

PRODUCER RESPONSIBILITY SCHEME ON WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT

Executive Summary

1. In May 2013, the Government committed to introduce the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment (WEEE) (hereinafter referred to as WPRS) with a view to achieving resources recovery and providing a long-term solution to potential land contamination and environmental problems arising from mishandling of WEEE during delivery, storage and dismantling processes. Since 1 August 2018, WPRS has been implemented in phases. WPRS initially covers eight types of regulated electrical equipment (REE) (i.e. air-conditioners, refrigerators, televisions, washing machines, computers, printers, scanners and monitors) and the scope has been expanded to cover two new types of REE (i.e. stand-alone tumble dryers and dehumidifiers) starting from 1 July 2024. The Environmental Protection Department (EPD) is responsible for the administration of WPRS and the Environment and Ecology Bureau is responsible for policy matters on environmental protection and for overseeing the implementation of waste-to-resources management strategies and programmes.

2. The regulatory measures of WPRS include that: (a) statutory free removal service should be arranged by sellers of REE in accordance with the removal service plans (RSPs) endorsed by EPD; (b) suppliers of REE are required to register as registered suppliers with EPD and pay recycling levies for REE distributed in Hong Kong in the course of their business; and (c) since 31 December 2018, recyclers must obtain the waste disposal licence for e-waste (e-WDL) from EPD for storing, treating, reprocessing or recycling e-waste, and obtain the import and export permit for e-waste from EPD for importing and exporting e-waste. As of March 2024, there were 3,617 sellers with RSPs endorsed, 208 registered suppliers of REE, 19 licensees of e-WDL and no permit holder for import and export of e-waste.

3. In February 2015, the Finance Committee of the Legislative Council approved the development of the Waste Electrical and Electronic Equipment Treatment and Recycling Facility (hereinafter referred to as WEEE-PARK) at an approved project estimate of \$548.6 million. EPD adopted a design-build-operate

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(DBO) arrangement for implementing the design, construction and operation of WEEE·PARK. In March 2015, EPD awarded a consultancy agreement (Consultancy Y) to a consultant (Consultant Y) for the design and construction supervision work of WEEE·PARK and a DBO contract (Contract A) to a contractor (Contractor A) for the design, construction and operation of WEEE·PARK. The design and construction of WEEE·PARK commenced in April 2015 and were substantially completed on 7 March 2018. As of March 2024, the total project cost was \$455.1 million. The operation stage commenced by phases on 21 October 2017 and 8 March 2018. The Audit Commission (Audit) has recently conducted a review of EPD's work in the administration of WPRS and monitoring the design, construction and operation of WEEE·PARK.

Administration of the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment

4. *Time pledge for processing applications not met.* From October 2020 to March 2024, EPD received 164 applications for endorsement of RSPs and 95 applications for registration as registered suppliers of REE. According to EPD guidelines issued in October 2020, EPD should complete the checking and vetting of the applications within 10 working days after the submissions are in order. Audit noted that, as of March 2024: (a) of the 164 applications for endorsement of RSPs, the processing of 6 was completed more than 10 working days after the submissions were in order, ranging from 11 to 14 working days (averaging 12 working days); and (b) of the 95 applications for registration as registered suppliers of REE, the processing of 2 was completed 16 and 26 working days (averaging 21 working days) after the submissions were in order (paras. 2.3 and 2.4).

5. *Need to ensure timely submission of reports by licensees of e-WDLs.* According to EPD, licensees of e-WDLs should submit quarterly reports and annual reports to EPD within 10 days after the last day of the quarter and within one month after the last day of the calendar year to be reported on respectively. Audit noted that, as of March 2024: (a) of the 331 quarterly reports and 87 annual reports due for submission by the licensees of e-WDLs, 82 (25%) quarterly reports and 25 (29%) annual reports were not submitted by the due dates; and (b) EPD did not lay down guidelines on the procedures to follow up overdue submission of quarterly and annual reports from the licensees of e-WDLs. In September 2024, relevant guidelines were updated by EPD accordingly (paras. 2.17 to 2.20).

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6. ***Scope for enhancing the monitoring of compliance of licensing requirements of e-WDLs by licensees.*** According to EPD, to monitor the compliance of the licensing requirements of e-WDLs by the licensees, they are required to submit quarterly and annual reports. Audit noted that the quarterly reports submitted by the licensees of e-WDLs did not facilitate the monitoring of certain licensing requirements of e-WDLs. For example, according to the licensing requirements, the licensees should not treat or dispose of a quantity of e-waste exceeding the specified maximum daily handling capacity for each type of e-waste. However, the licensees were only required to report the amount of each type of e-waste treated during the quarter in the quarterly reports but not the daily breakdown of the amount of e-waste treated (paras. 2.24 and 2.25).

7. ***Scope for improvement in conducting inspections on suppliers, sellers and collectors of REE.*** Audit noted the following issues:

- (a) ***Inspections on suppliers of REE not conducted in accordance with stipulated frequency.*** According to EPD guidelines in November 2023, all registered suppliers of REE are targeted to be inspected within a 24 to 36-month cycle. Audit noted that, as of March 2024: (i) the inspections conducted on 22 (11%) of the 208 registered suppliers of REE did not meet the target frequency (i.e. at least once in 36 months) and the periods between any two consecutive inspections on the same supplier ranged from 36.3 months to 5 years (averaging 3.5 years); and (ii) the last inspections of 7 (3% of 208) suppliers were conducted 36.1 months to 3.7 years (averaging 3.3 years) ago (para. 2.31);

- (b) ***Need to properly document justifications of selecting sellers and collectors of REE for inspections.*** According to EPD, a risk-based approach is adopted to conduct inspections on sellers and collectors of REE. Audit noted that, from August 2018 to March 2024: (i) of the 3,617 sellers of REE with RSPs endorsed, 2,022 (56%) had not been inspected and 1,595 (44%) had been inspected for 1 to 19 times (averaging 1.7 times); and (ii) of the 218 collectors specified in the RSPs endorsed by EPD, 63 (29%) had not been inspected and 155 (71%) had been inspected for 1 to 4 times (averaging 1.3 times). There was no documentation showing the justifications of selecting these sellers and collectors of REE for inspections (para. 2.32); and

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- (c) *Need to prepare inspection reports in accordance with specific time pledge.* According to EPD, for inspections conducted on sellers and collectors of REE, inspection reports should be prepared within 5 working days after the inspections were conducted. Of the 20 inspection reports on sellers and collectors of REE examined by Audit, 13 (65%) were prepared more than 5 working days after the dates of inspection, ranging from 6 to 59 working days (averaging 18 working days) (para. 2.33).

8. *Inspections at e-waste disposal facilities of licensees of e-WDLs not conducted in accordance with stipulated frequency.* According to EPD guidelines issued in June 2020, regular inspections of not less than 8 times for the first year of licensing period at the e-waste disposal facilities of licensees of e-WDLs should be conducted. For each subsequent year, not less than 8 times of inspections should be conducted for facilities involving disposal of chemical waste or without good compliance records. Audit examined the inspection records of 5 licensees and noted that, from June 2020 to March 2024, 2 licensees (with e-WDLs commenced after June 2020) were inspected less than 8 times (i.e. 3 and 5 times) in the first year of their respective licensing periods and another licensee (involving in disposal of chemical waste) was inspected less than 8 times (i.e. 5, 2 and 3 times) in each of the three years from 2021 to 2023 (para. 2.36).

Design, construction and operation of the Waste Electrical and Electronic Equipment Treatment and Recycling Facility

9. WEEE-PARK was designed with a treatment capacity of 30,000 tonnes per year (i.e. design treatment capacity) to treat two types of regulated WEEE, which were further classified into 8 different sub-types. Type 1 covers 4 sub-types (i.e. air-conditioners, refrigerators, televisions and washing machines) and Type 2 covers the other 4 sub-types (i.e. computers, printers, scanners and monitors). Each sub-type of regulated WEEE has its own sub-type-specific design treatment capacity (para. 3.2).

10. *Scope for better estimating the treatment demand in formulating the design of works.* Audit found that, from October 2017 to October 2023, while the actual quantity of regulated WEEE treated in WEEE-PARK was below the overall design treatment capacity (the yearly utilisation rate for the second to sixth year of operation ranged from 71% to 79%), the mix of regulated WEEE treated skewed

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heavily towards washing machines and refrigerators. In order to increase the treatment capacity of a treatment line, Consultant Y issued an Employer's Change (EC) (valued at a cost of \$3.5 million) under Contract A in January 2019 to instruct Contractor A to carry out the modification works. In vetting the EC, the Development Bureau commented in December 2018 that, for similar projects in the future, EPD should enhance the market survey and consultation with the stakeholders in the early design stage, so as to have a better estimate of the treatment demand and to incorporate the design with sufficient treatment capacity in the original tender, so as to reduce design changes during construction stage. Audit noted that while EPD conducted a number of consultations, business impact assessment, feasibility studies and surveys with the public, trade members, retailers, recyclers and relevant stakeholders in early 2010s, there was no specific consultation to assess the demand in using WEEE·PARK and to derive a more accurate estimate on the total quantity and the mix of regulated WEEE to be processed by WEEE·PARK (paras. 3.4 and 3.5).

11. ***Construction works completed later than the scheduled completion date.*** The design and construction works of WEEE·PARK commenced in April 2015 and the revised completion date of the construction works was 19 July 2017. Audit noted that: (a) the completion of a substantial part of works was delayed by 93 days (i.e. from 20 July 2017 to 20 October 2017) due to the delays in obtaining the approvals for a utility service (i.e. fresh water supply for fire services) and a statutory licence (i.e. the licence for the disposal of chemical waste) from relevant authorities; and (b) the substantial completion of works was further delayed by 138 days (i.e. from 21 October 2017 to 7 March 2018) due to the delays in obtaining the approvals for a utility service (i.e. potable water supply) and statutory licences (i.e. two licences for the manufacture of dangerous goods and eight licences for the storage of dangerous goods) from relevant authorities. In the event, 2 of the 4 treatment lines commenced operations on 21 October 2017. Although the other 2 treatment lines were ready for operation on 21 October 2017, their operations did not commence until the two required licences for the manufacture of dangerous goods were obtained on 7 March 2018 (para. 3.8).

12. ***Additional operating costs for treating washing machines and refrigerators.*** According to Contract A, monthly operation fee is paid to Contractor A based on the actual quantity of regulated WEEE treated during the month. Up to March 2024, the total amount of operation fee to Contractor A was \$1,256 million. Audit noted that, from October 2017 to March 2024, there was a shortfall in yearly average treatment capacity of 32% and 80% for refrigerators and washing machines respectively. According to EPD in February 2019, it was envisaged that

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WEEE·PARK had to maintain a throughput capacity for washing machines and refrigerators that exceeded their respective sub-type-specific design treatment capacities on an on-going basis (paras. 3.15 to 3.17). To cope with the shortfall in treatment capacity of washing machines and refrigerators, 4 ECs were issued under Contract A to instruct Contractor A, among others, to:

- (a) increase the processing capacity of washing machines and refrigerators of WEEE·PARK. In addition to the basic operation fee, top-up operation fee would be paid to Contractor A for treating washing machines and refrigerators beyond their respective sub-type-specific design treatment capacities. From October 2018 to March 2024, a top-up operation fee of \$165.3 million was incurred, representing 13% of the total operation fee of \$1,256 million to Contractor A (para. 3.17(a)); and
- (b) since November 2019, deliver a portion of washing machines that were beyond the design treatment capacity of WEEE·PARK to licensed recyclers other than Contractor A for treatment. Based on the quantity of washing machines transferred and treated during the month, handling fee was paid to Contractor A and service fee for treatment was paid to the service providers respectively. From November 2019 to March 2024, a handling fee of \$23.1 million and a service fee for treatment of \$5 million were incurred (para. 3.17(b)).

13. ***Additional operating costs for providing collection and logistics services.*** The 4 ECs (see para. 12) also instructed Contractor A to provide the enhanced and extended collection and logistics services for all regulated WEEE since October 2018 and to provide collection and logistics services for the quantity of regulated WEEE that exceeded the baseline tonnage (i.e. the actual quantity of regulated WEEE collected by Contractor A in July 2018 before WPRS was implemented) during the month. From October 2018 to March 2024, in addition to the basic operation fee, a top-up logistics fee of \$253.7 million was incurred, representing 20% of the total operation fee of \$1,256 million to Contractor A. According to EPD, as of December 2018, there were 3,296 sellers of REE and almost all of these sellers had appointed Contractor A as their default collector, which far exceeded the number anticipated by EPD (i.e. 600 sellers of REE) (paras. 3.21 and 3.22). However, Audit noted that:

- (a) when formulating the anticipated number of sellers (i.e. 600), the latest estimation on the number of sellers of REE available to EPD was 795 sellers in 2011. EPD did not conduct a survey to obtain a more up-to-date

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estimation and it also did not document the basis of its anticipation (para. 3.22(b)); and

- (b) no consultation with stakeholders (e.g. REE sellers) was carried out by EPD to seek their views of appointing Contractor A as the collector and to derive a more accurate estimate on the total quantity of regulated WEEE to be collected by Contractor A (para. 3.22(c)).

14. ***Some facilities and equipment required frequent maintenance and long repairing time.*** Audit noted that: (a) Contractor A did not regularly compile detailed records of maintenance work and follow-up actions in relation to instances of failure in facilities and equipment that required frequent maintenance and long repairing time, and report such information in the monthly and yearly operational reports; and (b) from October 2017 to March 2024, there were instances of failure in facilities and equipment that required frequent maintenance and long repairing time. For example, from February 2018 to October 2023, there were 11 instances of failure in two treatment lines for at least 3 days, resulting in a total downtime of 56 days (ranging from 3 to 14 days for each instance) (paras. 3.28 and 3.29).

15. ***Scope for enhancing site and occupational safety.*** From October 2017 to March 2024, the site accident record aspect was rated as “poor” in 14 (78%) of the 18 Contractor A’s performance reports covering 43 non-fatal work injury accidents (involving sick leave ranging from 3 to 67 days). Audit noted that, notwithstanding that Contractor A implemented employee development programs to improve occupational safety and health since November 2020, there was no significant improvement to the site and occupational safety of WEEE·PARK. Of the 43 accidents, 25 (58%) happened after the implementation of the programs (para. 3.32).

16. ***Scope for improving the monitoring of environmental performance requirements.*** Under Contract A, in the event of non-compliance with any of the environmental performance requirements being detected, Contractor A should report the exceedance of compliance limit immediately to the Employer’s Representative and the frequency of monitoring for that requirement would change from level 1 (i.e. less stringent) to level 2 (i.e. more stringent). According to EPD, from October 2017 to March 2024, there were 4 incidents in which 8 samples on the environmental performance requirements were found exceeding the compliance limits. Audit noted that: (a) the Employer’s Representative was notified by Contractor A 20 days after

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the exceedance of compliance limits was found for 2 (25%) of the 8 samples; and (b) upon detection of exceedance of compliance limits for the 8 samples, while it took 2 days to trigger a level 2 monitoring for 4 samples, it took 6 to 22 days (averaging 12 days) to do so for the remaining 4 samples (paras. 3.38 and 3.39).

Other related issues

17. Registered suppliers of REE are required to pay recycling levies for REE distributed in Hong Kong. To determine the amount of recycling levies payable by the registered suppliers, registered suppliers should submit quarterly returns and an audit report annually to EPD for performing recycling levy assessment. According to EPD, the elapsed time from the end of reporting period (i.e. end of quarter) to the date of settlement of recycling levies for that reporting period by the registered suppliers should normally not exceed 150 days. Audit noted that, regarding the returns with processing completed by EPD from October 2020 to March 2024, 2,368 payment notices (involving recycling levies of \$928.3 million) were issued to the registered suppliers and 137 (6%) payment notices (involving recycling levies of \$9.2 million) took more than 150 days to settle, ranging from 151 to 300 days (averaging 188 days) (paras. 4.2 and 4.3).

18. *Need to ensure timely submission of returns and audit reports by registered suppliers of REE.* In general, registered suppliers of REE must submit returns and audit reports to EPD within 28 days after the last day of each reporting period and within 3 months after the last day of each audit year respectively. According to EPD guidelines issued in October 2020, if any registered suppliers of REE fail to submit the returns or audit reports by the deadlines of submission, warning letters, demanding submissions within 14 days, would be issued. Audit noted that, as of March 2024, of the 2,997 returns and 719 audit reports due for submission by the registered suppliers of REE from October 2020 to March 2024, 341 (11% of 2,997) returns and 145 (20% of 719) audit reports were overdue. However: (a) no warning letters were issued for 131 (38% of 341) returns and 50 (34% of 145) audit reports, of which 6 (5% of 131) returns and 26 (52% of 50) audit reports remained outstanding; and (b) of the 210 returns and 95 audit reports with warning letters issued, 68 (32% of 210) returns and 55 (58% of 95) audit reports were not submitted within 14 days after the issue of warning letters and 2 (1% of 210) returns and 6 (6% of 95) audit reports remained outstanding (paras. 4.4 and 4.6).

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19. ***Scope for improvement in completing the processing of returns and audit reports submitted by registered suppliers of REE.*** According to EPD guidelines issued in October 2020, for returns and audit reports submitted by the registered suppliers of REE, EPD would generally complete the checking and vetting within 15 working days after submissions are in order. Audit noted that, as of March 2024: (a) of the 2,995 returns and 567 audit reports approved by EPD, the processing of 1,825 (61% of 2,995) returns and 191 (34% of 567) audit reports were completed in more than 15 working days, ranging from 16 to 153 working days (averaging 38 working days) and from 16 to 246 working days (averaging 96 working days) respectively; and (b) of the 115 audit reports being processed by EPD, 82 (71%) were submitted more than 15 working days ago, ranging from 16 to 251 working days (averaging 122 working days) (paras. 4.8 and 4.9).

20. ***Need to ensure that payment notices for recycling levies are timely issued.*** According to EPD guidelines issued in October 2020, all payment notices and general demand notes should be issued before the due dates of the returns for the subsequent reporting period as far as possible. Audit noted that, as of March 2024, of the 2,368 payment notices issued in respect of returns approved during October 2020 to March 2024, 171 (7%) payment notices (accounting for a total amount of recycling levies of some \$10 million) were issued 2 to 89 working days (averaging 21 working days) after the due dates of the returns for the subsequent reporting period (paras. 4.11 and 4.12).

21. ***Need to ensure timely settlement of recycling levies by registered suppliers of REE.*** According to the Product Eco-responsibility (Regulated Electrical Equipment) Regulation (Cap. 603B), the payment of recycling levies must be made within 30 days after the day on which the payment notices were served on the registered suppliers of REE. Of the 2,368 payment notices issued, recycling levies of 312 (13%) payment notices were not settled on or before the due dates of the payment notices. As of May 2024, 1 (1% of 312) payment notice involving recycling levies of \$8,475 was not yet settled and had been overdue for 91 days (paras. 4.13, 4.15 and 4.16).

22. ***Need to closely monitor the cost recovery rates of WPRS.*** According to Financial Circular No. 6/2016, it is the Government's policy that fees charged by the Government should in general be set at levels adequate to recover the full cost of providing the goods or services. Since the implementation of WPRS, EPD conducted two costing reviews on the recycling levies of REE under WPRS in May 2022 and May 2024 and decided not to adjust the recycling levies. Audit noted that: (a) the

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overall cost recovery rate dropped from 105.2% (forecasted in May 2022) to 99.8% (forecasted in May 2024); and (b) the May 2024 review forecasted that the cost recovery rate for 2024-25 to 2028-29 would follow a downward trend and decreased from 96.2% for 2024-25 to 89.5% for 2028-29 (paras. 4.19 and 4.21).

23. ***Need to step up efforts in facilitating applicants to apply for e-WDLs for recycling certain sub-types of regulated WEEE.*** Audit noted that: (a) as of August 2024, Contractor A was the only recycler licensed to recycle certain sub-types of regulated WEEE, including air-conditioners, refrigerators, tumble dryers, dehumidifiers, and televisions and monitors with cathode ray tubes; and (b) in April 2021, Consultant Y informed EPD that the treatment capacity of a treatment line was almost fully utilised and the treatment of refrigerators might be an imminent problem (i.e. approaching the maximum treatment capacity). In Audit's view, EPD needs to step up efforts in facilitating applicants to apply for e-WDLs for recycling certain sub-types of regulated WEEE with few licensed recyclers (paras. 4.23 and 4.25).

24. ***Need to keep under review the effectiveness of WPRS.*** According to EPD, WPRS aims to achieve resources recovery and provide a long-term solution to potential land contamination and environmental problems arising from mishandling of WEEE during delivery, storage and dismantling processes. In 2022, about 25% of WEEE generated in Hong Kong was still disposed of at landfill and the actual quantity increased by 802 tonnes (5%) from 15,343 tonnes in 2021 to 16,145 tonnes in 2022. Audit noted that EPD has not conducted any formal review on WPRS since its implementation in August 2018 and Contract A for operating WEEE·PARK will expire in 2027. In Audit's view, it is an opportune time for EPD to conduct a review on WPRS and WEEE·PARK to evaluate their effectiveness and determine the way forward (paras. 4.30 and 4.32).

Audit recommendations

25. **Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has recommended that the Director of Environmental Protection should:**

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Administration of WPRS

- (a) ensure that the processing of applications received for endorsement of RSPs and registration as registered suppliers of REE is timely completed in accordance with the stipulated time pledges (para. 2.14(a));
- (b) ensure timely submission of quarterly and annual reports by the licensees of e-WDLs and follow up overdue submission of quarterly and annual reports in accordance with the guidelines updated in September 2024 (para. 2.28(a) and (b));
- (c) enhance the monitoring of compliance of licensing requirements of e-WDLs by licensees (para. 2.28(d));
- (d) keep under review the frequency of inspections on individual suppliers of REE with a view to ensuring that the inspections are conducted in accordance with the stipulated requirements and document the justifications of selecting sellers and collectors of REE for inspections (para. 2.38(a) and (b));
- (e) ensure that inspection reports for inspections conducted on sellers and collectors of REE are timely prepared in accordance with the stipulated time pledges (para. 2.38(d));
- (f) ensure that adequate number of inspections on licensees of e-WDLs are conducted in accordance with the requirements stipulated in the guidelines (para. 2.38(f));

Design, construction and operation of WEEE-PARK

- (g) in implementing works projects involving waste treatment facilities under a DBO contract, conduct market surveys and consultations with stakeholders as comprehensively as practicable with a view to better estimating the treatment demand and incorporating the requirements on treatment capacity in the tender documents (para. 3.13(a));

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- (h) **in implementing works projects involving construction of facilities, take measures to ensure the timely commissioning of operation (para. 3.13(b));**
- (i) **keep under review the cost-effectiveness of treating washing machines and refrigerators collected by WEEE·PARK and explore the feasibility to redesign WEEE·PARK with a view to aligning its treatment capacity with the mix of sub-types of regulated WEEE (para. 3.24(b) and (c));**
- (j) **conduct a cost-benefit analysis to determine whether alternative logistics service providers should be engaged in providing collection and logistics services for regulated WEEE that exceeded the baseline tonnage (para. 3.24(e));**
- (k) **when designing the terms of the upcoming contract for the operation of WEEE·PARK, conduct market surveys and consultations with stakeholders as comprehensively as practicable and consult the relevant stakeholders early, with a view to clearly setting out the scope of essential collection and logistics services with detailed performance requirements in the Employer's specifications (para. 3.24(f));**
- (l) **keep under review the conditions of facilities and equipment at WEEE·PARK (para. 3.34(b));**
- (m) **ensure that detailed records of maintenance work and follow-up actions in relation to instances of failure in facilities and equipment that required frequent maintenance and long repairing time are regularly compiled and reported in the monthly and yearly operational reports by Contractor A (para. 3.34(c));**
- (n) **make continued efforts to enhance site and occupational safety of WEEE·PARK (para. 3.34(d));**
- (o) **ensure that Contractor A timely reports all non-compliance test results on environmental performance requirements to EPD and timely triggers a level 2 (i.e. more stringent) monitoring for environmental performance requirements in accordance with the required timeframe specified by EPD (para. 3.48(a)(i) and (ii));**

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Other related issues

- (p) **take measures to ensure that:**
 - (i) **returns and audit reports are submitted by the registered suppliers of REE in a timely manner, including ensuring that warning letters are timely issued and considering other measures (e.g. imposing fines and/or surcharges on late submission cases) (para. 4.17(a));**
 - (ii) **the processing of returns and audit reports submitted by the registered suppliers of REE is timely completed in accordance with the stipulated time pledges (para. 4.17(b)); and**
 - (iii) **payment notices for recycling levies are timely issued in accordance with the stipulated time pledge (para. 4.17(c));**
- (q) **make continued efforts to ensure timely settlement of recycling levies by the registered suppliers of REE and take follow-up actions on the overdue payment notice for recycling levy as appropriate (para. 4.17(d) and (e));**
- (r) **closely monitor the cost recovery position of WPRS with a view to achieving full cost recovery and take actions where appropriate (para. 4.28(a));**
- (s) **step up efforts in facilitating applicants to apply for e-WDLs for recycling certain sub-types of regulated WEEE with few licensed recyclers (para. 4.28(b)); and**
- (t) **conduct a review on WPRS and WEEE·PARK to evaluate their effectiveness and determine the way forward (para. 4.33).**

Response from the Government

26. The Director of Environmental Protection thanks Audit for conducting the audit review of WPRS and agrees with the audit recommendations.

