Kong, the closure of RCPs and withdrawal of public litter bins could cause serious concern over environmental hygiene standards and should only be implemented after due consideration is made of the social implications, particularly until community support for MSW charging is consolidated and the public generally displays the aptitude of "bringing the trash home for disposal".

6.14 Summarizing paragraphs 6.9 to 6.13, our ability to trace waste to individual households and C&I establishments (who are liable to pay especially in a quantity-based system) would affect the effectiveness of MSW charging as an economic incentive to encourage waste reduction and recovery. But MSW collection services in Hong Kong are delivered with an emphasis on efficiency and high hygiene standards. Our waste collection network has not been operated in a way that facilitates the collection of a quantity-based waste charge; neither does it facilitate the tracing of waste. Accordingly, the successful implementation of charging requires proper legislation for the public to comply with. There should also be suitable complementary measures by which the existing services in property management, waste collection and etc could provide adequate support in terms of the system and work practices. In the event that the implementation is unsatisfactory, illegal dumping might arise and could have an impact on environmental hygiene. Our community should be aware of such implications in deliberating on the introduction of a Quantity-based system. On the other hand, the alternatives of a Proxy system and a Fixed Charge system are operationally less challenging. There should be community consensus on whether such charging approaches should be considered for the purpose of putting in place MSW charging in Hong Kong.