## 立法會 Legislative Council

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#### **Panel on Commerce and Industry**

#### Meeting on 14 December 2004

#### Background brief on control of volatile organic compounds

#### Introduction

Volatile organic compounds (VOC), emitted as gases, play a significant role in the formation of ozone<sup>1</sup> and respirable suspended particulates (RSPs)<sup>2</sup> in the atmosphere which are harmful to health. VOC can also exacerbate smog phenomenon and impair visibility of the region.

2. The Joint Study on Pearl River Delta Region Air Quality conducted by the Hong Kong Special Administrative Region (HKSAR) Government and the Guangdong Provincial Government has identified paints, printing industry, VOC-containing consumer products and motor vehicles are the four major emission sources. To improve the air quality of the Pearl River Delta Region, the HKSAR Government and the Guangdong Provincial Government reached a consensus in April 2002 to reduce, among other things, the regional emission of VOCs by 55% by 2010, using the emission level at 1997 as a base. To this end, the Administration has put in place a series of programmes to reduce VOC emissions.

#### Control of VOC emissions at petrol filling stations

3. To control the dispersal of VOC vapour into the atmosphere during the refueling of a vehicle at a petrol filling station, the Air Pollution Control (Petrol Filling Stations) (Vapour Recovery) Regulation was passed in 1999 to require the control of VOC emissions during the unloading of petrol from petrol tankers into storage tanks at petrol filling stations. Owners of petrol filling stations have since installed a system at their petrol filling stations to recover VOC vapour during the unloading process.

<sup>1</sup> Ground level ozone is a highly reactive gas, and when in high concentration can irritate the eyes and bring upper and lower respiratory symptoms to healthy people

<sup>&</sup>lt;sup>2</sup> Respirable suspended particulates can penetrate deeply into the lung and interfere with functioning of the respiratory system

4. As a step further to reduce VOC emission, the Administration plans to introduce another regulation to require petrol filling stations to reduce emission of VOC vapour during refueling of petrol vehicles. Under the proposal, all newly built petrol filling stations are required to be equipped with a system that recovers petrol vapour during petrol vehicle refueling. Owners of existing petrol filling stations will have three years to retrofit their stations with the systems. The proposal was discussed by the Panel on Environmental Affairs at its meeting on 22 July 2003. While acknowledging that the trade generally supported the proposal and welcomed the provision of a three-year installation period, members held the view that measures should be introduced to minimize the inconvenience associated with the suspension of service during the installation period. They also requested the Administration to reconsider the propriety of imposing jail sentence for non-compliance before introducing the relevant regulation into the Legislature.

#### **Control of VOC emissions from consumer products**

5. In addition to the control measures for reducing VOC emissions from petrol filling stations, the Administration also puts forward a plan to adopt a two-stage approach to reduce VOC emissions from paints, printing inks and selected consumer products in Hong Kong.

# <u>Stage 1 – Mandatory registration and labeling of selected VOC-containing consumer items</u>

- 6. Under Stage 1 of the proposal, a mandatory registration and labeling scheme will be introduced to require importers or manufacturers of all paints, printing inks and selected consumer products to register with the Environmental Protection Department (EPD) the VOC contents of their products for sale in Hong Kong. They will also be required to ensure that a bilingual label of the VOC contents is either printed upon or securely affixed onto individual containers and/or packaging of the concerned products. Non-compliance with the proposed registration and labeling requirements will be subject to penalties. A list of the consumer products to be covered under the proposed scheme and the related penalties are in **Appendices I and II** respectively.
- 7. When the Panel on Environmental Affairs (EA) was briefed on the proposed registration and labelling scheme on 28 June 2004, some members expressed concern that the proposal would duly affect those retailers who had to rely on exporters to provide the requisite information on VOC contents. Besides, the proposed scheme would limit consumers' choice since the registration and labeling requirements would likely affect the import of VOC-containing products manufactured in countries which did not have such requirements. They therefore urged the Administration to look into the problem from the trades' perspective to facilitate compliance with the requirements.

- 8. The Administration's explanation was that as most of the VOC-containing products were chemical substances, the importers and manufacturers should already have detailed information about their composition and should not have problem in complying with the labelling requirement. Notwithstanding, it would take into account the trades' views before finalizing the proposed scheme to strike a balance between the interests of the trades and the environment.
- 9. The EA Panel noted that the laboratory fee for testing of the VOC content in meeting the labeling requirement would be in the region of \$1,000 to \$3,000 per product while the registration fee would likely be in the range of a few hundred dollars per product. As importers and manufacturers might have to shoulder the additional cost in complying with the proposed registration and labelling requirements, members expressed concern that such cost would invariably be transferred to consumers.
- 10. The EA Panel also held the view that the Administration should take the lead in procuring products with low VOC content as far as possible. According to the Administration, guidelines on the use of VOC-containing products would be provided in the context of the Government's indoor air quality management scheme. It would also list out the high VOC-containing products which should best be avoided. In the event that no alternative could be found, the use of these products should be kept to a minimum.

#### The next stage

- 11. The Administration embarked a two-month public consultation exercise in September 2004 to gauge views of stakeholders on the proposed Stage 1 programme, during which the affected trades were consulted. Taking into consideration the comments and views received, the Administration plans to introduce the proposed legislative amendment within 2005.
- 12. Subject to the effectiveness of the Stage 1 programme, the Administration will consider how to proceed with Stage 2 where measures to control the VOC contents of specified types of products or to discourage the use of certain products with higher VOC contents may be introduced. It will separately consult the relevant stakeholders and the public before any proposed control measures are introduced.

#### **Latest position**

13. At the Council meeting on 24 November 2004, Hon Vincent FANG Kang asked an oral question seeking explanation on the rationale for introducing the proposed scheme and whether the Administration would consider providing assistance to affected trades.

14. In response to some trade associations' request to state their views on the impact of the proposed scheme on their operation, the Panel on Commerce and Industry agreed to meet with deputations and receive their submissions at the meeting to be held on 14 December 2004.

Council Business Division 1
<u>Legislative Council Secretariat</u>
7 December 2004

# List of VOC containing consumer products to be regulated under the proposed registration and labelling scheme

#### **General Household Consumer Products**

- 1. Adhesive : spray
- 2. Adhesive : others
- 3. Air freshener
- 4. Bathroom or tile cleaner
- 5. Carpet or upholstery cleaner
- 6. Dusting aid
- 7. Floor polish, wax
- 8. Floor wax stripper: non-aerosol
- 9. Footwear care product
- 10. Fabric care: in-dryer
- 11. Fabric or leather waterproofer, protectant
- 12. Furniture maintenance product
- 13. General purpose cleaner
- 14. General purpose degreaser
- 15. Glass cleaner
- 16. Heavy-duty hand cleaner, soap
- 17. Herbicide: non-aerosol
- 18. Insect repellent
- 19. Insecticide
- 20. Laundry pre-wash
- 21. Laundry starch product, wrinkle-releasing spray
- 22. Metal polish, cleanser
- 23. Multi-purpose lubricant, penetrant : (excluding solid or semi-solid products)
- 24. Oven cleaner
- 25. Paint remover, stripper
- 26. Rubber or vinyl protectant
- 27. Sealant, caulking compound
- 28. Spot remover
- 29. Toilet cleaner, deodorizer

#### **Personal Care Products**

- 30. Antiperspirant
- 31. Body wipe
- 32. Deodorant
- 33. Hair colouring
- 34. Hair conditioner
- 35. Hair product (others): bleach, lightener, growth retardant, inhibitor, tonic, hair restorer, etc.
- 36. Hair shampoo
- 37. Hair shine
- 38. Hair styling product
- 39. Nail coating, solvent: base coat, undercoat, polish, thinner, topcoat, product drying enhancer
- 40. Remover of nail beautification product
- 41. Nail treatment product
- 42. Personal fragrance product
- 43. Shaving cream, gel

#### **Car Care Products**

- 44. Automotive brake cleaner
- 45. Automotive rubbing, polishing compound
- 46. Automotive wax, polish, sealant, glaze
- 47. Automotive windshield washer fluid
- 48. Carburettor or fuel-injection air intake cleaner
- 49. Engine degreaser
- 50. Tyre sealant, inflator

#### **Aerosol Coatings – General**

- 51. Top coat
- 52. Undercoat

### Appendix II

## Offences and proposed Penalty

	Offence	Proposed Penalty
1.	Submit false information at registration	First offence: a fine of \$50,000 and to imprisonment for three months
		Repeated offence: a fine of \$100,000 and to imprisonment for six months
2.	Fail to register products	First offence : a fine of \$50,000
		Repeated offence: a fine of \$100,000 and to imprisonment for three months
3.	Sell, supply or offer for sale any products under the regulatory scheme for local consumption without adhering to the labelling requirements	First offence : a fine of \$50,000
		Repeated offence: a fine of \$100,000 and to imprisonment for three months
4.	Fail to provide annual sales records	First offence : a fine of \$50,000
		Repeated offence: a fine of \$100,000 and to imprisonment for three months
5.	Fail to maintain sales data for three years	First offence : a fine of \$50,000
		Repeated offence: a fine of \$100,000 and to imprisonment for three months