

LEGISLATIVE COUNCIL BRIEF

Electricity Ordinance
(Chapter 406)

ELECTRICITY ORDINANCE (CAP. 406) (COMMENCEMENT) NOTICE 1999

INTRODUCTION

At the meeting of the Executive Council on 12 January 1999, the Council ADVISED and the Chief Executive ORDERED that the Electricity Ordinance (Cap. 406) (Commencement) Notice 1999, at the Annex, should be made under section 1(2) of the Electricity Ordinance to bring into effect section 29(1)(b) of the Ordinance on 25 February 1999, in order to enable relevant provisions of the Electrical Products (Safety) Regulation relating to the certification of safety compliance of electrical products to come into operation.

BACKGROUND AND ARGUMENT

General Background

2. The Electricity Ordinance (“the Ordinance”) was enacted in 1990 to provide for, among other things, safety requirements for electrical products. The provisions in the Ordinance relating to safety of electrical products (sections 24 to 29) were brought into effect on 23 March 1995, with the exception of section 29(1)(b).

3. Section 29(1)(b) provides that no person shall supply an electrical product for which no certificate of safety compliance has been issued as required by regulations in respect of electrical product safety. This provision was not brought into effect at that time because the regulations on electrical product safety had yet to be prepared.

Previous Executive Council discussion

4. On 19 March 1996, the former Executive Council decided that -
- (a) the Electricity (Amendment) Bill 1996 should be introduced into the Legislative Council; and

- (b) the Electrical Products (Safety) Regulation should be approved in principle, and be referred back to the Executive Council to be made after the Bill had passed into law.

5. The Electricity (Amendment) Bill was enacted in January 1997 and brought into operation on 29 May 1998. This Ordinance contained certain additional provisions considered necessary to enable the introduction of regulations on electrical product safety.

6. The Electrical Products (Safety) Regulation (“the Regulation”) was made on 22 April 1997. It was brought into operation in stages in October 1997 and May 1998, except for sections 7 and 8, which relate to certificates of safety compliance, to give the trade a longer period to prepare for the new requirements in those sections.

Requirement for Certificate of Safety Compliance

7. Section 7 of the Regulation requires that a “certificate of safety compliance” has to be issued in respect of any electrical product designed for household use before it can be supplied in the market. The purpose of the certificate is to show, to the satisfaction of the Director of Electrical and Mechanical Services, that the electrical product concerned complies with the relevant safety requirements under the Regulation. Section 8 of the Regulation sets out the various forms that the certificate can take. For example, it can be a certificate issued by a certification or testing body or a declaration of conformity issued by a manufacturer.

Consultation with the Trade

8. Regular meetings have been held since May 1998 between the Electrical and Mechanical Services Department (EMSD) and the relevant trade associations to discuss any practical difficulties expected to be encountered in implementing sections 7 and 8 of the Regulation and to find practical solutions that are consistent with the overall objective of ensuring the safety of electrical products.

9. In November 1998, the importers of electrical products which are parallel imports expressed their concern regarding potential difficulties in obtaining certificates of safety compliance from the product manufacturers because their products are not imported through the authorized agents. Several meetings have since been held by EMSD with the Hong Kong Electrical Appliance I/E Association, a newly formed body, to address their concerns with regard to certificates of safety compliance for parallel-imported electrical products, second-hand electrical products and locally fabricated personal computers.

10. The outcome of the discussions with the trade is that EMSD has agreed to exercise flexibility in implementing certain requirements under the Regulation for a one year “transitional period” after the certificate of safety compliance

requirements are put into operation. The transitional arrangements will then be reviewed in the light of experience. The arrangements are consistent with the overall objective of ensuring the safety of electrical products and yet take into account concerns raised by the trade.

11. The progress made has been reported to the Economic Services Panel of the Legislative Council.

THE COMMENCEMENT NOTICE

12. The Notice at the Annex provides for the Chief Executive to appoint 25 February 1999 as the day on which section 29(1)(b) of the Ordinance shall come into operation.

13. The Secretary for Economic Services will approve a further Notice under section 1 of the Regulation, to appoint 25 February 1999 as the day on which sections 7 and 8 of the Regulation shall come into operation.

LEGISLATIVE TIMETABLE

14. The legislative timetable will be -

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| Publication in the Gazette | 22 January 1999 |
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| Tabling in the Legislative Council | 27 January 1999 |
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BASIC LAW IMPLICATIONS

15. The Department of Justice advises that the Notice at the Annex is consistent with the Basic Law.

HUMAN RIGHTS IMPLICATIONS

16. The Department of Justice has advised that the Notice at the Annex has no human rights implications.

BINDING EFFECT OF THE LEGISLATION

17. The Electricity Ordinance does not bind the State by express provision. The Notice at the Annex does not affect the current binding effect of the existing provisions of the Ordinance.

FINANCIAL AND STAFFING IMPLICATIONS

18. There are no financial or staffing implications arising from the Notice.

ECONOMIC IMPLICATIONS

19. The cost to the trade of meeting the proposed requirement for a certificate of compliance should be negligible, as electrical products which conform to major international or national standards will be able to satisfy our safety requirements. The Notice should therefore have no significant cost impact on either manufacturers or consumers. The fact that action has been taken to enhance the safety of electrical products supplied in Hong Kong is likely to enhance Hong Kong's reputation as a place to buy electrical goods.

PUBLICITY

20. A Legislative Council Brief will be issued. A press release will be issued to announce the coming into operation of section 29(1)(b) of the Ordinance and sections 7 and 8 of the Regulation. The relevant trade associations will also be formally notified of the commencement date.

ENQUIRIES

21. Subject officer : Mr Eric Johnson, Principal Assistant Secretary for Economic Services, telephone 2810 2128, fax 2868 4679.