

For Discussion
On 25 February 2002

Legislative Council Panel on Economic Services
Approval of Domestic Gas Appliances

Purpose

This paper updates Members on progress with regard to the approval scheme for domestic gas appliances.

Background

2. Since 1998, importers of domestic gas appliances for use in Hong Kong may submit such appliances for the Gas Authority's approval on a voluntary basis. To enhance public safety, the Administration, in consultation with the Gas Safety Advisory Committee and the industry, decided to make the approval of all new domestic gas appliances mandatory. Members were briefed in June 2000 and supported our proposal to amend the Gas Safety (Miscellaneous) Regulations and Gas Safety (Installation and Use) Regulations to provide for an approval scheme which includes the following -

- (a) any person who imports or manufactures locally a domestic gas appliance for use in Hong Kong shall have to submit it to the Gas Authority for approval in accordance with the requirements stipulated by the Gas Authority;
- (b) no person shall import, supply or sell any appliance for use in Hong Kong if the appliance does not bear an approval mark authorised by the Gas Authority;
- (c) any person who uses the approval mark for a domestic gas

appliance without the express approval of the Gas Authority commits an offence; and

- (d) no gas installer shall install a domestic gas appliance unless it is of a model approved by the Gas Authority, except for reinstallation of domestic gas appliances installed prior to the commencement of the new regulations.

Current position

3. We have been preparing for the introduction of the mandatory approval scheme. The Gas Authority (the Director of Electrical and Mechanical Services) had liaised with local and overseas suppliers and certification authorities (e.g. Japan, Korea and Mainland China) to review the operation of the existing voluntary approval scheme, and to encourage the participation of local suppliers.

The Approval Scheme

4. Pursuant to the Scheme, upon implementation of the amendment regulations, all gas appliances imported, manufactured locally or supplied for use in Hong Kong must be approved by the Gas Authority and carry the approval mark to indicate compliance.

A. Safety standard

5. A domestic gas appliance will only be approved if it fulfils the prescribed requirements, which include, inter alia, passing the specified type-test and satisfying safety requirements pertaining to the situation in Hong Kong. The former is a detailed safety performance test pursuant to international safety standards, and is carried out normally in the country of origin by a recognized certification authority. The latter requires the appliance to be compatible with specific local conditions such as gas type, and ensures that local requirements such as the incorporation of flame failure

device are met.

B. Application procedures

6. Approval of a gas appliance is contingent upon the applicant doing the following -

I. At the pre-approval stage -

- (a) liaise with the overseas manufacturer to obtain initial type-test certification¹ from a recognised certification authority, normally in the country of origin, to confirm that the model of gas appliance has successfully completed tests in accordance with recognised international or national gas appliance safety standard, such as the European, Australian and Japanese standards;
- (b) arrange for a sample of the gas appliance model to be imported for local safety assessment at a HOKLAS² laboratory to confirm that the appliance complies with local requirements such as the incorporation of flame failure device, and that it is compatible with local conditions such as gas type and composition. This procedure may be undertaken in parallel with (a);
- (c) submit the original or certified copies of certification in respect of (a) and (b) to the Gas Authority, and undertake to supply spare parts for a gas appliance for a specified period;
- (d) if satisfied, the Gas Authority will advise the applicant in writing of the approval and authorise the applicant to advise the manufacturer to apply an approval mark to the approved model.

¹ Fresh type-approval will be required for previously approved models which have undergone functional modifications that are related to the operation and safety of the gas appliance.

² HOKLAS means the Hong Kong Laboratory Accreditation Scheme.

The approval will be valid for five years;

II. After obtaining approval -

- (e) produce for each shipment a certificate prepared by the manufacturer to confirm that the appliance has been produced in compliance with the required standard ;
- (f) arrange quality assurance tests for the approved models at a HOKLAS laboratory at least once a year; and
- (g) obtain revalidation for the initial type-test certification mentioned in paragraph (a) above and submit copies of certification to the Gas Authority for renewal of approval every five years.

C. Processing time

7. The average processing time for approval is normally within 30 working days. As regards revalidation, the processing time required will be shorter.

D. Withdrawal of approval

8. The Gas Authority may withdraw the approval for any type or model of domestic gas appliance if the condition of approval has been breached. The Scheme also provides for the Gas Authority to withdraw his approval in the rare event that the appliance concerned has ceased to be of a standard of safety acceptable to the Gas Authority (e.g. when new technology and research findings enable the prescribed safety standards to be enhanced), or is found to be prejudicial to public safety (e.g. due to problems that have arisen during production).

9. Once an approval has been withdrawn, the appliance may not be imported or manufactured locally. Where the approval has been

withdrawn on the ground that the appliance is found to be prejudicial to public safety, the Scheme further -

- (i) provides for the prohibition of the sale of outstanding stocks; and
- (ii) makes it incumbent on the importer and local manufacturer to expeditiously take reasonable measures to ensure that public safety is not prejudiced by the appliance concerned. The remedial actions that should be taken in such cases, including publicity and recall arrangements, will be set out in the code of practice to be gazetted by the Gas Authority after consultation with the industry.

E. Penalty for Non-compliance

10. Having regard to the penalty provisions in the Electrical Product Safety Regulation and the Gas Safety Ordinance, any person who fails to comply with the requirements of the Scheme set out in paragraphs 2(a) to (c) above will be liable to—

- (i) a fine at \$50,001 - \$100,000 and one-year imprisonment on first conviction;
- (ii) a fine of \$200,000 and one-year imprisonment on subsequent convictions; and
- (iii) a daily penalty of \$10,000 in the case of a continuing offence.

The same penalties apply in the case of non-compliance with the follow up actions when the approval of a type or model of appliance is withdrawn.

11. As regards the installation of non-approved domestic gas appliances mentioned in paragraph 2(d) above, the proposed penalty is a fine at \$5,001 - \$10,000.

F. Appeal Arrangement

12. A new provision will be made to the Gas Safety (Miscellaneous) Regulations to grant aggrieved parties a right to appeal against the Gas Authority's decision. Nevertheless, in the interest of public safety, the Gas Authority's decision to withdraw the approval of a type or model of domestic gas appliance will take effect immediately, notwithstanding that an appeal has been or may be made against that decision.

Consequential Amendments

13. Upon introduction of the mandatory approval scheme, the installation, sale or supply of flueless gas water heaters for use in Hong Kong will amount to the installation, sale or supply of domestic gas appliances which fail to comply with the safety requirements under the approval scheme and will be subject to the penalty levels stipulated at paragraphs 10 and 11 above. Regulation 37 of the Gas Safety (Installation and Use) Regulations and Regulation 3A of the Gas Safety (Miscellaneous) Regulations will be amended accordingly.

Preparedness of the Industry

14. The Gas Authority has been working with the industry on the details of the proposed mandatory Scheme. The industry is geared up and generally welcomes its early implementation. As at end 2001, 38 companies currently engaged in the supply and importation of domestic gas appliances in Hong Kong have applied for approval of domestic gas appliances under a voluntary scheme. The Gas Authority has processed 441 applications and 250 models have been approved. Our estimate is that the approved models already constitute about 80% of the local sales volume of those gas appliances requiring installation. Most of the models yet to be approved have already been submitted for approval. Pending the introduction of the Amendment Regulations, the applicants will obtain the

required certification from the testing authorities.

Enforcement

15. To ensure compliance with the proposed Scheme, the Gas Authority will conduct audit visits to importers, suppliers and sales outlets (totalling about 1 000 a year). The workload arising from these visits will be absorbed by the existing staff responsible for inspecting registered gas supply companies, registered gas contractors and LPG distributors.

Implementation Timetable

16. Our plan is to introduce the necessary amendments to the Gas Safety (Installation and Use) Regulations and the Gas Safety (Miscellaneous) Regulations into the Legislative Council in mid-2002. And the Amendment Regulations shall come into effect in two phases –

- (i) for the benefit of the industry and consumers, the provisions to enable the Gas Authority to grant statutory approval to up-to-standard types and models shall come into effect upon publication of the amendment regulations in the Gazette; and
- (ii) to facilitate the industry's compliance with the new regulations, those provisions making the import, manufacture, supply, sale and installation of non-approved domestic gas appliances an offence will commence on a later date to be appointed by the Secretary for Economic Services by notice in the Gazette.

Economic Services Bureau/
Electrical and Mechanical Services Department
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