



4 January, 2017.

Subcommittee on Refuse Collection and Resource Recovery,
Panel on Environmental Affairs,
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong.

**Submission on Refuse Collection and Resource Recovery
Views from
Business Environment Council Limited 商界環保協會有限公司**

Dear Chairman and Committee Members,

Over the last two decades, Business Environment Council Limited 商界環保協會有限公司 (“BEC”) has taken a leading role in advocating the business case for environmental excellence in Hong Kong. Our members are committed to actively engaging with the HKSAR Government (“the Government”) on a range of issues relating to the environment and sustainability.

BEC is a charitable membership organisation, currently with more than 190 members that span across major listed and multi-national companies, small and medium-sized enterprises, non-government organisations, trade associations to academic institutions in Hong Kong. Views expressed in this submission are those of BEC, and are based on consultation with our members but may not necessarily correlate with the positions of individual members.

Hong Kong faces a challenge in terms of waste management with landfill close to capacity and high carbon costs as a result of limited reuse and recycling. Large quantities of food and other organic waste nearly all of which goes to landfill emits methane, a highly potent Greenhouse Gas, which is only partially captured and used. On 30th September 2016, BEC had submitted our views to the Chief Executive of HKSAR on the 2017 Policy Address. “Refuse Collection and Resource Recovery” was definitely an imperative environmental issue on which we raised our views.

1. In the short term, the Government is encouraged to take **swift action to enable the developing waste management industry to respond to this challenge** in particular through:

- introducing regulatory measures including municipal solid waste charging (“MSW charging”) and producer responsibility charging schemes without delay and at an effective level to ensure an incentive for collection of recyclables;
- removing minor regulatory barriers to waste collection spaces in buildings and for recycling related activities in Hong Kong through, amongst other things, simplifying the application process for minor works submissions to the Building Department;
- creating demand for recycled materials by introducing minimum requirements as to these materials into the Government’s Green Procurement standards, monitoring and reporting on their application, and promoting this approach more widely. Transparency is vital for others to follow this lead;
- modifying the policy framework to support greater local use of diesel blended with biodiesel, sourced from local waste cooking oil, obtaining both carbon and waste management benefits; and
- exploring the potential for setting up an ecolabel, or introducing into existing ecolabels, provision for taking on board local recycling of products.

2. For change in the medium term and beyond, **it is recommended that the Government establishes a Circular Economy Taskforce:** to formulate a concrete action plan and a policy framework to pave the way for circular economy. The Taskforce should be cross-departmental and consist of representatives from Government departments, waste management experts, business and academia. It should have sector specific working groups (e.g. construction, electronics, food), as well as a working group on cross-border collaboration which is fundamental for a circular economy in Hong Kong. Its goals should be to develop an Action Plan and recommended policy framework to support a circular economy in Hong Kong, in a manner that also supports objectives as to a low carbon economy, a thriving waste management industry and also multiple use of resources. The development of new initiatives that go beyond PRS and MSW charging such as deposit schemes for bottles should be part of the remit of this Taskforce.

3. **Drive innovation by setting up a circular economy innovation fund:** open to businesses experimenting with new business models, those developing products suitable for a circular economy, and other relevant waste reduction pioneering innovations. Funds from MSW charging could be used to set up this scheme as well as the Government's Innovation & Technology Fund.

4. **Firm enforcement of illegal dumping of waste:** ensuring sufficient funding for investigation and legal proceedings on the part of the relevant Department. This is of importance in ensuring that the forthcoming provisions on MSW are effective and also to address the accumulation of waste in Hong Kong's marine water, beaches, and rural areas.

If there are any queries regarding this submission, please contact our Chief Executive Officer, Mr. Adam Koo, at adamkoo@bec.org.hk or 2784 3950.

Yours sincerely,



Richard Lancaster
Chairman
Business Environment Council

Reference: Closing the loop – An EU action plan for the circular economy, European Commission
<http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52015DC0614&rid=2>