

立法會
Legislative Council

LC Paper No. CB(4)527/13-14
(These minutes have been seen
by the Administration)

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**Subcommittee on
Air Pollution Control (Marine Light Diesel) Regulation**

**Minutes of the second meeting
held on Tuesday, 18 February 2014, at 10:45 am
in Conference Room 2B of the Legislative Council Complex**

Members present : Hon Cyd HO Sau-lan (Chairman)
Hon Steven HO Chun-yin
Hon Frankie YICK Chi-ming
Hon CHAN Han-pan
Dr Hon Kenneth CHAN Ka-lok

Member absent : Ir Dr Hon LO Wai-kwok, BBS, MH, JP

Public officers attending : Agenda item II

Mr Andrew LAI Chi-wah, JP
Deputy Director of Environmental Protection (3)
Environmental Protection Department

Mr MOK Wai-chuen, JP
Assistant Director (Air Policy)
Environmental Protection Department

Mr Tony LEE Yu-tao
Senior Environmental Protection Officer (Air Policy)5
Environmental Protection Department

Mr Peter SZE Chun-fai
Senior Government Counsel
Department of Justice

Clerk in attendance : Miss Mary SO
Chief Council Secretary (4)2

Staff in attendance : Miss Evelyn LEE
Assistant Legal Adviser 10

Ms Cindy CHAN
Senior Council Secretary (4)5

Ms Mandy WAN
Administrative Assistant (4)1

I. Meeting with the Administration

LC Paper No. CB(4)400/13-14(01) -- Administration's response to issues raised at the meeting on 5 February 2014

LC Paper No. CB(4)400/13-14(02) -- Submission from Sai Kung Ferry Traders Association (Chinese version only)

LC Paper No. CB(4)400/13-14(03) -- Submission from The Hong Kong Institution of Engineers (English version only)

LC Paper No. CB(4)403/13-14(01) -- Submission from ExxonMobil Hong Kong Limited (English version only)

The Subcommittee deliberated (index of proceedings at **Annex**).

Discussion

Views from the deputations

2. The Chairman summarized the views of the written submissions received from three organizations on the Air Pollution Control (Marine Light Diesel) Regulation ("the Regulation") as follows:

Action

Sai Kung Ferry Traders Association

- (a) setting of retail price of light diesel oil with a sulphur content of not more than 0.05% ("LSD") should be transparent;
- (b) locations for local vessels to fill the LSD should be accessible;

The Hong Kong Institution of Engineers

- (c) consideration might be given to providing a grace period for importers and suppliers of marine light diesel ("MLD") to comply with the Regulation which would take effect on 1 April 2014;

ExxonMobil Hong Kong Limited

- (d) action plans should be put in place to ensure that local vessels were using the LSD after the implementation of the Regulation;
- (e) historical import price differentials of the LSD should not be considered as indicative of future retail prices of the LSD, as the ultimate selling prices were set based on a number of factors including import prices, operating and logistics expenses and market competition; and
- (f) a grace period should be provided for MLD importers and suppliers to comply with the Regulation, so as to mitigate the impact of the Regulation on the operating costs of MLD importers and suppliers.

3. At the request of the Subcommittee, the Administration undertook to:

- (a) work together with Mr Steven Ho to disseminate the requirements of the Regulation to the local marine trade, including the Sai Kung Ferry Traders Association; and
- (b) provide information on the locations for local vessels to fill the LSD in Sai Kung District.

4. Responding to the views expressed by The Hong Kong Institution of Engineers and ExxonMobil Hong Kong Limited on giving a grace period for MLD importers and suppliers to comply with the Regulation, the Administration said that it did not see the need for such as all MLD importers and suppliers were well informed of the impending implementation of the Regulation and had been making the necessary preparation.

Action

5. Referring to a letter dated 17 February 2014 from Dr Kenneth CHAN tabled at the meeting (LC Paper No. CB(4)417/13-14(01)), the Administration said that there was no cause for concern that exempting "warship" and "any other vessel on military service", referred to in section 4(2) of the Regulation, from the Regulation would undermine the effectiveness of the Regulation to reduce marine emissions, as the number of calls of such vessels to Hong Kong was very small compared with about 30,000 calls of ocean going vessels to Hong Kong each year. The Administration further said that in other pieces of local marine-related legislation, no definition was provided for "warship" which was self-evident and "any other vessel on military service" which referred to those vessels within the establishment of the navy, and that had not posed any implementation problem. At the request of the Subcommittee, the Administration undertook to provide written elaboration of "any other vessel on military service", the number of calls of "warship" and "any other vessel on military service" to Hong Kong in the past three years, and their emission levels.

6. Mr Steven HO urged the Administration to step up efforts in informing owners and operators of local vessels that the Regulation aimed to control the supply of MLD in the local market and end users would not be held liable for using MLD with a sulphur content exceeding 0.05% by weight. The Administration agreed to do so.

Clause-by-clause examination of the Regulation

Clause 8 - Authority may request record

7. Mr Frankie YICK asked under section 8(1) of the Regulation, whether a reasonable timeframe could be specified for an MLD importer or supplier to submit to the Air Pollution Control Authority any report, document or any other record which he was required to keep under the Regulation.

8. The Administration replied that it would take into account the nature of the case and set the time for submitting reports or information in a practicable manner.

II. Any other business

9. The Chairman said that the Subcommittee had completed scrutiny of the Regulation. A written report on the deliberations of the Subcommittee would be submitted for the meeting of the House Committee scheduled for 28 February 2014. The Chairman further said that she would report the deliberations of the Subcommittee at the Council meeting of 19 March 2014.

Action

10. There being no other business, the meeting ended at 12:05 pm.

Council Business Division 4
Legislative Council Secretariat
31 March 2014

**Subcommittee on
Air Pollution Control (Marine Light Diesel) Regulation**

**Proceedings of the second meeting
on Tuesday, 18 February 2014, at 10:45 am
in Conference Room 2B of the Legislative Council Complex**

Time Marker	Speaker(s)	Subject(s)	Action required
Meeting with the Administration			
000910-002240	Chairman Administration	<p>Members noted the views expressed by three deputations on the Air Pollution Control (Marine Light Diesel) Regulation ("the Regulation").</p> <p>On the granting of grace period for Marine Light Diesel ("MLD") importers and suppliers to comply with the Regulation, the Administration responded that it did not see the need for such as all MLD importers and suppliers were well informed of the impending implementation of the Regulation and had been making the necessary preparation.</p> <p>The Chairman asked the Administration to:</p> <p>(a) work together with Mr Steven Ho to disseminate the requirements of the Regulation to the local marine trade, including the Sai Kung Ferry Traders Association; and</p> <p>(b) provide information on the locations for local vessels to fill the LSD in Sai Kung District.</p>	Admin to take action as per paragraph 3(a) and (b) of the minutes

Time Marker	Speaker(s)	Subject(s)	Action required
002241-003810	Chairman Administration	<p>On the definition of "warship" and "any other vessel on military service", members noted the response from the Administration to issues raised at the meeting on 5 February 2014.</p> <p>The Administration said that there was no cause for concern that exempting "warship" and "any other vessel on military service", referred to in section 4(2) of the Regulation, from the Regulation would undermine the effectiveness of the Regulation to reduce marine emissions, as the number of calls of such vessels to Hong Kong was very small compared with about 30 000 calls of ocean going vessels to Hong Kong each year. The Administration further said that in other pieces of local marine-related legislation, no definition was provided for "warship" which was self-evident and "any other vessel on military service" which referred to those vessels within the establishment of the navy, and that had not posed any implementation problem.</p> <p>The Chairman asked the Administration to:</p> <ul style="list-style-type: none">(a) provide written elaboration of "any other vessel on military service"; and(b) provide information on the number of calls of "warship" and "any other vessel on military service" to Hong Kong in the past three years; and their emission levels.	Admin to take action as per paragraph 5 of the minutes

Time Marker	Speaker(s)	Subject(s)	Action required
003811-004430	Chairman Mr Steven HO Administration	Mr Steven HO urged the Administration to step up efforts in informing owners and operators of local vessels that the Regulation aimed to control the sulphur content of MLD supplied in the local market, and end users would not be held liable for using MLD with a sulphur content exceeding 0.05% by weight. The Administration agreed to do so.	
004431-011815	Chairman Mr Frankie YICK Mr Steven HO Administration	<p><u>Clause-by-clause examination of the Regulation</u></p> <p><i>Clause 5 – Marine light diesel importer to keep records</i></p> <p><i>Clause 6 – Particulars to be contained in fuel quality test reports</i></p> <p><i>Clause 7 – Marine light diesel supplier to keep records</i></p> <p><i>Clause 8 – Authority may request records</i></p> <p>Mr Frankie YICK asked under section 8(1) of the Regulation, whether a reasonable timeframe could be specified for an MLD importer or supplier to submit to the Air Pollution Control Authority any report, document or any other record which he was required to keep under the Regulation.</p>	

Time Marker	Speaker(s)	Subject(s)	Action required
		<p>The Administration replied that it would take into account the nature of the case and set the time for submitting reports or information in a practicable manner.</p> <p><i>Clause 9 – Determination of sulphur content of marine light diesel</i></p> <p><i>Schedule 1 – Specifications of Marine Light Diesel</i></p> <p><i>Schedule 2 – Test Methods for Determining Sulphur Content</i></p> <p><i>Explanatory Notes</i></p>	
011816-012050	Chairman Clerk	<p>Completion of scrutiny of the Regulation.</p> <p>The Chairman concluded that members had no objection to the Regulation.</p> <p>The Chairman would report the deliberations of the Subcommittee to the House Committee at its meeting of 28 February 2014, and to the Council at the meeting of 19 March 2014.</p>	