

**Management of single-use beverage packaging:
An initiative by
Single-Use Beverage Packaging Working Group
(previously known as the Municipal Solid Waste Management Working Group)**

Terms of Reference

These Terms of Reference outline the mandate and purpose of the Single-Use Beverage Packaging Working Group (previously known as the Municipal Solid Waste Management Working Group) (“**Working Group**”), including its composition, the financing of the group, the guidelines for participation, discussion and decision making in meetings, and a proposed timetable.

1. Background

- 1.1 The aim of the Working Group is to bring together a broad coalition of stakeholders in Hong Kong (the “**Participants**”) to focus on the management of single-use beverage packaging which make up a significant portion of municipal solid waste (“**MSW**”) (the “**Initiative**”). The Annex to these Terms of Reference sets out the current Participants (as may be amended from time to time in accordance with these Terms of Reference).
- 1.2 The Participants want to support the Hong Kong government in its efforts to design and implement clear and open holistic waste policies for dealing with MSW – domestic, commercial and industrial – and its policies on how to deal with waste materials which can be classified as recyclable.

2. The Initiative

- 2.1 The Working Group meets to:
 - (A) establish the terms of reference on which to engage a third party consultant (“**Consultant**”);
 - (B) engage the Consultant to produce research on how best Hong Kong can comprehensively handle and deal with single-use beverage packaging, in the context of the actual and planned short, medium and long term management of MSW in Hong Kong (“**Research Paper**”) – including:
 - (i) how beverage packaging could be handled and the best measures around importation, reduction, collection, separation, processing, etc. The Research Paper will analyse pragmatic solutions for Hong Kong to minimise the amount of single-use packaging going to landfill, encouraging as much of the recyclable waste as possible to be separated to create feedstocks for end uses, such as up-cycling, processing and selling (domestically and/or internationally), and incinerators; and
 - (ii) how government could alter behaviour of both businesses and residents to achieve the reduction and re-use of single-use beverage packaging.

The Research Paper will analyse how government can influence the public and business through educational programmes, incentives, 'Producer Responsibility Schemes', laws on the makeup of raw materials, etc.; and

- (iii) a practical set of recommendations under stated time lines. The Research Paper will conclude on a recommended set of solutions which would be suitable for Hong Kong, and state a clearly prescribed timeline and process for executing the proposed solutions;
- (C) draft a positioning statement based on the Research Paper (the "**Positioning Statement**") with the intended external audience being interested parties in Hong Kong as well as the Hong Kong government and the public;
- (D) engage the community on the Positioning Statement and collect feedback for consideration; and
- (E) publish and present the final Positioning Statement to the Hong Kong government in an open and public forum, to help bring reform of waste management in Hong Kong to fruition,

3. Participation and composition

- 3.1 The Working Group is comprised of stakeholders from across different industries in Hong Kong, including private sector entities involved in the beverage industry, non-governmental organisations and trade associations, and other interested parties.
- 3.2 The Participants have been invited to represent a broad cross-section of stakeholders, based on their knowledge of and expertise in waste-related issues, experience in waste management, and availability to participate in the Initiative.
- 3.3 The Participants may circulate nominations for additional Participants. When no objections have been received within 2 working days of the nomination, the proposed new Participant will be invited to join the next Working Group meeting.
- 3.4 Participants are expected to:
 - (A) act with integrity, respect for confidentiality (at all times in accordance with the non-disclosure agreement ("**NDA**") signed by the Participant) and respect for all applicable laws and regulations (including strict adherence to the Competition Compliance Policy, a copy of which will have been provided to each Participant);
 - (B) conduct themselves in a collaborative manner, taking time to give due consideration to the aims and input of each Participant and bearing in mind the common environmental objective at all times;
 - (C) communicate in an open and transparent manner to foster trust and cooperation amongst the Participants;

- (D) act in the public interest, and in accordance with the due process;
 - (E) review any materials provided in advance of the Working Group meetings, to be able to participate actively; and
 - (F) work in a constructive and proactive manner that aims at achieving consensus on the topics of discussion.
- 3.5 Participants commit to attending Working Group meetings in Hong Kong and to plan sufficient time to prepare for meetings and review materials in order to meet the Initiative's deadlines (see 'Timetable' in section 10 for estimated timing).
- 3.6 The quorum necessary for all Working Group meetings shall be no less than 60% of the Participants.
- 3.7 Participation is voluntary. There is no fee or compensation associated with participation in the Working Group. Participants may withdraw from the Working Group at any time with a written notice to all Participants.
- 3.8 The Working Group may agree to amend these Terms of Reference from time to time. Any such amendments shall be recorded in the minutes of the meeting at which such amendments are agreed.

4. Finances

- 4.1 Each Participant may, on a voluntary basis and at its own discretion, contribute funds, personnel and other resources to the Initiative, subject to all applicable laws, regulations, and policies and in accordance with the budget as approved by the Working Group.
- 4.2 Any costs directly incurred by a Participant arising from the activities contemplated in these Terms of Reference are to be borne by the Participant that incurs them, unless other arrangements are agreed in advance with the Working Group.
- 4.3 For the avoidance of doubt, no Participant will contribute funds, personnel, and other resources for the purposes of influencing the conclusions of the Research Paper or otherwise influencing the Initiative or its outcome.

5. Chairperson

- 5.1 The Working Group will vote to elect a chairperson in the first meeting (the "**Chair**"). Each Voting Individual (as defined in paragraph 7.1 below) will have one vote when electing the Chair, and the Chair will be appointed by a majority vote.
- 5.2 The Chair should be an independent company / person with previous relevant professional experience with chairpersonship, and be able to commit sufficient time to fulfil the role.

- 5.3 The Chair will be responsible for facilitating discussions in a fair and objective manner, with the aim of reaching decisions by consensus. The Chair should at all times act impartially and may not be a Voting Individual (as defined in paragraph 7.1 below). For the avoidance of doubt, when the Participant represented by the Chair is represented by two individuals, the Participant will retain the ability to vote through the second individual represented at a Working Group meeting.
- 5.4 The Chair shall be authorised to enter into and execute all agreements or other documents on behalf of the Working Group.
- 5.5 The specific responsibilities of the Chair include:
- (A) chairing the Working Group meetings;
 - (B) progressing the Initiative according to the timeline set out in in section 10 below and encouraging full cooperation of the Participants to commit to this timeline;
 - (C) proposing the Budget for the Initiative to be approved by the Working Group;
 - (D) commissioning the Research Paper;
 - (E) signing relevant agreements and documents on behalf of the Working Group, including accepting the recommendations in the Research Paper and confirming the Participants' endorsement of the Positioning Statement;
 - (F) ensuring that all Participants are able to express their viewpoints, and that all positions and views are given equal attention and treatment;
 - (G) taking the lead in helping to reach consensus where opinions are divided;
 - (H) ensuring that all points of view expressed and decisions are adequately summarised so that they are understood by all Participants present at the meeting; and
 - (I) acting proactively and communicating diplomatically.
- 5.6 In case of unforeseen unavailability of the Chair at a meeting, a session chairperson may be elected by the Participants by a majority vote for the purposes of chairing the particular meeting.

6. Bidding for the Research Paper

- 6.1 The Chair will not be permitted to bid to produce the Research Paper.
- 6.2 If a Participant bids to produce the Research Paper ("**Bidding Participant**"), it must withdraw from the Working Group prior to any discussions regarding the evaluation criteria or scoring methodology of the tender. If the Bidding Participant is unsuccessful in its bid, it shall be permitted to re-join the Working Group.

6.3 If applicable, Participants are required to declare to the Chair as soon as possible after the first Working Group meeting their intention to bid to produce the Research Paper.

7. Meetings

7.1 Each Participant will be represented at a meeting by no more than two individuals, of which only one will have the right to cast a vote in a Working Group Meeting (“**Voting Individual**”).

7.2 All Participants and their representatives are required to have signed the NDA, including agreeing to comply with the Working Group Competition Compliance Policy, a copy of which will have been provided to the Participant in advance of the first Working Group meeting.

7.3 Working Group meetings are not open to the public.

7.4 The Chair will chair and facilitate the meetings, in accordance with paragraph 5.3 above.

7.5 Meeting agenda and materials will be typically circulated to the Working Group at least five working days in advance of each meeting by the Secretariat (as defined in paragraph 8.2 below).

7.6 The Secretariat will send draft minutes of the meeting to the Participants two working days after the relevant Working Group meeting. The Participants will be given five working days to provide their comments. The minutes will be approved at the next Working Group meeting.

7.7 In accordance with the NDA, Working Group meeting materials are confidential and shall not be distributed to anyone outside the Working Group without prior permission from the Working Group.

7.8 The Working Group seeks to reach decisions (including approval of the budget and funding arrangements) by consensus. Each Participant (through the Voting Individual) will have a single vote and that vote will be given equal weight in the decision-making process. Where unanimity cannot be achieved, majority and minority opinions are documented for further discussion in a separate Working Group meeting, with the aim of reaching consensus in a cooperative and constructive manner. A Participant should report to the Chair and seek guidance whenever it requires further advice in order to advance the Initiative or reach consensus.

7.9 In the event that a Participant communicates to the Chair in writing that it does not support the final draft Positioning Statement, the Chair will work collaboratively with such Participant to understand its concerns. If such concerns cannot be sufficiently addressed before the publication date, the name of that Participant will not be included as a signatory to the final Positioning Statement.

- 7.10 In accordance with the NDA, Participants will not be permitted to disclose any decision reached in a Working Group meeting prior to any release of such decision by the Working Group.

8. Project management

- 8.1 The Chair will be responsible for overall project management and implementation of the Initiative according to due process.
- 8.2 A legal advisor will be appointed by the Working Group to assist the Chair and Participants ("**Legal Advisor**").
- 8.3 A secretariat will be appointed by the Working Group to assist the Chair and Participants ("**Secretariat**"), including:
- (A) preparing venues, meeting agendas, meeting materials and meeting minutes, for all Working Group meetings;
 - (B) providing logistical support for in-person Working Group meetings and teleconferences;
 - (C) producing working versions of the terms of reference of the Research Paper, for approval by the Participants, based on the Participants' input;
 - (D) assisting the commissioning of the Research Paper and managing the Consultant for the purposes of producing the Positioning Statement;
 - (E) preparing working versions of the Positioning Statement, for approval by the Participants, in conjunction with the Consultant, based on the Research Paper and the Participants' input;
 - (F) preparing and monitoring the budget;
 - (G) receiving and expending funds; and
 - (H) managing all internal and external communications about the Initiative and its outcomes; including formatting and production (as well as the stylistic and grammatical presentation) of the final Positioning Statement.

9. Use of the Research Paper and Positioning Statement

- 9.1 The Working Group shall determine what is to be done with the Research Paper and Positioning Statement (e.g. external communication). Without prejudice to the ability of the Working Group to decide, it is intended that the Research Paper shall inform the drafting of the Positioning Statement, and both documents shall be communicated outside the Working Group once finalised, including to the Hong Kong government, stakeholders and the public.

10. Timetable

10.1 The table below outlines the indicative timeline for the Initiative:

Milestone	Target Dates TBC
Formal invitations sent to Participants (including Terms of Reference, NDA and Competition Compliance Policy)	Prior to 30 August 2017
INITIAL Working Group MEETING <ul style="list-style-type: none"> • Chair to be appointed • Dialogue about the issues • Begin drafting terms of reference for the Research Paper • Facilitate next steps 	30 August 2017 (3-5pm)
SECOND Working Group MEETING <ul style="list-style-type: none"> • Finalise terms of reference for the Research Paper • Agree on tender procedure for the Research Paper • Agree timeline 	Shortly after initial Working Group meeting
Selection of independent third party Consultant to produce Research Paper	After second Working Group meeting
Target deadline for production of the Research Paper	End of 2017
SUBSEQUENT Working Group MEETINGS <ul style="list-style-type: none"> • Discuss Research Paper findings • Meet with Government, stakeholders and public • Discuss drafting of the Positioning Statement 	End 2017
Drafting of Positioning Statement	Early 2018
PUBLICATION AND PRESENTATION OF THE POSITIONING STATEMENT TO THE HONG KONG GOVERNMENT	Early 2018

ANNEX

Participants

The ADM Capital Foundation Limited
ALBA Group Asia Ltd. (*)
Business Environment Council (BEC)
Civic Exchange
Designing Hong Kong Limited
Executive Counsel Limited
Friends of the Earth (HK) Charity Limited
The Green Earth
Airport Authority Hong Kong
Hong Kong Polytechnic University (HKPU)
Ocean Recovery Alliance
Swire Waste Management Limited (*)
The Hongkong and Shanghai Hotels, Limited
Vitasoy International Holdings Limited (**)
A.S. Watson Group (**)
Swire Beverages Limited (**)
WWF-Hong Kong
The Hong Kong Beverage Association Limited (**)
Hong Kong Scrap Plastic Association (*)
Plastic Free Seas Limited
WYNG Foundation
MTRC Ltd
WYNG 43 Social Investment Limited
Coordinate4u
The Dairy Farm Company Ltd. (**)
The Hong Kong Jockey Club

Observers

John Swire & Sons (HK) Limited
Lee Hysan Foundation
Lam Kin-che, Chinese University of Hong Kong (CUHK)

Legal Advisor

Slaughter & May

Secretariat

ADM Capital Foundation (Funds and Contracts)
Designing Hong Kong Limited (Other secretarial and project management duties)

Venue Partner

The Eaton House

Research Consultant

Deloitte Advisory (Hong Kong) Limited

Chairman

Paul Zimmerman

* Declared interest in waste handling

** Declared interest in packaged beverages