

May 25, 2007

Written Submission to Bills Committee
On Energy Efficiency (Labelling of Products) Bills

We welcome the introduction of the captioned Bill which provides a choice for consumer to save on electrical cost, reduces energy consumption and ultimately it will be an effective environment protection measure.

The Hong Kong Suppliers Association supports the captioned Bill, but expressed concerns during the consultation period on two possible barriers that may impair the effective implementation of the Bill:

1. Registration fee per model

The Bill has good intention and should be a joint effort of the trade and the Administration in protecting the environment. The trade is responsible for the testing costs required by the Bill, regardless of quantity sold. The trade is responsible for the cost of repackaging and labeling with prescribed information, again, regardless of quantity sold. The originally suggested registration fee of about \$2,000 per model is an additional “firewall”, **in particular to SME suppliers of Compact Florescent Lamp**, in marketing small volume sales products and new product entry.

We cannot see any rational for the Administration in levying a registration fee on an environment protection effort, thus, suggested such fee should be waived.

2. Grace Period

The Consultation Paper stated that there will be a 12 months Grace Period. We suggested a longer Grace Period for a smooth transition because most products have long shelf life and some are seasonal.

We appreciate the open minded response and the transparency of the Administration in discussing the above two possible barriers with the trade. Having had meetings over the last year and half, we reached fruitful resolutions on these two barriers. That is, no registration fee and a proposed 18 months Grace Period.

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