## 立法會 Legislative Council

LC Paper No. LS64/16-17

## Paper for the House Committee Meeting on 12 May 2017

Legal Service Division Report on Proposed Resolution under section 54 of the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598)

The Secretary for the Environment ("Secretary") has given notice to move a motion under section 54 of the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598) at the Legislative Council ("LegCo") meeting of 24 May 2017. The motion seeks LegCo's approval of the Energy Efficiency (Labelling of Products) Ordinance (Amendment of Schedule 1) Order 2017 ("Amendment Order") for the purpose of implementing the third phase of the Mandatory Energy Efficiency Labelling Scheme ("MEELS")<sup>1</sup>.

- Cap. 598 was enacted in 2008 to implement MEELS, under which importers and manufacturers of specified energy-using products ("prescribed products") are required to submit specified information on the prescribed products to the Director of Electrical and Mechanical Services ("DEMS") and to attach or affix energy labels on prescribed products to be supplied in Hong Kong. The prescribed products are specified in Part 1 of Schedule 1 to Cap. 598. Under sections 4 and 5 of Cap. 598, the supply of prescribed products without reference numbers assigned by DEMS and appropriate energy labels attached or affixed to these products is prohibited.
- 3. The Amendment Order seeks to add three products, namely, televisions, storage type electric water heaters, and induction cookers ("new prescribed products") to Part 1 of Schedule 1 to Cap. 598 as prescribed products.
- 4. The Amendment Order, if approved, will come into operation on a day to be appointed by the Secretary by notice published in the Gazette.
- 5. Similar to the implementation of the first two phases of MEELS, under section 5 of the Amendment Order, a grace period of 18 months would be provided to allow suppliers and manufacturers to prepare for compliance with the new requirements.

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The first two phases of MEELS cover five types of products, namely, room air conditioners of cooling only type, refrigerating appliances, compact fluorescent lamps, washing machines (with a washing capacity at or under 7 kg), and dehumidifiers.

- 6. Under sections 6 and 7 of the Amendment Order, transitional arrangements, which are similar to section 56 of Cap. 598, would be applicable to the new prescribed products which:
  - (a) have been registered under the Hong Kong Voluntary Energy Efficiency Labelling Scheme,
  - (b) are procured to be supplied in Hong Kong under a contract entered into before the commencement of the Amendment Order, or
  - (c) have been manufactured in or imported into Hong Kong before the commencement of the Amendment Order.
- 7. According to paragraph 10 of the LegCo Brief (File Ref: ENB 24/26/24) issued by the Environment Bureau on 2 May 2017, the Electrical and Mechanical Services Department has conducted a three-month consultation on the proposed third phase of MEELS in 2015. Stakeholders, including trade associations, product manufacturers, importers and suppliers, and the Consumer Council are generally supportive of the proposal. The Energy Efficiency and Conservation Sub-committee under the Energy Advisory Committee has also been consulted and indicated support for the proposal.
- 8. According to the speech by the Secretary in moving the motion, if the Amendment Order is approved by LegCo, the Administration will table another amendment order to amend the relevant schedules to Cap. 598. According to paragraph 6 of the LegCo Brief, the Energy Efficiency (Labelling of Products) Ordinance (Amendment of Schedules) Order 2017, which will be subject to LegCo's amendment under section 34 of the Interpretation and General Clauses Ordinance (Cap. 1), sets out among others, the particular requirements in relation to energy labelling of the new prescribed products and the new requirements for the energy labels for room air conditioners of reverse cycle type. The Legal Service Division will report on this Order after it is published in the Gazette and tabled in LegCo.
- 9. According to the Clerk to the Panel on Environmental Affairs, the Panel was consulted on the proposed third phase of MEELS at its meeting on 25 January 2016. Members in general supported the proposal and various issues were discussed, including the Administration's approach in implementing MEELS, as well as the possibility of including more products in MEELS in the future.
- 10. No difficulties in the legal and drafting aspects of the Amendment Order have been identified.

Prepared by Joyce CHAN Assistant Legal Adviser Legislative Council Secretariat 10 May 2017