

Bills Committee on Energy Efficiency (Labelling of Products) Bill

Follow-up to meeting on 1 June 2007

**Summary of views
(as at 4 July 2007)**

Organization	Concern/View	Administration's comments
<p>Hong Kong & Kowloon Electrical Appliances Merchants Association Ltd (HKEAMA)</p> <p>(LC Paper No CB(1)1750/06-07(01))</p>	<p>Supports phased implementation of the mandatory Energy Efficiency Labelling Scheme (EELS) on domestic products to enhance energy conservation which in turn will help reduce air pollution. The mandatory EELS will enable consumers to make informed decisions on purchase of energy consuming products. It will also encourage manufacturers to produce more energy efficient products.</p> <p>To ensure compliance with the mandatory EELS, a 30-month transitional period should be allowed for the trades to clear their stocks which do not require energy labels and to test their products.</p>	<p>We noted the support of HKEAMA.</p> <p>Taking into account of the views expressed by the trade, we have already extended the transitional period from the original proposed 12 months to 18 months in the Bill. We consider our current proposal strikes the right balance between providing a reasonable transition period for the trades to adapt to the new mandatory scheme and the early implementation of the scheme to promote the use of energy-efficient products.</p>

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<p>Green Council (LC Paper No CB(1)1750/06-07(03))</p>	<p>Efforts should be made to enhance public/consumer awareness of the mandatory EELS through multi-sectoral publicity and information dissemination campaigns.</p> <p>Consideration should be given to extending the coverage of the Bill to other environmental performance aspects, such as noise emission levels, toxic substance contents, re-cyclability of products and assembly of their components.</p> <p>The "Code of Practice" should be drawn up after extensive consultation with stakeholders to ensure appropriateness and practicality.</p> <p>The energy label for room air conditioners under Part 2 of Schedule 2 to the Bill should include other performance indicators such as cool performance, drying performance and noise levels.</p>	<p>A series of publicity activities will be launched after the enactment of the legislation to promote the mandatory EELS to the public and the trades.</p> <p>The Bill aims to promote energy saving by informing the consumers of the energy efficiency performance of the prescribed products. Information that is not related to the energy efficiency performance of the prescribed products, such as noise emission level and toxic substance contents, will not be included in the energy label of the mandatory scheme. This is in line with the other overseas EELS.</p> <p>We have been working closely with the trades in preparing the Code of Practice. We will consult the trades before finalizing the details of the Code of Practice.</p> <p>In order to provide a simple and concise energy label for easy comprehension of the general public, we consider that only information relating to the energy efficiency performance of the prescribed products, such as energy efficiency grading, annual energy consumption, cooling capacity, etc. should be included in the energy label. Other information that is not related to the energy efficiency performance, such as drying performance and noise emission level, should not be included in the energy label of the mandatory scheme.</p>

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	<p>"Refrigerating appliances" under Part 3 of Schedule 2 to the Bill should be sub-categorized (e.g. with or without freezing compartment, top- or bottom-mounted freezer, single or double door) to facilitate comparison between similar products. The energy label could also include indicator on noise emission levels.</p> <p>The energy label for compact fluorescent lamps (CFLs) under Part 4 of Schedule 2 to the Bill should include indicator on luminous efficiency.</p>	<p>The energy efficiency performance of refrigerating appliances will be assessed under eight separate categories to take into account various factors that would affect their performance.</p> <p>The numerical figure on the CFL energy label in lumen per watt (lumen/W) already indicates the luminous efficacy of the CFL.</p>
<p>Hong Kong & Kowloon Electric Trade Association (LC Paper No CB(1)1750/06-07(04))</p>	<p>Supports the mandatory EELS which is an effective means to promote energy efficiency and energy conservation. However, a 30-month transitional period should be provided to enable wholesalers and retailers to clear their old stocks. Otherwise, their financial well being may be affected.</p>	<p>The Energy Efficiency (Labelling of Products) Bill provides a transitional period of 18 months for the trades of the three prescribed products to prepare for the implementation of the mandatory EELS. Taking into account of the views expressed by the trade, we have already extended the transitional period from the original proposed 12 months to 18 months in the Bill. We consider our current proposal strikes the right balance between providing a reasonable transition period for the trades to adapt to the new mandatory scheme and the early implementation of the scheme to promote the use of energy-efficient products.</p>

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<p>Hong Kong Suppliers Association</p> <p>(LC Paper No CB(1)1750/06-07(05))</p>	<p>Supports the mandatory EELS which would enable consumers to make an informed choice on the purchase of energy consuming products to reduce energy consumption and save electricity cost. It is also pleased to note that the Administration has acceded to the trades' request to waive the registration fee of about \$2,000 per model and extended the grace period from 12 to 18 months.</p>	<p>We noted the support of Hong Kong Suppliers Association.</p>
<p>Goodway Electrical Enterprise Ltd</p> <p>(LC Paper No CB(1)1750/06-07(06))</p>	<p>Supports the early passage of the Bill since the implementation of the mandatory EELS would facilitate consumers to make an informed choice on the relevant products. This would not only save cost and protect the environment but also help regulate the trades.</p>	<p>We noted the support of Goodway Electrical Enterprise Ltd.</p>
<p>Hong Kong Electrical Appliances Manufacturers' Association</p>	<p>Supports the mandatory EELS. Consideration should be given to prohibiting the import of non-compliant scheduled products during the transitional period.</p>	<p>The Bill provides a transitional period of 18 months for the trades of the three prescribed products to allow adequate time for the trades to prepare for the implementation of the mandatory EELS.</p>

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<p>Osram Asia Pacific (LC Paper No CB(1)1750/06-07(09))</p>	<p>While it is costly and administratively difficult for the production of about 20 types of labels for the same model sold in different places, the company still supports the mandatory EELS which is a measure commonly adopted worldwide to promote energy efficiency.</p> <p>There is a need for the Administration to step up monitoring to ensure the actual performance of the product matched the claimed energy efficiency grading.</p>	<p>We noted the support of Osram Asia Pacific.</p> <p>After the enactment of the Bill, the Electrical and Mechanical Services Department (EMSD) will carry out field inspections and compliance monitoring tests to ensure the prescribed products being supplied in the market comply with the requirements under the Bill.</p>
<p>Consumer Council (LC Paper No CB(1)1750/06-07(10))</p>	<p>Supports the introduction of mandatory EELS to enable consumers to consider the energy efficiency aspects of the products before purchase.</p> <p>There should be specific requirements on the qualification of test laboratories for the issuance of test reports or they should obtain accreditation by national or international bodies.</p>	<p>We noted the support of Consumer Council.</p> <p>The requirements on the testing laboratories would be set out in the Code of Practice to be issued under Clause 40 of the Bill.</p>

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	<p>Importers or local manufacturers should update the Director of Electrical and Mechanical Services (DEMS) on product information once every three instead of five years.</p> <p>The Administration should conduct regular surveillance tests on registered products to ensure the actual energy performances match the claims.</p> <p>The labeling of the identity of refrigerant should be extended to cover concerned appliances containing refrigerants.</p>	<p>A person who has submitted the specified information and specified documents under Clause 6 of the Bill is required to notify the Director of Electrical and Mechanical Services (the "Director") within 21 days of any change in the information or document submitted (Clause 9), and to submit to the Director up-to-date information in respect of a listed model at intervals not exceeding 5 years (Clause 10). Failure to comply with the requirements under Clauses 9 or 10 without reasonable excuse is liable on conviction to a fine at level 1.</p> <p>After the enactment of the Bill, the EMSD will carry out field inspections and compliance monitoring tests to ensure that the prescribed products being supplied in the market comply with the requirements under the Bill.</p> <p>Display of the refrigerant type on energy labels of air conditioners is in line with the current practice of the voluntary EELS. As most of the refrigerating appliances sold in Hong Kong already use common environmental friendly refrigerant, it is not necessary for them to display the refrigerant type on the energy labels.</p>

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	<p>More stringent grading thresholds should be adopted by incorporating latest improvements in the standards and criteria into the scheme to help consumers better differentiate between products of different energy efficiency, e.g. the most efficient products can be awarded the top rating of grade A+ or 6-star.</p> <p>The life requirement under the scheme for CFLs should be reasonably long (say 8 000 hours) so as to reduce the burden on landfill and to enhance environmental protection. Manufacturers of registered products should be required to recycle/recover the used products and to meet the environmental requirements on Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment, and Waste Electrical and Electronic Equipment.</p>	<p>To facilitate a smooth transition from the existing voluntary scheme to the mandatory scheme, the energy efficiency grading requirements of the voluntary scheme will be maintained. The grading requirements will be reviewed from time to time to reflect the latest advancement of energy performance of products in the prevailing market. International testing standards, e.g. ISO, IEC, will be adopted for the mandatory EELS.</p> <p>In line with the performance requirement under the voluntary EELS, CFLs with lamp life less than 6000-hour will only be labelled as Grade 5. Overseas energy saving schemes for CFLs, such as EU and the USA, also adopted a minimum 6000-hour lamp life requirement. The grading requirements of the energy labels under the mandatory scheme will be reviewed from time to time to reflect the latest advancement of energy performance of products in the prevailing market.</p> <p>As foreshadowed in “A Policy Framework for the Management of Municipal Solid Waste (2005-2014)”, the Government proposes to introduce producer responsibility schemes (PRS), under which manufacturers, importers, wholesalers, retailers and consumers, etc. will be held responsible for the proper management of specific products from cradle to grave, with a view to minimizing their environmental impact. Subject to public support and consensus, the Government intends to introduce the Product Eco-responsibility Bill into the Legislative Council within this year to provide a legal framework for implementing PRS. We will review the need for incorporating more products (including CFLs) under the PRS after the enactment of the Eco-responsibility Bill.</p>

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	<p>The Bill should cover a great majority of specified products that can be purchased by consumers.</p>	<p>The inclusion of energy-using products into the mandatory EELS will be implemented in phases. We propose to include three products, namely room air conditioners, refrigerating appliances and compact fluorescent lamps in the initial phase of the mandatory EELS, as these three products together account for about 70% of the electricity consumption in the residential sector. They are also products that have been included since the early stages of the voluntary EELS and have relatively high market penetration rates.</p> <p>The results of the initial phase of the mandatory EELS, such as the acceptance of the public and the energy saving achievements, would be taken into account when deciding the priority and timeframe of the second phase of the Scheme. We will consult the relevant trade on future expansion proposals.</p>
<p>Fu Sun Engineering Ltd</p>	<p>Supports the mandatory EELS. However, consideration should be given to providing a transitional period or exemption for the trades to clear their stocks.</p> <p>Given the low efficiency of tungsten lamps, consideration should be given to phasing out these lamps in line with Australia, California and the European Union which have decided to prohibit the use of tungsten lamps by 2010.</p>	<p>The Bill provides a transitional period of 18 months for the trades of the three prescribed products in order to allow adequate time for the trades to prepare for the implementation of the mandatory EELS.</p> <p>The Government has been promoting the energy saving benefits of using CFLs through different promotion and publicity channels, e.g. organizing publicity campaigns and seminars, providing relevant information on the EMSD's website etc. The EMSD has included CFLs in its voluntary EELS since 1998. CFLs are among the electrical appliances to be covered in the initial phase of the mandatory scheme. The Government will continue to educate the public on energy conservation through education and publicity programmes with a view to further promoting the use of CFLs. We will closely monitor international development and local situation to consider whether it is necessary to introduce other measures to encourage the public to switch to using CFLs.</p>

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Association of Engineering Professionals Society (LC Paper No CB(1)1750/06-07(12))	Supports the mandatory EELS which will assist consumers in making the correct choice in purchasing the products. However, the implementation of the scheme must be closely monitored. Adequate power should be conferred upon DEMS to enforce the law and eradicate illegal products in the market.	After the enactment of the Bill, the EMSD will carry out field inspections and compliance monitoring tests to ensure the prescribed products being supplied in the market comply with the requirements under the Bill. The Director is also empowered under the Bill to take enforcement actions.

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<p>Professor Ron HUI, City University of Hong Kong (LC Paper No CB(1)1750/06-07(08))</p>	<p>The increasing use of electronic CFLs (e-CFLs) has prompted new concerns on the consequential rise in e-waste due to the relatively short life time of electronic ballast products. It is high time to examine the pros and cons of the existing technology in terms of energy saving and environmental protection.</p> <p>As e-CFLs contain high dosage of toxic mercury, indiscriminate disposal of e-CFLs will pose dangers to workers who collect the wastes. Besides, the liners used in landfills are not designed to handle e-waste and toxic mercury. E-CFLs must be handled as hazardous waste and the Government must set up recycling mechanism and facilities for e-CFLs before these can replace tungsten lamps.</p>	<p>CFL is more energy efficient and has longer lifetime than an incandescent lamp. CFL is a viable option for direct replacement of traditional incandescent lamps for saving energy. Around 75% electrical energy can be saved when an incandescent lamp is replaced by a CFL with similar brightness.</p> <p>Use of CFLs can greatly reduce the energy used for lighting, which would also reduce the mercury emission from burning of fossil fuels in electricity generation process.</p> <p>The disposal of household CFLs in small quantities under normal circumstances would not constitute any significant health threat to workers or the general public. Small quantity of CFLs and fluorescent tubes can be disposed of together with other waste at landfills. The three operating landfills in Hong Kong are equipped with multi-layer impermeable liners, leachate collection and treatment systems as well as surface water and groundwater management systems that could effectively treat pollutants to prevent contamination to the land and underground water.</p> <p>On the other hand, disposal of a large quantity of mercury-containing lamps should be delivered to the Chemical Waste Treatment Centre for proper treatment.</p>

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	<p>The Government should encourage the use of the low-loss electro-magnetic CFLs which are as efficient as e-CFLs but with longer lifetime and recyclable detachable parts, almost maintenance-free and low-cost.</p>	<p>As foreshadowed in “A Policy Framework for the Management of Municipal Solid Waste (2005-2014)”, the Government proposes to introduce producer responsibility schemes (PRS), under which manufacturers, importers, wholesalers, retailers and consumers, etc. will be held responsible for the proper management of specific products from cradle to grave, with a view to minimizing their environmental impact. Subject to public support and consensus, the Government intends to introduce the Product Eco-responsibility Bill into the Legislative Council within this year to provide a legal framework for implementing PRS. We will review the need for incorporating more products (including CFLs) under the PRS after the enactment of the Eco-responsibility Bill.</p> <p>Modern electronic CFLs are light and small. Old models that work without electronics are heavy and large and cannot be used as direct replacements for incandescent lamp.</p>
<p>Green Sense (LC Paper No CB(1)1750/06-07(02))</p>	<p>Supports the implementation of mandatory EELS which is a proactive step to promote energy efficiency. However, there is concern about the environmental pollution associated with the disposal of CFLs which contain mercury. To this end, the Administration has to ensure that the product specifications for CFLs</p>	<p>As foreshadowed in “A Policy Framework for the Management of Municipal Solid Waste (2005-2014)”, the Government proposes to introduce producer responsibility schemes (PRS), under which manufacturers, importers, wholesalers, retailers and consumers, etc. will be held responsible for the proper management of specific products from cradle to grave, with a view to minimizing their environmental impact. Subject to public support and consensus, the Government intends to introduce the Product Eco-responsibility Bill into the Legislative Council within this year to provide a legal framework for implementing PRS. We will review the need for incorporating more products (including CFLs) under the PRS after the</p>

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	<p>should follow the stringent requirements set by the European Union. Consideration should also be given to setting up a recovering system for CFLs as in the case of rechargeable batteries.</p>	<p>enactment of the Eco-responsibility Bill.</p>
<p>Real Estate Developers Association of Hong Kong (LC Paper No CB(1)1750/06-07(07))</p>	<p>Supports the principle behind the proposed mandatory EELS in encouraging the use of energy efficient product. However, the scope of "supply" and "application" as currently drafted in the Bill is too wide and would have undesired and undesirable implications. For example, supply includes "for commercial purposes, to give the prescribed product as a prize or to make a gift of such a product", and application covers "a prescribed product supplied as part of or in connection with the disposition of any specified premises". Developers providing electrical appliances in first-hand properties might be unnecessarily caught as suppliers under the Bill. For the sake of reasonableness and clarity, the application of the proposed labeling scheme should be limited to</p>	<p>We consider it appropriate to include a prescribed product that is supplied as part of or in connection with the disposition of any specified premises under the Bill as flat buyers are also consumers of the prescribed products and should be informed of the energy efficiency performance of the products.</p> <p>After the commencement of the mandatory EELS, property developers would need to exercise due diligence in ensuring that the prescribed products being supplied with their new residential properties are listed models with reference numbers and bear energy labels.</p>

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	<p>the manufacturers, importers and retailers of such products only.</p>	
<p>Friends of the Earth (HK) (FOE) (LC Paper No CB(1)1750/06-07(11))</p>	<p>Supports the early passage of the Bill for the implementation of the mandatory EELS.</p> <p>The trades' request for further extension of the transitional period to clear their stocks should not be acceded to.</p> <p>Television sets should be included in the second phase of the mandatory EELS with priority to enable consumers to have a wider choice of energy efficient products.</p> <p>The Administration should work out a timetable within which other electrical appliances, including those remaining products in the voluntary EELS, should be included in the mandatory EELS taking into account the latest technological advancement.</p>	<p>We noted the support of Friends of the Earth (HK).</p> <p>The Bill provides a transitional period of 18 months for the trades of the three prescribed products to allow adequate time for the trades to prepare for the implementation of the mandatory EELS.</p> <p>The inclusion of energy-using products into the mandatory EELS will be implemented in phases. We propose to include three products, namely room air conditioners, refrigerating appliances and compact fluorescent lamps in the initial phase of the mandatory EELS, as these three products together account for about 70% of the electricity consumption in the residential sector. They are also products that have been included since the early stages of the voluntary EELS and have relatively high market penetration rates.</p> <p>The results of the initial phase of the mandatory EELS, such as the acceptance of the public and the energy saving achievements, would be taken into account when deciding the priority and timeframe of the second phase of the Scheme. We will consult the relevant trade on future expansion proposals.</p>

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<p>Green Power (LC Paper No CB(1)1750/06-07(14))</p>	<p>The low penetration rate of certain products in the voluntary EELS has limited consumers' choice. The public also have suffered from damages to the environment and financial loss as a result of high energy. Hence, the Administration should implement the mandatory EELS as soon as possible to require suppliers to provide information on energy efficiency and affix energy labels on their products to facilitate consumers in choosing energy efficient products with a view to reducing the impact of greenhouse effect.</p>	<p>We noted the support of Green Power.</p>
<p>The Hongkong Electric Co Ltd (LC Paper No CB(1)1750/06-07(15))</p>	<p>Fully supports the Administration to implement the mandatory EELS in a smooth and gradual manner which is a positive move to further improve energy efficiency and conservation.</p>	<p>We noted the support of Hongkong Electric Co Ltd.</p>
<p>Federation of Hong Kong Industries (LC Paper No CB(1)1750/06-07(16))</p>	<p>No objection to the introduction of the mandatory EELS. The Administration should thoroughly consult manufacturers and traders of the products covered by the Bill when preparing the codes of practice, in particular the provisions</p>	<p>We have been working closely with the trades in preparing the Code of Practice. We will consult the trades before finalizing the details of the Code of Practice.</p>

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	<p>on testing and classification standards.</p>	
<p>Business Facilitation Advisory Committee - Retail Task Force (LC Paper No CB(1)1750/06-07(17))</p>	<p>Welcome the proposed self-testing system under the mandatory EELS as this would alleviate business operators of the burden of a registration fee.</p> <p>To ease the burden of small and medium-sized enterprises (SMEs), consideration should be given to waiving the requirement for test report for a particular appliance from other suppliers once a test report on the appliance has been submitted.</p>	<p>We noted the support of the Retail Task Force.</p> <p>The proposal of exempting importers from the requirement to submit test report for a particular model of product if other importer has already submitted a test report for the same model had been discussed at EMSD's two task forces. The members of our two task force members specifically requested that the names of the information providers should be added to the energy labels. This would not only facilitate enforcement, but also allow consumers to identify the manufacturers / importers responsible for submitting the relevant information on the energy labels. In addition, the energy performance of different batches of products of the same model may sometimes vary. Manufacturer / importer should ensure that the products they supplied are in compliance with the energy efficiency performance as claimed in the test reports. They are also required to provide update information if there are changes to the energy efficiency performance of the products. As such, it is necessary that each manufacturer / importer should submit the test reports separately and be responsible for ensuring that the energy efficiency performance of their products complies with the information they submitted.</p>

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<p>Advisory Council on the Environment</p> <p>(LC Paper No CB(1)1750/06-07(18))</p>	<p>Fully supports the proposed mandatory EELS. The first phase of the scheme should be implemented as soon as possible with a view to extending the scheme to a wider scope of products.</p> <p>More educational programmes should be launched to promote public awareness on the efficient use and conservation of energy.</p>	<p>We noted the support of the Advisory Council on the Environment.</p> <p>A series of publicity activities to promote the mandatory EELS to the public and the trades will be launched after the enactment of the Bill.</p>
<p>Hong Kong Retail Management Association</p> <p>(LC Paper No CB(1)1750/06-07(19))</p>	<p>Supports the introduction of the Bill, which is in the right direction in achieving efficient use of energy. However, there may be circumstances where manufacturers will not or cannot provide the testing results given the relatively small market of Hong Kong. Suppliers may have to bear the cost of "testing for the less popular brands, low volume low value items". This may cause a barrier to entry for new brands and/or new models, hence reducing consumers' choices.</p>	<p>According to a market survey conducted by EMSD on business establishments involved in manufacturing or importing of the three prescribed products in the mandatory scheme, about 90% of the survey respondents from the trade of room air conditioners and refrigerators and all the respondents from the trade of CFLs indicated that the test reports were provided by the overseas manufacturers.</p>

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	<p>The Administration should carefully evaluate the effectiveness of the first phase of the mandatory scheme and duly consult the trades and the community before deciding to include other products in the scheme.</p>	<p>The results of the initial phase of the mandatory EELS, such as the acceptance of the public and the energy saving achievements, would be taken into account when deciding the priority and timeframe of the second phase of the Scheme. We will consult the relevant trade on future expansion proposals.</p>
<p>Energy Efficiency and Conservation Subcommittee of the Energy Advisory Committee (LC Paper No CB(1)1750/06-07(20))</p>	<p>Supports the proposed mandatory EELS.</p> <p>Consideration should be given to allowing flexibility to extend the scope of the scheme to other energy-using products.</p> <p>Testing standards should be regularly reviewed to reflect technological advancements. Moreover, manufacturers/importers should be held responsible to carry out testing on energy efficiency performance for their products and more compliance tests should be carried out to ensure the credibility of the scheme.</p>	<p>We noted the support of the Energy Efficiency and Conservation Subcommittee.</p> <p>The results of the initial phase of the mandatory EELS, such as the acceptance of the public and the energy saving achievements, would be taken into account when deciding the priority and timeframe of the second phase of the Scheme. We will consult the relevant trade on future expansion proposals.</p> <p>The testing standards adopted for the mandatory EELS are international standards, e.g. ISO, IEC. The grading requirements of the energy labels under the mandatory scheme will be reviewed from time to time to reflect the latest advancement of energy performance of products in the prevailing market.</p> <p>Manufacturers / importers are required to submit the test reports on the energy efficiency performance of their products to EMSD. After the enactment of the Bill, the EMSD will carry out field inspections and compliance monitoring tests to ensure the prescribed products being supplied in the market comply with the requirements under the Bill.</p>

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The Hong Kong Institution of Engineers (LC Paper No CB(1)1816/06-07(01))	Supports the Bill to introduce a mandatory EELS which is a positive move to encourage manufacturers to produce more energy-efficient products for the benefit of consumers and the environment in combating global warming.	We noted the support of the Hong Kong Institution of Engineers.