

**For discussion
on 19 July 2010**

**Legislative Council
Panel on Economic Development**

Introduction of Petrol of Lower Octane Numbers by Oil Companies

Introduction

This paper briefs Members on the octane level of petrol currently supplied in Hong Kong and the considerations on introduction of petrol of lower octane level for Members' reference.

Octane Level of Petrol

2. The Air Pollution Control (Motor Vehicle Fuel) Regulation (Cap. 311L) specifies that the octane level of petrol for motor vehicles should not be lower than 95.

3. Motorists should generally be mindful of the recommended octane level of petrol for their vehicles as advised by the manufacturers. A vehicle using petrol with an octane level lower than that recommended by its manufacturer may consume more fuel, have lower engine performance and, as a result of premature ignition of petrol, reduce fuel combustion efficiency, and render engine operation less than optimal. More pollutants, such as hydrocarbons, carbon monoxide and carbon dioxide may be emitted affecting air quality. From the perspective of environmental protection, using petrol with an octane level that fits the engine performance of vehicles can help reduce air pollution.

4. The unleaded petrol first introduced into Hong Kong in April 1991 was of an octane level of 95. According to the petrol suppliers, some motorists were of the opinion that the power of vehicles run on unleaded petrol was slightly smaller than that run on leaded petrol. In response to consumers' demand, suppliers introduced 98-octane unleaded petrol in October of the same year. Between October 1991 and March 1992, consumers could choose petrol with octane levels of 95 or 98 available in the market at the same time. Subsequently, 95-octane petrol was not as popular among motorists, and was withdrawn from the market.

5. The consultancy report on the Auto-fuel Retail Market issued in 2006 had explored the suggestion of supplying petrol with different octane levels. Having considered the size of petrol fillings stations as well as the scale of the Hong Kong market, the report did not recommend requiring retailers to simultaneously provide petrol of two different octane levels.

Encourage Oil Companies to Introduce Greater Variety of Oil Products

6. The Government supports the introduction of a greater variety of oil products to the local market so as to broaden consumers' choices. We had written to oil companies in April this year to encourage them to consider supplying oil products with different octane levels in the market.

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