

Follow-up Actions Arising from the Discussion at the Meeting on 18 June 2009

- (1) To advise the tentative time-table, coverage, extent of improvement to air quality, and measures/incentives to encourage participation of franchised bus companies in relation to the pilot scheme on setting up of low emission zones. To also advise the contingency plan in the event that franchised bus companies refuse to participate in the pilot scheme; and**
- (2) To advise the lead time to be taken to replace the existing fleets of about 5 800 franchised buses that cannot meet the Euro IV emission standards. As a step forward, consideration should be given for the Government to procure and lease the replacement buses to franchised bus companies with a view to expediting the replacement process.**

Please see Annex 1 for a paper to address the above two issues.

- (3) To advise the detailed arrangements of the trial of local ferries using ultra low sulphur diesel, including the time-table, number of ferries from each participating ferry company etc.**

We are now working on the fuelling arrangement for the trial. Our plan is to launch the trial in the second half of 2009. The trial will last for nine months. Three ferry operators will set aside altogether 5 ferries for the trial, namely three passenger ferries from New World First Ferry Services Limited, one passenger ferry from Hong Kong & Kowloon Ferry Limited, and one vehicular ferry from Hongkong & Yaumati Ferry Co. Ltd.

For Information

8 July 2009

**LEGISLATIVE COUNCIL
PANEL ON ENVIRONMENTAL AFFAIRS
SUBCOMMITTEE ON IMPROVING AIR QUALITY**

Pilot Low Emission Zones and Replacement of Old Franchised Buses

Purpose

In response to Members' request at the meeting on 18 June 2009, this paper provides further information on the proposal of setting up pilot low emission zones (LEZ), which target at franchised buses, and the replacement of old franchised buses.

Proposed Pilot Low Emission Zones

2. The practicability and timing for implementing a pilot LEZ scheme hinges crucially on the availability of sufficient buses compliant with the proposed minimum emission standard for franchised buses to enter the LEZs. At the moment, over 80% of the franchised buses serving the three major bus corridors, which cut across Causeway Bay, Central and Mongkok, are already of Euro II standard or above. To further improve the roadside air quality at these major bus corridors, we need to set the emission standard at level higher than Euro II such as Euro III or above levels. In the franchised bus fleet, there are about 1300 Euro III or above buses - about 1200 Euro III, about 50 Euro IV and 1 Euro V buses. The number is far less than the 2600 plus buses now plying through the three major bus corridors. Among the Euro III or above franchised buses, only about 110 are in the CityBus/New World First Bus Ltd. (CTB/NWFB) fleet. These Euro III or above buses are less than a fifth of the total number of CTB/NWFB buses now running through the bus corridor in Causeway Bay. A large number of additional cleaner buses would thus be needed for setting up at busy corridors pilot LEZs that will bring substantial improvement to roadside air quality.

3 In our study of setting up a pilot LEZ scheme, we need to take account of the above composition of the current franchised bus fleet, the number of cleaner buses required for launching the scheme and the replacement plans of franchised bus operators in coming years. On the basis of the study findings, we aim to assess the implications of establishing pilot LEZs targeting at franchised buses under different scenario, with a view to drawing up recommendations as to whether the idea would be feasible and if so how the pilot LEZs

should be designed and taken forward. The franchised bus operators have been co-operative in providing us with the necessary assistance in conducting the study. As we are at the stage of studying the feasibility of implementing pilot LEZs, it is premature to draw up a contingency plan assuming that the franchised bus companies will refuse to participate in the pilot scheme.

Upgrading the Whole Franchised Bus Fleet to Euro IV or above Buses

4. There are about 5,800 franchised buses. The franchised bus companies have already committed to using buses below 18 years old for their franchised bus services. Based on the age distribution of the existing franchised buses, it is anticipated that all the pre-Euro, Euro I and Euro II buses will retire by 2012, 2015 and 2019 respectively, while Euro III buses will retire by 2026. The franchised bus operators have just submitted to the Transport Department (TD) their Five Year Forward Planning Programmes (which include plans and proposals regarding the retirement of older buses and purchase of new ones). TD will assess these programmes and discuss with the operators to agree on an agreed programme.

5. We have reservation on the proposal for the Government to procure and lease the replacement buses to franchised bus operators to expedite the replacement of the franchised buses as it has read-across implications on other commercial businesses. Moreover, the bus suppliers will have to supply on average about 400 buses each year from now to 2015 for replacement of all 1,800 pre-Euro and Euro I buses under the franchised bus operators' bus replacement programmes. The capability of bus suppliers in producing double-deck buses, which are the workhorses of local franchised bus operators, is limited. They may not be able to cope with a sudden and major surge in demand for double-deck buses in the short term.

Environment Protection Department

June 2009