

South China Morning Post | 2019-09-26

Online News | Economy

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Rent for EcoPark tenants to be halved

Relief measure to last for six months and is part of steps to boost economy

The government has announced it will halve the rents for all tenants of EcoPark as part of a series of measures to boost the faltering economy, hit by the US-China trade war and months of political unrest.

Secretary for the Environment Wong Kam-sing revealed the move at a groundbreaking ceremony yesterday for a new plastic recycling facility at EcoPark in Tuen Mun. The rent cut will take effect from October 1 and last for six months.

"The government cares about the green industries. The rent cut supports the relief measures announced by the secretary for finance, which includes a variety of ways to support businesses in Hong Kong," Wong said after the ceremony.

But he did not disclose how much rent the government would lose from the measure, or if the plan would continue beyond six months.

Wong also did not directly mention the ongoing anti-government protests as a cause for slowing the economy, choosing to just cite "local and international economic effects".

In August, Financial Secretary Paul Chan Mo-po announced a HK\$19.1 billion relief package, including help for small-businesses and student subsidies, as the city's growth forecast was downgraded to between 0 and 1 per cent.

Wong announced that recycling companies would also benefit from an earlier measure to waive additional sewage service charges imposed on businesses.

The plan to waive the trade effluent surcharge for up to 30,000 businesses, spanning from the manufacturing to food and beverage industries, will cost the government HK\$24.8 million.

Ben Ng Wing-hong, chairman of Baguio Green Group, one of the three companies involved in the new recycling factory that broke ground yesterday, said the rent cut would save his company up to HK\$450,000 over six months.

"It would benefit us directly," Ng said.

The new recycling plant, New Life Plastics, a joint venture between Baguio Waste Management & Recycling, ALBA Group Asia and Swire Coca-Cola, is a tenant at EcoPark under Baguio.

The plant, which will process clear PET (polyethylene terephthalate) beverage bottles and HDPE (high-density polyethylene) plastic materials, such as personal care product bottles, into food-grade ready plastics, would be the first of its kind in the city upon completion in 2020.

It will be able to process and recycle 35,000 metric tonnes of plastic waste a year, and the recycled material could be used to make new bottles and also be fed back into local industries, forming a "closed-loop economy".

"The goal is to set up a real demonstration plant not just for Hong Kong, but for the whole region," Axel Schweitzer, ALBA Group's chief executive, said.

"Almost 100 per cent of Hong Kong's waste goes to landfills now. Lots of these bottles end up in landfills so the goal is to recycle on one hand and reduce waste on the other," he said.

The city generated 50,000 tonnes of PET bottle waste in 2017, most of which were sent to landfills, and only 8.5 per cent was recovered for recycling.

Around 3,660 tonnes were exported, almost exclusively to the mainland, before it banned waste imports at the beginning of 2018.