



香港工業總會

Federation of Hong Kong Industries

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MEMORANDUM TO MEMBERS OF GROUP 4, 5, 20 & 26

Mandatory Producer Responsibility Scheme (PRS) on Waste Electrical and Electronic Equipment

In March 2015, the Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Bill 2015, was tabled at the Legislative Council (LegCo). After scrutiny, the LegCo passed the enabling legislation in March 2016. The Environmental Protection Department (EPD) is carrying out preparatory works for the implementation of the Producer Responsibility Scheme (PRS), including the drafting the necessary subsidiary legislation.

Apart from that, EPD has obtained funding from the Finance Committee of the LegCo in February 2015 for the development of a WEEE Treatment and Recycling Facility (“WEEETRF”) in EcoPark at Tuen Mun, with a capacity of handling 30,000 tonnes of WEEE per year to provide collection and proper treatment services of regulated e-waste so as to support the implementation of the PRS. Construction works has been commenced on 21 January 2016 and the facility is expected to operate in mid-2017.

Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Ordinance 2016.

For details regarding Promotion of Recycling and Proper Disposal (Electrical Equipment and Electronic Equipment) (Amendment) Ordinance 2016, please visit the following website: <http://www.legco.gov.hk/yr15-16/english/ord/ord003-2016-e.pdf>.

Major provisions of the legislation are as follows:

1. Scope of Regulated Electrical Equipment

The Ordinance regulates five types of products: (i) washing machines, (ii) refrigerators, (iii) air conditioners, (iv) television sets and (v) computer products viz. computers (i.e. desktops, laptops and tablets), printers, scanners and monitors (collectively as “regulated electrical equipment”).

2. Proper Treatment of Regulated Electrical Equipment

Licensing control will be applied to the disposal of the regulated electrical equipment that have become waste (“regulated e-waste”) where “disposal”, in relation to e-waste, includes storage, treatment, reprocessing and recycling. In general, proper treatment, reprocessing



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and recycling of WEEE involves various dismantling, detoxification and recovery processes. Under the licensing control, a waste disposal licence will only be issued when the operations (including dismantling and detoxification) can demonstrably be conducted in environmentally sound procedures to turn regulated e-waste into reusable materials. The proposed WEEETF and other private recyclers undertaking recycling of regulated e-waste will have to obtain a waste disposal licence.

3. Efficient Collection of Regulated Electrical Equipment

Sellers of regulated electrical equipment will be required to arrange for removal services.

More specifically, a seller must have a removal service plan endorsed by the Director of Environmental Protection under which for every piece of new regulated electrical equipment purchased by a consumer, an equivalent old product can be removed from a premises designated by the consumer for proper disposal at no extra charge to the consumer. While the sellers do not have to provide the collection and treatment services direct, each seller must in the removal service plan specify collection and recycling services provider(s) (may or may not be the future WEEETF operator) and make necessary arrangements for them to provide the relevant services.

Import and export of regulated e-waste will require a permit. With the enhanced export control, no regulated e-waste can be exported unless, among other things, the competent authority of the state of import and of each state of transit have consented to the import or transit of such regulated e-waste, and it can be demonstrated as genuinely reusable second-hand products or requiring treatment overseas through sophisticated processes not otherwise available in Hong Kong. For imports, the Government will grant the required permit only if there is a licensed local recycler undertaking the proper treatment of the relevant shipment.

4. Charging of Recycling Fee

Recycling fees will be collected from suppliers of regulated electrical equipment who may in turn recover such fees wholly or partially from other stakeholders along the supply chain. The fee collection mechanism is outlined as follows –

- (a) *Registration of Suppliers:* Manufacturers and importers who distribute regulated electrical equipment to the local market will have to be registered as a “registered supplier”.
- (b) *Submission and Auditing of Periodic Returns:* A registered supplier will have to submit to the Director of Environmental Protection periodic returns, setting out information that is necessary for the computation of the recycling fees payable. The registered supplier will also have to arrange annual audit on the periodic returns to ensure factual accuracy and keep records to facilitate future inspection.
- (c) *Payment of the Recycling Fees:* Within a specified period of time after receiving a payment notice from the Government, a registered supplier will have to pay the recycling



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fees to the Government on the basis of the information contained in the periodic returns. Recycling fees will only be collected for regulated electrical equipment that is “used”, or “distributed” to the Hong Kong market, by which the following items will be excluded: (i) exports of locally manufactured regulated electrical equipment and (ii) re-exports of imported regulated electrical equipment which will ultimately be used outside Hong Kong.

- (d) *Provision of Recycling Labels:* In order to facilitate identification of regulated electrical equipment which is covered under the mandatory PRS with the recycling fees paid or to be paid by the relevant registered supplier, a registered supplier and a seller must, for each item of regulated electrical equipment distributed, provide a recycling label of the appropriate type as will be specified by the Director of Environmental Protection.

Policy, Research & Communications Division