

## Special Circular (10)



# Full Implementation of the Plastic Shopping Bag Charging



### Background

Since **1 April 2015**, the Plastic Shopping Bag (PSB) Charging has been fully implemented in Hong Kong to promote reduction in the use of PSBs.

### Scope

The PSB Charging covers **all sellers with retail sales of goods** in Hong Kong, irrespective of scale of operation and business nature. Except for the situations where there is exemption, the seller must charge the customer an amount not less than 50 cents for each PSB provided, and must refrain from offering any rebate or discount to the customer with the effect of directly offsetting the PSB charge or any part of that amount. The PSB charge is to be retained by the seller. Seller who provides PSB in contravention of the law will be subject to a **fixed penalty of \$2,000**.



### Bags Subject to Charge

All bags that are made **wholly or partly of plastic**, irrespective of whether there is a carrying device, are subject to charge. **Paper bags with plastic lamination or component and non-woven bags (commonly known as environmental bags)**, are also covered.



(Sellers can check with suppliers or manufacturers to ascertain whether bags distributed contain plastic materials.)

### Exemption arrangements

Under the PSB Charging, the following uses of PSBs can be exempted from the charging requirements:

#### 1. PSB used for food hygiene reasons

In order to address food hygiene concerns, the use of PSBs to carry only foodstuff without packaging or not in airtight packaging can be exempted. Furthermore, the use of PSBs to carry frozen/ chilled foodstuff to segregate the condensation of water vapour from other goods can be exempted.



Foodstuff without packaging



Foodstuff in non-airtight packaging



Frozen/ Chilled foodstuff

#### 2. PSB used for packaging

PSBs used for prepackaging and have been sealed before they are delivered to the retailer can be exempted. Examples are detergents value pack and toilet paper rolls in packaging bag. PSBs forming part of the goods, for example, packaging bags for magazines and shirts, and cooler bags provided for containing ice-cream can also be exempted. **However, additional PSBs provided to contain these packaged products are required to be charged.**



#### 3. PSB provided with the services

PSBs provided with the service tendered, without involving the retail sale of goods, can be exempted. Examples are PSB provided by medical laboratory for carrying x-ray report and PSBs provided with medical consultation for containing medicines.



## Common Sales Promotions in Exhibitions

### 1. Gift with purchase

Exhibitors must charge the customer not less than 50 cents for the PSB provided to contain the gift, which is given out in connection with retail sale of goods (e.g., upon certain amount of purchase or purchase of specific item(s)). If the gift itself is a bag with plastic, such as non-woven environmental bag, it has to be charged for not less than 50 cents and cannot be given out as a free gift.



### 2. Lucky bags

If exhibitors use a plastic bag to bundle up products for sale, or allow customers to choose the products to put in a plastic bag, this bag has to be charged for not less than 50 cents.



### 3. Sets

If exhibitors bundle a plastic bag together with other products for sale as a set, exhibitors should list out the price of the bag clearly (e.g. products \$100, bag \$5, set price \$105). In addition, the purchase of shopping bag should be optional for customers. Customers may return the plastic bag and request for a refund. Therefore, exhibitors should formulate relevant refund policy and inform customers clearly of the refund policy to avoid confusion.



## FAQs for Exhibitors

**Q 1: Are the PSBs provided during exhibitions subject to the PSB charge?**

**A 1:** Whether PSBs distributed during exhibitions are subject to PSB charge or not depend on if there is a retail sale of goods. If retail activities are involved (e.g. Book Fair, Food Expo), the exhibitor (both local and overseas) must charge the customer an amount not less than 50 cents for each PSB provided to the customer according to the legislative requirements, except for situations where there is exemption. If only wholesale with no retail activities are involved during the exhibitions, the PSBs distributed are not subject to charge. Nevertheless, based on the "Use less, Waste less" principle, exhibitors are encouraged to minimize the use of PSBs under any circumstances.

**Q 2: Are the PSBs distributed outside the exhibition booths (e.g., at the entrance of the exhibition hall, on the footbridge) subject to the PSB charge?**

**A 2:** If there is a sale by retail of goods to a person, the PSB provided in connection with the sale of goods is subject to charge, regardless where the bags are provided. Example: An exhibitor distributes PSBs outside the exhibition hall. If a person obtained a PSB and then shopped at the exhibitor's booth, the exhibitor will have to charge the person not less than 50 cents for the PSB provided previously. We recommend that exhibitors, in particular those with retail sales, do not distribute PSBs for promotion to avoid potential violation of the legislative requirements.



### Do's

- Always ask if customers need a PSB before distribution and suggest them to BYOB
- Reduce the use of PSBs by making the best use of the volume of PSBs
- Always charge at least 50 cents for each PSB provided unless it is exempted
- Issue a receipt for the PSB charge
- Provide suitable staff training to ensure smooth operation and proper compliance
- Keep a record of the PSB charge collected and number of PSBs distributed as far as possible



### Don'ts

- Do not provide any discount or rebate to offset the PSB charge
- Do not hand out more PSBs than necessary, charged or otherwise
- Do not distribute any PSB containing both exempted and non-exempted items without the PSB charge



For details about the PSB Charging, please visit our dedicated website:

[http://www.epd.gov.hk/epd/psb\\_charging/](http://www.epd.gov.hk/epd/psb_charging/)

For enquiry about the PSB Charging, please contact the Environmental Protection Department at:

Hotline: 2835-1124

Email: [psb@epd.gov.hk](mailto:psb@epd.gov.hk)

