

## **LEGISLATIVE COUNCIL BRIEF**

### **Gas Safety Ordinance (Chapter 51)**

### **GAS SAFETY (INSTALLATION AND USE AND MISCELLANEOUS) (AMENDMENT) REGULATION 2002**

#### **INTRODUCTION**

At the meeting of the Executive Council on 19 March 2002, the Council **ADVISED** and the Chief Executive **ORDERED** that the Gas Safety (Installation and Use and Miscellaneous) (Amendment) Regulation 2002 (“the Amendment Regulation”), at **Annex A**, should be made under section 8 of the Gas Safety Ordinance.

#### **BACKGROUND AND ARGUMENT**

2. Most of the domestic gas appliances currently available to Hong Kong users meet international safety standards and local operating conditions, but some (notably portable cassette cookers) do not. Accidents involving such appliances occur from time to time. Between 1997 and 2001, there were 32 such incidents resulting in seven casualties. While the existing regulations provide for the safe installation of gas appliances by registered installers and contractors, this does not give users sufficient protection where the appliances do not require installation, as in the case of cassette cookers. It would be desirable to introduce additional safety control at the product level.

3. In 1997, the Gas Safety Advisory Committee<sup>1</sup> (GSAC) decided that all domestic gas appliances for use in Hong Kong should be subject to approval by the Gas Authority<sup>2</sup>. The Committee further agreed that a voluntary approval scheme, supported by a detailed code of practice stipulating the safety requirements and approval procedures, should be launched prior to introduction

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<sup>1</sup> The GSAC was established under the Gas Safety Ordinance to advise on matters relating to gas safety. Its members are drawn from representatives of the gas supply companies, gas installers, suppliers of gas appliances, professional institutions and the general community.

<sup>2</sup> The Director of Electrical and Mechanical Services has been appointed as the Gas Authority under the Gas Safety Ordinance.

of the mandatory scheme. Based on the experience of the voluntary approval scheme since June 1998, we are now ready to make the approval mandatory.

## **The Approval Scheme**

4. Pursuant to the mandatory approval scheme (“the Scheme”), all domestic gas appliances imported, manufactured locally or supplied for use in Hong Kong must be approved by the Gas Authority and carry a specified mark to indicate compliance. In addition, the installation of a non-approved domestic gas appliance will be prohibited, except for reinstallation of existing appliances. In other words, the Scheme imposes new obligations on importers, local manufacturers, suppliers and installers of domestic gas appliances which are meant for use in Hong Kong. For the general public, the Scheme is there to provide additional safeguards to them. As users, they are not obliged to ensure that their appliances bear a specified mark, and need not replace their existing appliances simply because they do not bear such a mark.

### *A. Approval conditions*

5. A domestic gas appliance will only be approved if it fulfils the prescribed safety 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 or relevant national safety standards, and is carried out normally in the country of origin by a recognized certification authority. The latter is carried out at a local laboratory under the Hong Kong Laboratory Accreditation Scheme (HOKLAS). It 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.

6. There is further safety control following approval, including the requirement for the importer to confirm for each shipment that the appliance has been produced in compliance with the required standard; to arrange quality assurance tests for the approved models at least once a year; and to obtain revalidation for the type-test certification and apply for renewal of approval every five years.

### *B. Withdrawal of approval*

7. The Gas Authority may withdraw his approval if the condition of approval has been breached, or 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).

8. Once an approval has been withdrawn, the appliance model 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.

### *C. Penalty for Non-compliance*

9. Having regard to the penalty provisions in the Electrical Product Safety Regulation and the Gas Safety Ordinance, we propose that any person who fails to comply with the requirements relating to the importation, manufacture in Hong Kong, sale and supply of domestic gas appliances for use in Hong Kong will be liable to –

- (i) a maximum fine at level 6 (\$100,000) and one-year imprisonment on first conviction;
- (ii) a maximum fine of \$200,000 and one-year imprisonment on subsequent convictions; and
- (iii) a maximum daily penalty of \$10,000 in the case of a continuing offence.

The same penalties apply in the case of non-compliance with the requirements for remedial actions when the approval of a type or model of appliance is withdrawn. During previous discussions at the Legislative Council Panel on Economic Services, some Members opined that the proposed penalty level might appear harsh for someone who, unaware of the prohibition, imported non-approved appliances for his own use. We must note that the objective of the Scheme is to enhance public safety. From this perspective, it would be appropriate to apply the same penalty level to the import of non-approved appliances, regardless of whether it is for commercial purpose or personal use. Moreover, the proposed penalty level is the **maximum** penalty, and it is up to

the court to decide the exact amount of penalty having regard to the particular circumstances of a case.

10. As regards the installation of a non-approved domestic gas appliance, the proposed maximum penalty is a fine at level 3 (\$10,000).

#### *D. Appeal Arrangement*

11. Aggrieved parties will have 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**

12. The existing regulations prohibit the installation of flueless gas water heaters and set a fine of \$5,000 for the offence. The sale or supply of flueless gas water heaters for use in Hong Kong is also prohibited with a fine at level 3 (\$10,000) and, in the case of a continuing offence, a daily penalty of \$1,000. Upon introduction of the 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 non-approved domestic gas appliances, and will be subject to the penalty levels stipulated at paragraphs 9 and 10 above.

#### **Preparedness of the Industry**

13. The Gas Authority has been working with the industry on the details of the 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 on a voluntary basis. The Gas Authority has received 441 applications and 250 models have already 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. The applicants will obtain the required certification from the testing authorities in anticipation of the introduction of the Regulation.

#### **Implementation Timetable**

14. We propose that the Regulation 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 on 1 June 2002, after expiry of the Legislative Council's vetting period for the Regulation; and
- (ii) to facilitate compliance with the new regulations by the industry, particularly those who have not participated in the voluntary scheme, the import, manufacture, supply, sale and installation of non-approved domestic gas appliances will only be prohibited from 1 January 2003 onwards. The consequential amendments to increase the penalty levels for flueless gas water heaters mentioned in paragraph 12 above will also come into effect on this date.

15. During previous discussions at the Legislative Council Panel on Economic Services, some Members expressed concern with an open-ended grace period during which non-approved appliances would be available in the market. As the trade is making good progress in obtaining approval for appliances under the voluntary scheme, we do not consider it necessary to impose an immediate ban on all non-approved appliances. In practice, the trade also needs a reasonable period to manage its stocks and arrange to obtain approval for various appliances. We appreciate Members' concern, and taking on board Members' suggestion we have now appointed 1 January 2003 as the date starting from which the import of non-approved appliances, and the sale of such appliances imported on or after this date, will be prohibited.

## **THE REGULATION**

16. Different parts of the Regulation will commence on different dates, as required for the phased implementation proposed in paragraph 14 above.

17. **Schedule 1** amends the Gas Safety (Installation and Use) Regulations to prohibit the installation of a non-approved domestic gas appliance, except for re-installation of such an appliance which has been installed before 1 January 2003. It also prescribes the penalties for the aforesaid offence and accordingly increases the penalties for installing a flueless gas water heater.

18. **Schedule 2** amends the Gas Safety (Miscellaneous) Regulations. **Section 1** increases the penalties for the sale or supply of any flueless gas water

heater for use in Hong Kong to bring them in line with those under the Scheme. **Section 2** provides for new regulations to implement the Scheme -

- (a) **regulation 3B** provides that no person shall import or manufacture in Hong Kong any domestic gas appliance unless it is of a type or model approved by the Gas Authority and bears a specified mark, and that no person shall knowingly sell or supply for use in Hong Kong any domestic gas appliance which has been imported or manufactured in Hong Kong in contravention of the aforesaid requirements.
- (b) **regulation 3C** provides that the Gas Authority may withdraw an approval where the Authority is satisfied that the domestic gas appliance concerned has shown to be prejudicial to public safety, ceased to be of a standard acceptable to the Authority, or that any condition to which the approval is subject has been breached.
- (c) **regulation 3D** provides for the measures to be taken by the importer or local manufacturer concerned upon withdrawal of approval on the ground that the domestic gas appliance has shown to be prejudicial to public safety.
- (d) **regulation 3E** provides that any person aggrieved by the Gas Authority's decision to withdraw an approval may appeal against that decision, and sets out the relevant procedures.
- (e) **regulation 3F** prohibits the unauthorised use of any mark that is identical to or closely resembles the specified mark which is capable of misleading any person into believing that an appliance is of a type or model approved by the Gas Authority.

The existing provisions which are being amended are at **Annex B**.

## **PUBLIC CONSULTATION**

19. The proposal was developed in consultation with GSAC and the trade. The Legislative Council Panel on Economic Services was briefed on the Scheme and informed of its progress on 19 June 2000 and 25 February 2002 respectively. Members in general supported the Scheme and welcomed its early implementation to enhance public safety. Issues raised by Panel members have been addressed in the current proposal.

## **BASIC LAW IMPLICATIONS**

20. The Department of Justice advises that the proposed legislation does not conflict with those provisions of the Basic Law carrying no human rights implications.

### **HUMAN RIGHTS IMPLICATIONS**

21. The Department of Justice advises that the proposed legislation is consistent with the human rights provisions of the Basic Law.

### **BINDING EFFECT**

22. The proposed Regulation will not affect the current binding effect of the Gas Safety Ordinance.

### **FINANCIAL AND STAFFING IMPLICATIONS**

23. To approve a domestic gas appliance, the Gas Authority has to vet certifications of safety standards submitted by the applicant. To ensure compliance with the Scheme, the Gas Authority will also conduct audit visits to importers, suppliers and sales outlets (totalling about 1 000 a year). The workload arising from these additional duties will be absorbed by existing staff in the Electrical and Mechanical Services Department. The Economic Services Bureau will also meet from its existing resources any financial or staffing implications arising from the proposal to provide an appeal mechanism against the Gas Authority's decision to withdraw an approval (regulation 3E). The Regulation has no additional financial and staffing implications for the Government.

### **ECONOMIC IMPLICATIONS**

24. The Scheme should not have much impact on the operating costs of the industry. To protect their own interest, importers normally require manufacturers to obtain certification that the appliances concerned comply with national or international safety standards and are fit for use in Hong Kong. The Scheme basically institutionalises such practices. Additional costs for bringing these appliances to the required standard should therefore be minimal. As regards the requirement of a local safety assessment at a HOKLAS laboratory, the costs are about \$9,000 to \$14,000 per model. When amortized over the number of appliance units sold over the five-year approval period, or beyond, subject to revalidation of approval, the additional cost involved per unit should generally be minimal, though varying upon the number of units expected to be sold. The Gas Authority charges no application or processing fees. Other administrative efforts on the part of the applicant, including arranging for the tests and facilitating inspections, should also be small.

## **LEGISLATIVE TIMETABLE**

25. The legislative timetable for the Amendment Regulation will be as follows –

Publication in the Gazette	4 April 2002
Tabling at the Legislative Council	10 April 2002

## **PUBLICITY**

26. A press release will be issued on 22 March 2002. A spokesman will handle media and public enquiries.

27. In addition, the Director of Electrical and Mechanical Services will launch a series of publicity campaigns after the Amendment Regulation comes into operation for the implementation of the Scheme. These include despatching leaflets and posters to retailers, restaurants, developers and estate management companies; and publication of the details of the approval scheme and the list of approved models on the Department's web-site.

## **ENQUIRIES**

28. Any enquiries regarding this brief should be directed to the following officer -

Ms Irene Young  
Principal Assistant Secretary for Economic Services  
Tel No.: 2810 2507  
Fax No.: 2123 9438

Economic Services Bureau  
21 March 2002

**GAS SAFETY (INSTALLATION AND USE AND MISCELLANEOUS)  
(AMENDMENT) REGULATION 2002**

(Made by the Chief Executive in Council under section 8  
of the Gas Safety Ordinance (Cap. 51))

**1. Commencement**

(1) Subject to subsection (2), this Regulation shall come into operation on 1 June 2002.

(2) Schedule 1 and section 1 of Schedule 2 shall come into operation on 1 January 2003.

**2. Amendment of Gas Safety (Installation and Use) Regulations - (Schedule 1)**

The Gas Safety (Installation and Use) Regulations (Cap. 51 sub. leg.) are amended as set out in Schedule 1.

**3. Amendment of Gas Safety (Miscellaneous) Regulations - (Schedule 2)**

The Gas Safety (Miscellaneous) Regulations (Cap. 51 sub. leg.) are amended as set out in Schedule 2.

SCHEDULE 1

[s. 2]

AMENDMENT OF GAS SAFETY (INSTALLATION  
AND USE) REGULATIONS

**1. Regulation added**

The Gas Safety (Installation and Use) Regulations (Cap. 51 sub. leg.) are amended by adding -

**"23A. Installation of domestic gas appliance**

(1) Subject to subregulation (2), no person shall install a domestic gas appliance which burns gas to provide lighting, heating or cooling unless the appliance complies with regulation 3B(1)(d) of the Gas Safety (Miscellaneous) Regulations (Cap. 51 sub. leg.).

(2) Subregulation (1) does not apply to the reinstallation of a domestic gas appliance which has been installed in any premises before 1 January 2003."

**2. Offences**

Regulation 37 is amended -

(a) in subregulation (1) -

(i) by repealing "35" and substituting "35(2) or (3)";

(ii) by repealing "of \$5,000" and substituting "at level 2";

(b) by adding -

"(1A) Any person who contravenes regulation 23A(1) commits an offence and is liable on conviction to a fine at level 3.";

(c) in subregulation (2), by repealing "of \$10,000" and substituting "at level 3";

(d) by adding -

"(3) Any person who contravenes regulation 35(1) commits an offence and is liable on

conviction to a fine at level 3."

SCHEDULE 2

[s. 3]

AMENDMENT OF GAS SAFETY (MISCELLANEOUS) REGULATIONS

1. **Restriction on sale, etc. of  
flueless gas water heaters**

Regulation 3A(2) of the Gas Safety (Miscellaneous) Regulations (Cap. 51 sub. leg.) is repealed and the following substituted -

"(2) Any person who contravenes subregulation (1) commits an offence and is liable -

- (a) on first conviction to a fine at level 6 and to imprisonment for 12 months;
- (b) on any subsequent conviction to a fine of \$200,000 and to imprisonment for 12 months; and
- (c) in the case of a continuing offence, to a daily penalty of \$10,000."

2. **Regulations added**

The following are added -

"3B. **Requirements relating to importation, etc.  
of domestic gas appliance**

(1) No person shall, on or after 1 January 2003 -

- (a) import; or
- (b) manufacture in Hong Kong,

for use in Hong Kong, any domestic gas appliance which burns gas to provide lighting, heating or cooling unless the appliance -

- (c) is of a type or model in respect of which the person has the approval in writing of the Authority to import or manufacture; and
- (d) bears the mark specified in the Schedule prominently displayed on the appliance in accordance with the colour codes, proportion and minimum dimensions specified in the Schedule.

(2) No person shall, on or after 1 January 2003, knowingly -

- (a) sell, offer or expose for sale; or
- (b) supply or offer to supply,

for use in Hong Kong, any domestic gas appliance -

- (c) which has been imported, or manufactured in Hong Kong, in contravention of subregulation (1); or
- (d) which is the subject of an approval mentioned in subregulation (1)(c) which has been withdrawn under regulation 3C on the ground mentioned in regulation 3C(a)(i)(A).

(3) Any person who contravenes subregulation (1) or (2) commits an offence and is liable -

- (a) on first conviction to a fine at level 6 and to imprisonment for 12 months;
- (b) on any subsequent conviction to a fine of \$200,000 and to imprisonment for 12 months; and
- (c) in the case of a continuing offence, to a daily penalty of \$10,000.

(4) For the avoidance of doubt, it is hereby declared that an approval mentioned in subregulation (1)(c) may be subject to such reasonable conditions as the Authority thinks fit specified in the approval.

### **3C. Withdrawal of approval**

The Authority may, by notice in writing served on a person who has an approval mentioned in regulation 3B(1)(c), withdraw the approval -

(a) where the Authority is satisfied that -

(i) the type or model of domestic gas appliance the subject of the approval has -

(A) shown to be prejudicial to the safety of the members of the public; or

(B) ceased to be of a standard of safety acceptable to the Authority; or

(ii) the person has contravened regulation 3B(1) in relation to that type or model of appliance (including contravened any conditions to which the approval is subject) in such circumstances that the approval ought to be withdrawn, and whether or not

the person is prosecuted for the  
contravention; and

- (b) from a date specified in the notice, being a date reasonable in all the circumstances of the case.

**3D. Measures to take upon withdrawal  
of approval on ground mentioned  
in regulation 3C(a)(i)(A)**

(1) Where the Authority has withdrawn under regulation 3C an approval mentioned in regulation 3B(1)(c) on the ground mentioned in regulation 3C(a)(i)(A), then the person who had the approval shall -

- (a) expeditiously take reasonable measures to ensure that the safety of the members of the public is not prejudiced, or is no longer prejudiced, by the type or model of domestic gas appliance which was the subject of the approval; and
- (b) provide to the Authority such information as the Authority may, by notice in writing served on the person, require -
  - (i) in relation to the person's operations in respect of that type or model of appliance; and
  - (ii) within such period as is specified in the notice, being a period reasonable in all the circumstances of the case.

(2) Any person who contravenes subregulation (1) commits an offence and is liable -

- (a) on first conviction to a fine at level 6 and to imprisonment for 12 months;
- (b) on any subsequent conviction to a fine of \$200,000 and to imprisonment for 12 months; and
- (c) in the case of a continuing offence, to a daily penalty of \$10,000.

**3E. Appeals to appeal board**

(1) Any person aggrieved by a decision of the Authority under regulation 3C may appeal to an appeal board against that decision.

(2) An appeal under this regulation shall -

- (a) be in writing;
- (b) set out the details of or be accompanied by the notice of withdrawal under regulation 3C concerned served on the person;
- (c) be commenced within 30 days after the notice was served on the person; and
- (d) be delivered to the Secretary.

(3) A person who appeals under this regulation shall deliver to the Authority notice of, and the grounds for, the appeal.

(4) A decision referred to in subregulation (1) shall take effect immediately, notwithstanding that an appeal has

been or may be made under this regulation against that decision.

**3F. Unauthorized use of mark**

(1) Subject to subregulation (2), no person shall, without the approval in writing of the Authority -

(a) attach to;

(b) display on; or

(c) use in any other manner in connection with, a domestic gas appliance, a mark -

(d) that is identical to the mark specified in the Schedule; or

(e) that closely resembles the mark specified in the Schedule,

so as to be capable of misleading any person into believing that the appliance is a type or model of domestic gas appliance the subject of an approval mentioned in regulation 3B(1)(c).

(2) Subregulation (1) shall not apply to or in relation to a domestic gas appliance -

(a) the subject of an approval mentioned in regulation 3B(1)(c) which has been withdrawn under regulation 3C; and

(b) on which is displayed the mark specified in the Schedule if, and only if, the mark was so displayed before the approval was so withdrawn.

(3) Any person who contravenes subregulation (1) commits an offence and is liable -

- (a) on first conviction to a fine at level 6 and to imprisonment for 12 months;
- (b) on any subsequent conviction to a fine of \$200,000 and to imprisonment for 12 months; and
- (c) in the case of a continuing offence, to a daily penalty of \$10,000."

3. **Schedule added**

The following is added -

"SCHEDULE [regs. 3B & 3F]  
SPECIFICATION OF MARK

THIS MARK SHALL BE DISPLAYED PROMINENTLY ON THE DOMESTIC GAS APPLIANCE IN ACCORDANCE WITH THE COLOUR CODES, PROPORTION AND MINIMUM DIMENSIONS AS SPECIFIED ABOVE."

Clerk to the Executive Council

COUNCIL CHAMBER

2002

**Explanatory Note**

The purpose of this Regulation is to -

- (a) amend the Gas Safety (Installation and Use) Regulations (Cap. 51 sub. leg.) to -
  - (i) specify that no person shall install a domestic gas appliance which burns gas to provide lighting, heating or cooling unless the appliance complies with new regulation 3B(1)(d) of the Gas Safety (Miscellaneous) Regulations (Cap. 51 sub. leg.)(see new regulations 23A and 37(1A) at sections 1 and 2(b) respectively of Schedule 1); and
  - (ii) increase the penalty for installing a flueless gas water heater from a fine of \$5,000 to a fine of \$10,000 (see section 2(a)(i) and (d) of Schedule 1); and
- (b) amend the Gas Safety (Miscellaneous) Regulations (Cap. 51 sub. leg.) to -

- (i) amend the penalty under regulation 3A(2) for selling, etc. flueless gas water heaters (see section 1 of Schedule 2);
- (ii) specify that no person shall import, or manufacture in Hong Kong, any domestic gas appliance unless the appliance is a type or model in respect of which the person has the approval in writing of the Gas Authority ("Authority") to import or manufacture and the appliance bears the mark specified in the new Schedule to those Regulations (see new regulation 3B(1) at section 2 of Schedule 2);
- (iii) specify that no person shall knowingly sell, etc. any domestic gas appliance which has been imported, or manufactured in Hong Kong, in contravention of the new regulation 3B(1)(see new regulation 3B(2) at section 2 of Schedule 2);
- (iv) empower the Authority to withdraw the approval in respect of a type or model of domestic gas appliance on specified grounds, in particular the ground that the Authority is satisfied that the appliance is prejudicial to the safety of the members of the public (see new regulation 3C at

- section 2 of Schedule 2);
- (v) require a person whose approval has been withdrawn on the ground that the domestic gas appliance concerned is prejudicial to the safety of members of the public to expeditiously take reasonable measures to ensure that such safety is not prejudiced or no longer prejudiced (see new regulation 3D at section 2 of Schedule 2);
  - (vi) provide an appeal for a person aggrieved by a decision of the Authority to withdraw an approval (see new regulation 3E at section 2 of Schedule 2); and
  - (vii) prohibit the unauthorized use of the mark specified in the new Schedule (see new regulation 3F at section 2 of Schedule 2).

## Annex B

Chapter:	51C	Title:	GAS SAFETY (INSTALLATION AND USE) REGULATIONS	Gazette Number:	
Regulation:	37	Heading:	<b>Offences</b>	Version Date:	30/06/1997

(1) Subject to regulation 38, any person who contravenes any provisions of regulation 4, 5, 6, 7, 8, 9, 10(1), (3), (4), (5) or (6), 11, 12, 13, 14, 15, 16(1) or (2), 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35 or 36 commits an offence and is liable on conviction to a fine of \$5000.

(2) Any person who contravenes regulation 27(1), (2) or (3) commits an offence and is liable on conviction to a fine of \$10000 and to imprisonment for 3 months.

(Enacted 1990)

Chapter:	51F	Title:	GAS SAFETY (MISCELLANEOUS ) REGULATIONS	Gazette Number:	L.N. 290 of 1999
Regulation:	3A	Heading:	<b>Restriction on sale, etc. of flueless gas water heaters</b>	Version Date:	01/04/2000

(1) No person shall knowingly-

(a) sell or offer or expose for sale; or

(b) supply or offer to supply,

for use in Hong Kong, any flueless gas water heater.

(2) Any person who contravenes subregulation (1) commits an offence and is liable on conviction to a fine at level 3 and, in the case of a continuing offence, to a daily penalty of \$1000.

(L.N. 222 of 1999)