

# LCQ8: Producer Responsibility Scheme on Waste Electrical and Electronic Equipment

Following is a question by the Hon Martin Liao and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (October 23):

Question:

The Government has implemented the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment (WPRS) since August 2018. Under WPRS, only suppliers which have registered with the Environmental Protection Department (EPD) are permitted to distribute regulated electrical equipment (REE) (i.e. air-conditioners, refrigerators, washing machines, televisions, computers, printers, scanners and monitors), and they are also required to pay recycling levies to the EPD. Moreover, a seller of REE must have a removal service plan endorsed by the EPD, under which free removal service can be arranged, in accordance with the plan, to dispose of, on behalf of consumers, electrical equipment of the same class abandoned by them (removal service). Any person who is engaged in the storage, treatment, reprocessing or recycling of abandoned REE must obtain a waste disposal licence. It has been reported that although WPRS has been implemented for one year, haphazard disposal of waste electrical and electronic equipment (WEEE) is still seen from time to time in the city. Regarding the implementation of WPRS, will the Government inform this Council:

(1) of the respective current numbers of (i) registered suppliers, (ii) registered sellers, (iii) waste disposal licences granted, and (iv) removal service plans endorsed, under WPRS;

(2) whether it knows the quantity of WEEE disposed of so far under WPRS (with a tabulated breakdown by name of recyclers);

(3) as the treatment and recycling facility developed to underpin WPRS (i.e. WEEE-PARK), which is equipped with a refurbishment workshop, diverts serviceable electrical appliances received for repair into refurbished items for donation to families in need, whether the Government knows the to-date number of families which have been donated electrical appliances (with a tabulated breakdown by type of electrical appliances); whether it has evaluated the effectiveness of the donation arrangement;

(4) as the EPD has recently invited tenders for appointing recyclers to provide treatment and recycling services in respect of washing machines collected outside the removal service, of the specific reasons for the EPD to make such an arrangement and the estimated annual treatment capacity; whether it has plans to make the same arrangement for other types of WEEE; if not, of the reasons for that; whether the refurbished washing machines will be

donated to families in need; if not, of the reasons for that;

(5) of (i) the current average numbers of inspections carried out each month by the EPD on suppliers and sellers respectively, and (ii) the respective numbers of written warnings issued and prosecutions instituted by the EPD against them so far; the penalties imposed on those convicted;

(6) of the average number of illegal refuse deposit black spots and recycling sites of electronic waste inspected by the relevant government department(s) in each month last year; the total quantity of illegally deposited WEEE discovered during such inspections, the number of prosecutions instituted against the persons concerned, and the penalties imposed on those convicted; and

(7) whether WPRS can achieve full cost recovery so far; whether it has plans to review and adjust the level of levies according to the established mechanism?

Reply:

President,

The Producer Responsibility Scheme (PRS) on Waste Electrical and Electronic Equipment (WEEE), or in short WPRS, came into effect on August 1, 2018. It covers air-conditioners, refrigerators, washing machines, televisions, computers, printers, scanners and monitors (collectively referred to as regulated electrical equipment, or REE). Through licensing control and requirements, the WPRS put local workshops treating WEEE on the right track and phased out those that were operating improperly, enhancing protection to the environment and safety and health of workers. With the WPRS, WEEE generated locally that would have been otherwise exported for disposal or sent to landfills are now collected and recycled properly into resources.

Upon implementation of the WPRS, a member of the public is entitled, upon purchase of a REE, to ask the seller to arrange for delivery of the new item and removal of the used item of the same class on the same day at no extra charge. If the seller opts for the service provided by the operator of the Government's WEEE Treatment and Recycling Facility (WEEE·PARK), i.e. ALBA-IWS, the operator will, after receipt of a service request from the seller, collect the waste equipment starting from three working days from the date of sales as requested by the customer. Since the implementation of the WPRS, the Government's operator has been able to deliver the service as requested in over 99.9 per cent of the cases. Apart from the WPRS, the Government has also introduced a new and free collection service. A member of the public can make an appointment with the Government's operator for a free collection service through the recycling hotline 2676 8888 even if he/she has not purchased a new REE. This service not only promotes recycling but also saves members of the public the burden of disposing of the used REE on their own or at a cost.

To implement the WPRS, the WEEE·PARK developed by the Government commenced full operation in March last year, ensuring that Hong Kong has adequate capacity for processing waste REE generated locally. At the same time, the Government has been encouraging local recyclers to enhance their operation standards by obtaining waste disposal licences (WDLs) for e-waste, or e-WDLs in short, in compliance with the requirements set out under the Waste Disposal Ordinance (Cap. 354) (WDO) for the recycling and treatment of waste REE, with a view to promoting the development of the recycling industry and facilitating a circular economy.

My reply to the question raised by the Hon Martin Liao is as follows:

(1) From the implementation of the WPRS up to late September 2019, there are around 250 registered suppliers approved by the Environmental Protection Department (EPD), and over 3 400 sellers' removal service plans had been endorsed. Besides, the EPD has issued a total of 15 e-WDLs so far, with several applications being processed.

(2) From the implementation of WPRS on August 1, 2018 up to late September 2019, the WEEE·PARK operator processed over 25 800 tonnes of WEEE. Moreover, since December 31, 2018, licensees holding e-WDLs (including the WEEE·PARK) are required to submit statistics on the amount of e-waste processed to the EPD on a quarterly and annual basis. According to the first two quarterly reports, the 11 licensed facilities other than the WEEE·PARK operator processed a total of some 570 tonnes of waste REE in the first half of 2019. As commercially sensitive information is involved, we are unable to provide the respective quantity processed by these 11 licensed facilities.

(3) The WEEE·PARK commenced its operation in October 2017. As at September 2019, it has refurbished a total of 2 180 units of electrical appliances for donation to those in need, in compliance with the relevant contractual requirements. The detailed breakdown is as follows:

Type of electrical appliance	Quantity (units) [From October 2017 to September 2019]
Television	572
Refrigerator	1 180
Washing machine	228
Air-conditioner	200
Total	2 180

(4) To enable a more balanced development of the recycling industry and encourage market participation in the recycling of WEEE, we launched an open tender exercise on April 30, 2019 to appoint a recycler with e-WDL to provide treatment and recycling services for washing machines collected outside the removal services required under the WPRS. Relevant service contract has been awarded in September 2019. The contractor, Vannex International Limited, is

required to process 1 350 tonnes of waste washing machines within the contractual period of 10 months. Given that recyclers holding WDLs for waste washing machines usually offer no refurbishment service, our contract does not require the contractor to refurbish waste washing machines for donation. We will keep in view market changes or developments, and will take account of various factors (such as whether more recyclers in the private sector are issued with WDLs for different types of e-waste, the respective quantities of different types of WEEE collected and treated by the government-commissioned service operator in the future, and public views on short-term service contracts) before we decide on the need to prepare a further contract and draw up its details.

(5) From the implementation of the WPRS on August 1, 2018 up to late September 2019, the EPD conducted 280 inspections on REE suppliers and issued 13 written warnings, and two cases were successfully prosecuted with a total fine of over \$3,000. As for REE sellers, a total of 1 574 inspections were conducted, and 22 cases were successfully prosecuted with a total fine of \$70,000.

(6) In 2018, the EPD carried out over 12 000 inspections against illegal waste disposal. 421 cases involving illegal disposal of waste, including construction waste and municipal solid waste, were successfully prosecuted under the WDO by way of summonses and fixed penalty notices, with the total fines amounting to over \$1.2 million. Two fixed penalty notices were related to illegal disposal of e-waste.

Besides, the disposal licensing control of e-waste took effect on December 31, 2018. As at late September 2019, the EPD conducted over 920 inspections on open recycling sites not holding WDLs, and three cases were successfully prosecuted with a total fine of over \$30,000. Moreover, the EPD conducted over 360 supervisions or inspections to licensed e-waste disposal facilities and did not find any non-compliance.

(7) The recycling levy for REE under the WPRS was determined based on the "polluter-pays" principle, and by making reference to the various costs involved in WEEE·PARK's development and its operation within the ten-year contractual period, with a view to achieving full cost recovery eventually. As of today, the revenue of the WPRS is broadly in line with the expenditure. To meet the goal of achieving full cost recovery, we will regularly review the levy according to established policy. Various factors that may affect the level of recycling levy will be taken into account in our review, such as inflation rate, proportions of the various types of REE treated, fluctuations in the sales volume of REE, etc.