

Environmental Levy on Plastic Shopping Bags Environmental Affairs Panel -  
Meeting on 16 July 2007

Presentation by Mr. Alex Kwan, Chairman, the Chartered Institution of Water and  
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CIWEM HK supports Government's initiative of implementing Producer Responsibility Scheme principle (PRS) to address the waste problems in HK. We also support the proposed levy scheme as a starting point to materialize PRS. However, the administration should show members of the public the routemap and timeliness for implementing the PRS, with clear milestones and quantitative targets. There are numerous experiences elsewhere from which the administration could learn the pros and cons of various measures for tackling plastic bag impacts. An analysis on the benefits and disbenefits of different available options; and the overseas experiences should be provided. Our detailed views and comments are as below:

1. There may be a need for the Government to define more clearly the problems with the plastic shopping bags, conduct an in-depth investigation of options to reduce the environmental problems, in particular waste problems associated with plastic bags and develop a comprehensive and long-term strategy to resolve the problems. The current proposal seems to target only at a small percentage (20%) of plastic shopping bags and there is no clear objective and a definite long-term action plan. We suggest that options for potential voluntary, co-regulatory, and regulatory actions should be identified and cost-benefit analysis should be carried out to help formulate long-term policy decisions.
2. Other impact of the proposal and its alternatives should be further identified and assessed. Examples include: implications due to possible change to less resource-efficient alternative (e.g. paper bags) and increase in transaction costs associated with increased transaction times at check-out.
3. If plastic bags are used anyhow for rubbish disposal (e.g. waste bin liner), either by reusing the shopping bags or by using new ones, the resulting environmental benefit of the proposed levy will be less significant, despite the number of plastic bags distributed at the shops may be reduced. People will simply buy new plastic bags and use them just once for the specific purpose of rubbish disposal.
4. Practical alternatives should be devised and promoted before the levy could be put in force. The use of "environmental bags" is just one way and is good only for carrying things that are dry and clean. They cannot totally replace the functions of plastic bags. Alternative ways of disposing wet solid wastes should also be discussed. Special studies or competition may help to draw innovative ideas from the public and commercial minds.
5. Apart from plastic bag distribution, measures for avoiding / minimizing packaging should be introduced. Span of control should be extended to also cover department stores and other retail shops as far as practicable.

6. Chain-of-custody controls over the production, import, transportation, storage, distribution of plastic bags upstream of the "relevant retailer" should be incorporated into the levy scheme, when implemented.
7. Mentions of prohibiting free distribution of plastic bags should be more explicit, e.g. promotion activities contracted out to PR companies, etc. if it is only the "relevant retailer" as defined under footnote (4) is held responsible.
8. The proposed levy scheme should not be taken as a means for generating government revenue. The monies so collected should be properly used in supporting conservation programmes open for bidding by local NGOs.