

24 January 2014

By Fax (3150 8168) & Post

Mr. Bernard Chan
Chairman, Council for Sustainable Development
c/o Sustainable Development Division
46/F, Revenue Tower
Wanchai
HONG KONG

Dear Mr. Chan,

Proposed Municipal Solid Waste Charging Scheme

Having reviewed the "Waste Reduction by Waste Charging · How to Implement? Invitation for Response Document 2013" promulgated by the Council for Sustainable Development, our Institute would like to offer the following comments for your consideration.

1. In principle, we support the proposal as it is able to generate incentives for the community of Hong Kong to reduce solid waste. However, in order to enable a fair and equitable scheme is implemented, the proposed charging mechanism must be able to cover all kinds of buildings and calculate according to the amount of waste - Polluter Pay Principle.
2. To ensure effective reduction of waste, the proposed scheme must not be a standalone strategy of the Government. Recycling at source is still considered as the most effective principle to reduce solid waste. The Government needs to inject more resources and effort to assist the community implementing source separation, and equally important, to conduct research and development on the adaptive reuse of recycled waste.

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3. It is noted that there will be an amendment of the Waste Disposal (Designated Waste Disposal Facility) Regulation and Waste Disposal (Refuse Transfer Station) Regulation, paving way for the extension of the three waste disposal sites. In the short run, we consider that such extension is inevitable but we would like to advise that the Government should also consider effective long term measures, such as construction of waste incinerator, in particular, to deal with those solid wastes that cannot be recycled.
4. The property and facility management practitioner used to encounter difficulties whereby recycling collectors were uninterested in waste with nominal economic value. The problem will become more severe if the volume of waste is enormous and the point of collection is remote. To encourage collectors to recycle those less attractive wastes, the Government may need to offer such assistance and incentive as research and development for the more economical adaptive reuse of the waste.
5. Provision of temporary storage area for recycled waste and containers is another common problem, particularly for those aged and standalone buildings with limited common areas. The proposed resolution for this problem can be categorized in three areas. Firstly, the Government shall provide incentives, such as bonus GFA, to encourage provision of recycling facilities in any new building design. Secondly, more flexibility shall be considered by Government Departments to allow the Owners' Corporation and property management companies to change part of the common area in the existing building for the provision of recycling facilities. Lastly, and for the aged and standalone building as well as the rural village houses, more local designated recycling points shall be provided in order to facilitate recycling.
6. If the new charging mechanism is based on individual household basis and the householder needs to purchase designated garbage bags, this arrangement may result with uncooperative householders leaving waste in the common area of a building. This may cause the management fee to escalate in order to strengthen security patrol and/or installation of additional surveillance system. Unnecessary disputes may also be created between the householder and property management



practitioners. It is suggested that the Government shall offer effective measures to help resolve and mediate such disputes. The Government may also need to provide financial subsidies for the installation of additional surveillance equipment.

7. If the charging mechanism is based on a building basis, such arrangement will be expected as much simpler and easier to implement. However, as different households may generate different amounts of solid waste, coupled with the possibility of vacant units, it may not be an equitable way to deal with "Polluter Pay Principle". Besides, this arrangement may not be able to offer any incentive to the household to reduce and recycle waste at source. In order to assist the selling of designated garbage bags and calculation of the amount of waste, the overall refuse handling fee for the whole building may also be increased, resulting in the escalation of management fee. As an encouragement, the Government may need to provide an overall waste charge rebate as an incentive for buildings with high volume of recycling waste on a pro-rata basis with the lesser amount of waste generation.
8. To minimize administrative effort and the possibility of increased management fee, and also to prevent any misunderstanding that the proposed charging scheme is another kind of Government tax, all charges collected from the new scheme shall preferably be separated from the annual Government Budget. All charges levied can be pooled as an individual environmental protection fund. The fund may thereafter be used as a means for subsidizing research and development of recycling organization such as for the development of new methods for the economic reuse of solid waste. The fund may also offer financial incentives to support the recycling project of individual buildings such as the provision of recycling facilities and the installation of surveillance equipment in a building.
9. To arouse community awareness on environmental protection and the importance of the three principles; Reduce, Reuse and Recycle, the Government shall reinforce education to the community. This could be in the form of producing promotion videos and pamphlets. To assist the Owners' Corporation and property management practitioners in resolving problems encountered whilst setting up recycling



arrangements in their building, discussion forums, workshops and seminars shall also be organized regularly to provide an update of the most advance technology and methods.

10. Prior to the full implementation of the new legislation, there shall be a smooth transitional period so as to allow the community to adapt to the new charging arrangements. A trial scheme shall be arranged during the transitional period for different kinds of buildings with varying design and management in order to observe and resolve the possible difficulties anticipated. Refinement can be developed after the trial scheme so as to ensure a fair and equitable implementation of the new charging scheme.

Should you have any query about our comments, please feel free to contact Mr. Coody Ko of the HKIS Secretariat at 2526 3679.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Simon Kwok', is positioned below the closing text.

Sr Simon Kwok
President
The Hong Kong Institute of Surveyors

cc The Hon Sr Tony Tse, Legislative Councillor