

**Business Facilitation Advisory Committee
Food Business and Related Services Task Force**

***Implementation of the Extension of the Plastic Shopping Bag
Charging to all Retail Outlets***

Purpose

This paper briefs members on the implementation details of the Plastic Shopping Bag (PSB) Charging, which will take effect on 1 April 2015, and the related trade facilitation and publicity measures.

Background

2. The “Hong Kong Blueprint for Sustainable Use of Resources 2013-2022” (the Action Blueprint) maps out a comprehensive strategy for waste management in the coming ten years with a view to tackling our waste crisis. One of the items in the Action Blueprint is to take concurrent actions to drive behavioural change to reduce waste at source through policies and legislation, including Producer Responsibility Schemes (PRS).

3. The Environmental Levy Scheme on Plastic Shopping Bags (the levy scheme) was launched on 7 July 2009 as the first mandatory PRS. It sought to address the problem of excessive plastic shopping bag (PSB) use in some 3,500 chain or large retail outlets, mostly supermarkets, convenience stores, personal health and beauty stores, and drug stores. The number of PSBs distributed to customers by the registered retailers has been reduced significantly by up to 90% since its implementation. However, the excessive use of PSBs outside the scheme remains a serious problem.

4. In May 2011, a three-month consultation on whether and how to extend the existing levy scheme was conducted. On the whole, the community was supportive of an extended coverage so as to further address the problem of excessive PSB use. The Product Eco-responsibility (Amendment) Bill 2013 for the PSB Charging was approved by the Legislative Council on 19 March 2014, and will come into effect on 1 April 2015.

Scope of the PSB Charging

5. The PSB Charging adopts a maximum coverage to include all retail sales of goods in the territory irrespective of the scale of the business (e.g. chain stores, small and medium enterprises (SMEs), hawkers) and the nature of the business. The total number of retail outlets covered under the PSB Charging is estimated to be increased from some 3,500 to over 100,000.

Obligations of Seller of Goods

6. Under the PSB Charging, a seller of goods by retail shall charge the customer an amount not less than 50 cents for each PSB provided and shall not offer any rebate or discount to the customer with the effect of directly offsetting the PSB charge. To ease the administrative burden and compliance cost of SMEs, a “retention” approach would be adopted whereby the seller may retain and handle the PSB charge without the need of remitting to the Government. We encourage sellers to donate the income generated from the PSB charge to support suitable environmental causes.

Exemption Arrangements and Penalty

7. The following uses of PSBs will be exempted from the charging requirements under the PSB Charging –

- PSBs that are used to carry only items of food, drink or medicine (collectively as "foodstuff") for human or animal consumption due to food hygiene reasons;
- PSBs that are used for pre-packaging or those forming part of the goods; and
- PSBs provided with the service tendered, without involving the retail sales of goods.

8. If sellers fail to comply with the legislative requirements, the Environmental Protection Department (EPD) may issue a fixed penalty notice of \$2,000 to the offender. For breaches of a more serious nature such as repeated or systemic contraventions, EPD may initiate prosecution through criminal proceedings and the offender is liable on conviction to a maximum fine of \$100,000 on the first occasion and \$200,000 on each subsequent occasion.

Trade Facilitation and Publicity Programmes

9. In order to facilitate the retail trade to get ready for the PSB Charging, we have commenced extensive trade facilitation and publicity activities to arouse the awareness of the various retail trades. 35 briefings for trade associations with an aim to elucidate the legislative requirements and help facilitate their implementation of the PSB Charging were held from August to December 2014. The list of trade associations/ organizations that have attended or made arrangements to attend the briefings is summarized at ----- **Annex**. In addition, briefings at each of the 18 districts targeting at local small retailers in the districts were held in collaboration with the District Councils.

10. Aside from reaching out to the affected trades, we also publicise the PSB Charging at a dedicated website (http://www.epd.gov.hk/epd/psb_charging) to present the implementation details and make available publicity materials for download for reference by the retail trade operators. Publicity materials in the form of stickers and tent cards for display at shop front and cashier counters, as well as information sheets and posters for introducing the PSB Charging are being widely distributed to retail operators in the reaching out and publicity activities. In addition, we operate a dedicated hotline (Tel: 3152 2299) with service hours from 9 am to 10 pm daily to handle enquiries from the trade and the general public.

11. In the run-up to the launch of the PSB Charging, we would further step up the trade facilitation activities. Visits to all the districts to distribute publicity materials to local retail outlets and to publicise the commencement of the PSB Charging on 1 April 2015 have started in January 2015. For shopping malls and large retail outlets, we would work with retail operators and property managers in raising the awareness of their frontline staff, through joint visits, training events, briefings etc., so they are well prepared to implement the charging and exemption arrangements. During the initial launch of the PSB Charging, we would also engage trained contract personnel to be stationed at major retail hotspots, for example major shopping malls, department stores and supermarkets, who would help explain the PSB Charging requirements to customers and provide support to retailers.

12. As the successful implementation of the PSB Charging requires the participation of the general public to make behavioural change in adopting

the habit of “Bring Your Own Bag” (BYOB), we are embarking on a series of publicity and public education programmes to raise public awareness of BYOB and the upcoming implementation of the PSB Charging. We are working with the District Councils to organise publicity and public education activities, such as carnivals, roving exhibitions and promotion booths, in all 18 districts. These activities are being organised by non-government organisations (NGOs) engaged by District Councils under the Community Participation Programme in Environmental Protection 2014/15. In addition, we are also working with a number of green groups to help reinforce the green message of BYOB in the local community and at the same time to encourage retailers to take active steps in further reducing the distribution of PSBs to complement the PSB Charging.

13. To build up the momentum, we are embarking on a programme of publicity activities to widely promulgate both the BYOB green message and the commencement of the extended PSB Charging in the coming months. Key messages targeting both the general public and trade include (i) the full implementation of the PSB Charging on 1 April 2015; (ii) encouraging consumers to adopt the habit of BYOB and retailers to minimize the distribution of PSBs; and (iii) the introduction of a fixed penalty of \$2,000 on retailers who violate the law. These messages would be disseminated through various public media and channels, such as TV and radio APIs, promotion and advertisements at public transports, shopping malls, and housing estates. Road shows and kick-off ceremonies would also be held to tie in with the launch in the beginning of April 2015.

Way Forward

14. We look forward to the concerted effort of the trade and the support from the public for the smooth implementation of the extension of the PSB Charging so that BYOB would increasingly be a part of Hong Kong’s green culture.

15. Members are invited to note the contents of this paper and offer comments, if any.

**List of trade associations/ organizations that
have attended or made arrangements to attend the briefings**

1.	Association of Restaurant Managers 現代管理(飲食)專業協會
2.	Century Small and Medium Business Association 世紀中小企業商會
3.	China Society of Practitioners of Chinese Medicine Limited 中華中醫師公會有限公司
4.	Chinese Medicine Merchants Association Limited 香港中藥聯商會有限公司
5.	Chiu Chow Overseas Food Trade Merchants Association 香港潮僑食品業商會
6.	Coalition of Hong Kong Newspaper and Magazine Merchants 全港報販大聯盟
7.	Confectioners & Bakers Association of Hong Kong 港九糖果餅乾麵包西餅同業商會
8.	Educational Booksellers' Association Limited 教育圖書零售業商會有限公司
9.	Federation of Hong Kong, Kowloon and New Territories Hawkers Associations 港九新界販商社團聯合會
10.	Federation of International SME 國際中小企聯合商會
11.	Hong Kong & Kowloon Chinese Medicine Merchants Association Limited 港九中華藥業商會有限公司
12.	Hong Kong & Kowloon Electrical Appliances Merchants Association Limited 港九電器商聯會有限公司
13.	Hong Kong (SME) Economic and Trade Promotional Association Limited 香港中小企經貿促進會有限公司
14.	Hong Kong Association for Promotion & Development of Small and Medium Enterprises 香港中小企業促進發展協會
15.	Hong Kong Bar & Club Association 香港酒吧業協會
16.	Hong Kong Book & Stationery Industry Association 香港圖書文具業商會

17.	Hong Kong Dental Association Limited 香港牙醫學會
18.	Hong Kong Department Stores & Commercial Staff General Union 香港百貨、商業僱員總會
19.	Hong Kong Doctors Union 香港西醫工會
20.	Hong Kong Dried Sea Food & Grocery Merchants Association Limited 香港海味雜貨商會有限公司
21.	Hong Kong Electronics Industry Council 香港電子業總會
22.	Hong Kong Federation of Restaurants & Related Trades Limited 香港餐飲聯業協會有限公司
23.	Hong Kong Flower Retailers Association 香港鮮花零售業協會
24.	Hong Kong Footwear Association Limited 香港鞋業商會有限公司
25.	Hong Kong Furniture & Decoration Trade Association Limited 香港傢俬裝飾廠商總會有限公司
26.	Hong Kong General Chamber of Pharmacy Limited 港九藥房總商會有限公司
27.	Hong Kong Hair Dressing & Make-up Trade Workers General Union 香港理髮化粧業職工總會
28.	Hong Kong Jewellers' & Goldsmiths' Association Limited 香港珠石玉器金銀首飾業商會
29.	Hong Kong Jewellery & Jade Manufacturers Association 香港珠寶玉石廠商會
30.	Hong Kong Jewelry Manufacturers' Association 香港珠寶製造業廠商會
31.	Hong Kong Newspaper Hawker Association 香港報販協會
32.	Hong Kong Playground Association 香港遊樂場協會
33.	Hong Kong Professional Beauty Therapy and Hairdressing Association Limited 香港專業美容美髮協會有限公司
34.	Hong Kong Promotion Association for Small and Medium Enterprises Limited 香港中小企業發展促進會有限公司
35.	Hong Kong Record Merchants Association 香港唱片商會
36.	Hong Kong Retail Management Association 香港零售管理協會

37.	Hong Kong Small & Medium Enterprises General Association 香港中小企業總會
38.	Hong Kong Small and Medium Enterprises Association 香港中小型企業聯合會
39.	Hong Kong Trade Services Council 香港貿易服務業協會
40.	Hong Kong Wearing Apparel Industry Employees General Union 香港服裝業總工會
41.	Hong Kong & Kowloon Sauce & Preserved Fruit Amalgamated Employers Association 香港九龍醬料涼果聯合商會
42.	Institution of Dining Art 稻苗學會
43.	International General Chinese Herbalists and Medicine Professionals Association Limited 國際中醫中藥總會有限公司
44.	Quality Tourism Services Association 優質旅遊服務協會
45.	Sin-Hua Herbalists' & Herb Dealers' Promotion Society Limited 新華中醫中藥促進會有限公司
46.	SME Global Alliance 中小企國際聯盟
47.	The Association for Hong Kong Catering Services Management Limited 香港餐務管理協會有限公司
48.	The Association of Licentiates of Medical Council of Hong Kong 香港醫務委員會執照醫生協會
49.	The Chamber of Hong Kong Computer Industry 香港電腦商會
50.	The Chinese General Chamber of Commerce 香港中華總商會
51.	The Chinese Manufacturers' Association of Hong Kong 香港中華廠商聯合會
52.	The Cosmetic & Perfumery Association of Hong Kong Limited 香港化粧品同業協會
53.	The Federation of Hong Kong Footwear Limited 香港鞋業總會有限公司
54.	The General Chamber of Hong Kong Ceramic Tiles and Sanitary Wares Limited 香港瓷磚潔具業總商會有限公司
55.	The Hong Kong & Kowloon Electric Trade Association 港九電業總會

56.	The Hong Kong & Kowloon General Merchandise Merchants' Association Limited 港九百貨業商會有限公司
57.	The Hong Kong Association of Private Practice Optometrists 香港執業眼科視光師協會
58.	The Hong Kong Electronics Industries Association Limited 香港電子業商會有限公司
59.	The Hong Kong Chinese Importers' & Exporters' Association 香港中華出入口商會
60.	The Hong Kong Food Council Limited 香港食品業總會有限公司
61.	The Hong Kong Food, Drink & Grocery Association 香港食品，飲料及雜貨協會
62.	The Hong Kong General Chamber of Commerce 香港總商會
63.	The Hong Kong Medical Association 香港醫學會
64.	The Hong Kong Medicine Dealers' Guild 香港藥行商會
65.	The Kowloon Chinese Herbalists Association Limited 九龍中醫師公會有限公司
66.	The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association 九龍珠石玉器金銀首飾業商會
67.	The Laundry Association of Hong Kong Limited 香港洗衣商會有限公司