

**Twenty-seventh Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 2 : Implementation of the extension of
the Plastic Shopping Bag Charging to
all retail outlets***

Purpose

This paper is to brief members on the implementation details of the Plastic Shopping Bag (PSB) Charging starting from 1 April 2015 and the related publicity and educational 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 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 80% 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 over 100 000.

Obligations of Seller of Goods

6. Under the PSB Charging, the 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. In accordance with the PSB Charging, there are three main types of exemptions under which the PSB provided will not be charged –

- 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 various trade facilitation activities. Some 20 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 October 2014. In addition, some 30 briefings including 18 district briefings targeting at local retailers would be carried out before the end of this year. The list of trade associations/ organizations that have attended or made arrangements to attend the briefings is summarized at ----- **Annex.**

10. Aside from reaching out to the affected trades, a dedicated website (http://www.epd.gov.hk/epd/psb_charging) with implementation details and publicity materials (e.g. posters, tent cards, info sheets, stickers) for download to facilitate compliance by the trade was launched. A dedicated hotline (Tel: 3152 2299) with extended hours (7 days a week, from 9 am to 10 pm) is also available to handle enquiries from the trade and general public.

11. In the run-up to the launch of the PSB Charging, we would beef up the trade facilitation activities. Workshops would be carried out soon till the first quarter of 2015 for the purpose of training the management and front-line staff of retailers on the charging and exemption arrangements. We would visit retail outlets to distribute publicity materials and to facilitate their implementation. In addition, posters on the launching of the extension will be freely distributed to all retail outlets through District Offices, EPD offices, trade associations and related organizations, etc. Ambassadors would be deployed shortly before and during the initial launch of the PSB Charging to station at major selling hotspots (e.g. major department stores and supermarkets). These ambassadors would help explain the PSB Charging to customers and frontline staff.

12. In parallel, we have launched a series of publicity and public education programmes promoting public awareness of the extension of the PRS. Since mid-2013, we have initiated the first stage of the publicity activities with a view to reinforcing the public awareness of Bring Your Own Bag (BYOB) through various channels such as TV and radio APIs and advertising on public transport. To allow the green living habit of BYOB to take root in the local community, EPD has collaborated with District Councils to carry out publicity and public education activities such as carnivals, roving exhibitions and promotion booths in the 18 local districts. These activities are being organized and carried out by various green groups

or NGOs engaged by District Councils under the Community Participation Programme in Environmental Protection 2014/15. To build up the momentum, the second stage of the publicity activities on the imminent implementation of the PSB Charging would commence in the first quarter of 2015 followed by road shows and kick-off ceremonies nearer the launch.

Way Forward

13. 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.

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

Environmental Protection Department
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**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.	Coalition of Hong Kong Newspaper and Magazine Merchants 全港報販大聯盟
6.	Confectioners & Bakers Association of Hong Kong 港九糖果餅乾麵包西餅同業商會
7.	Educational Booksellers' Association Limited 教育圖書零售業商會有限公司
8.	Federation of Hong Kong, Kowloon and New Territories Hawkers Associations 港九新界販商社團聯合會
9.	Federation of International SME 國際中小企聯合商會
10.	Hong Kong & Kowloon Chinese Medicine Merchants Association Limited 港九中華藥業商會有限公司
11.	Hong Kong & Kowloon Electrical Appliances Merchants Association Limited 港九電器商聯會有限公司
12.	Hong Kong (SME) Economic and Trade Promotional Association Limited 香港中小企經貿促進會有限公司
13.	Hong Kong Association for Promotion & Development of Small and Medium Enterprises 香港中小企業促進發展協會
14.	Hong Kong Bar & Club Association 香港酒吧業協會
15.	Hong Kong Book & Stationery Industry Association 香港圖書文具業商會
16.	Hong Kong Dental Association Limited 香港牙醫學會

17.	Hong Kong Department Stores & Commercial Staff General Union 香港百貨、商業僱員總會
18.	Hong Kong Doctors Union 香港西醫工會
19.	Hong Kong Dried Sea Food & Grocery Merchants Association Limited 香港海味雜貨商會有限公司
20.	Hong Kong Electronics Industry Council 香港電子業總會
21.	Hong Kong Federation of Restaurants & Related Trades Limited 香港餐飲聯業協會有限公司
22.	Hong Kong Flower Retailers Association 香港鮮花零售業協會
23.	Hong Kong Footwear Association Limited 香港鞋業商會有限公司
24.	Hong Kong Furniture & Decoration Trade Association Limited 香港傢俬裝飾廠商總會有限公司
25.	Hong Kong General Chamber of Pharmacy Limited 港九藥房總商會有限公司
26.	Hong Kong Hair Dressing & Make-up Trade Workers General Union 香港理髮化粧業職工總會
27.	Hong Kong Jewellers' & Goldsmiths' Association Limited 香港珠石玉器金銀首飾業商會
28.	Hong Kong Jewellery & Jade Manufacturers Association 香港珠寶玉石廠商會
29.	Hong Kong Jewelry Manufacturers' Association 香港珠寶製造業廠商會
30.	Hong Kong Newspaper Hawker Association 香港報販協會
31.	Hong Kong Pet Trade Association Limited 香港寵物業商會有限公司
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.	Institution of Dining Art 稻苗學會
42.	International General Chinese Herbalists and Medicine Professionals Association Limited 國際中醫中藥總會有限公司
43.	Quality Tourism Services Association 優質旅遊服務協會
44.	Sin-Hua Herbalists' & Herb Dealers' Promotion Society Limited 新華中醫中藥促進會有限公司
45.	SME Global Alliance 中小企國際聯盟
46.	The Association for Hong Kong Catering Services Management Limited 香港餐務管理協會有限公司
47.	The Association of Licentiates of Medical Council of Hong Kong 香港醫務委員會執照醫生協會
48.	The Chamber of Hong Kong Computer Industry 香港電腦商會
49.	The Chinese General Chamber of Commerce 香港中華總商會
50.	The Chinese Manufacturers' Association of Hong Kong 香港中華廠商聯合會
51.	The Cosmetic & Perfumery Association of Hong Kong Limited 香港化粧品同業協會
52.	The Federation of Hong Kong Footwear Limited 香港鞋業總會有限公司
53.	The Federation of Hong Kong Watch Trades & Industries Limited 香港鐘表業總會
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 General Chamber of Small and Medium Business 香港中小型企業總商會
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