

## **Funding to Support Non-government Organizations to Operate the Plastic Resources Recycling Centre at EcoPark Phase II in Tuen Mun**

This is to provide supplementary information to ECFC Paper 25/2012-13 (*Appendix 1*) which seeks members' agreement to provide Environment and Conservation Fund (ECF) funding support to continue the operation of the Plastic Resources Recycling Centre (PRRC) at EcoPark Phase II in Tuen Mun by a non-governmental organization (NGO) to support plastic waste recovery and recycling in the community.

### **Background**

2. The 3-year term of funding support by ECF for Yan Oi Tong (YOT) to operate the PRRC will end on 2 March 2013. The way forward proposed by the Environmental Protection Department (EPD) for the PRRC, as detailed in *Appendix 1*, was discussed at the 8<sup>th</sup> ECF Committee meeting held on 3 October 2012. The Committee noted the concern of YOT that they had faced a deficit in operating the PRRC. The meeting requested EPD to review the operation of the PRRC and consider if appropriate measures could be taken to help improve the business viability of the PRRC.

### **Review of the PRRC Operation**

3. After discussion with YOT and the Hong Kong Production Council (HKPC) who is conducting an independent review on the hardware and workflow of the PRRC, it is considered that some improvement of the hardware and workflow of the PRRC could improve the productivity and product qualities of the PRRC:

- a) Storage space – more paved storage space could improve the handling and storage of waste plastics delivered to the PRRC, and allow for stockpiling of the processed plastics to reach a critical mass for a higher selling price;
- b) Machinery – suitable refurbishment and upgrading of the machinery could increase the production capacity and enable processing of more large size plastic items;
- c) Workflow – some existing manual operations such as removal of labels and caps from

plastic bottles and transfer of intermediate products between different machines could be modified to enhance operational efficiency.

4. EPD is now following up on the above recommendations with a view to implementing improvement measures to enhance the productivity and operational efficiency of the PRRC.

### **Meetings with NGOs**

5. Apart from meeting with YOT, we have arranged a site visit to the PRRC on 20 November 2012 for other NGOs to keep them informed about the existing and future operation of the PRRC. We will continue to liaise with NGOs to encourage them to participate in tendering for the PRRC operation.

### **Advice Sought**

6. Members are invited to consider and endorse the recommendations in para. 24 of ECFC Paper 25/2012-13 (*Appendix 1*):

- Identifying an NGO operator by way of open tender to take forth the project with not more than \$10 million ECF funding support for a 36-month period after 2 March 2013.

**Environmental Protection Department**

**November 2012**