# 立法會 Legislative Council

LC Paper No. CB(1) 1119/11-12(04)

Ref.: CB1/PL/EA

#### Panel on Environmental Affairs

Meeting on 27 February 2012

### Background brief on the proposal to control emissions from non-road mobile sources prepared by the Legislative Council Secretariat

#### **Purpose**

This paper sets out the background to the proposal to control emissions from non-road mobile sources, and gives an account of the views expressed by Members on the subject.

### **Background**

- 2. Non-road mobile sources include mobile machines, transportable industrial equipment and non-road vehicles powered by an internal combustion engine used primarily off the roads. These devices are commonly called "non-road mobile machinery" (NRMM), and widely used in airports, container terminals and construction sites. There are about 13 500 units of NRMMs operating in Hong Kong, among which 11 300 units are operating at construction sites, 1 600 units at the airport and 600 units at container terminals. The estimated average age and average service life of these NRMMs are about eight years and 14 years respectively.
- 3. NRMMs contribute to about 7% (6,800 tonnes) and 11% (600 tonnes) of the local emissions of nitrogen oxides ( $NO_x$ ) and respirable suspended particulates (RSP) respectively. These air pollutants can cause environmental pollution, nuisance as well as smog, and have adverse health effects, particularly on the people nearby. Besides, the dark smoke emitted by NRMMs casts a negative environmental image of Hong Kong. However, NRMMs are neither required to comply with statutory emissions standards as a prerequisite for entering the local market nor subject to any legislative air pollutant emission control, except that they must not cause air nuisance and the

diesel-driven ones must use diesel with a sulphur content not higher than 0.005%.

#### Proposed control regime on NRMM emissions

- 4. Having regard to the impacts of emissions from NRMMs and making reference to the practices of other advanced countries, the Administration put forth in May 2010 for stakeholder consultation a proposed scheme to control emissions from NRMMs imported (except those for re-export) into Hong Kong or manufactured locally for placing on Hong Kong market (for sale, lease or use). The proposed requirements are as follows
  - (a) Importers must obtain from the Environmental Protection Department (EPD) approval regarding emission compliance before importing NRMMs (except those for re-export); and likewise local manufacturers before placing their NRMMs on the local market (for sale, lease or use);
  - (b) Emission compliance means meeting relevant emission standards, which are broadly in line with the standards of the European Union (EU), the United States (US) and Japan;
  - (c) Each piece of NRMM (except that for re-export) shall bear a durable and visible engine emission information label for identification. The labelling requirement will not be retrospectively applied to NRMMs imported or placed on the market in the case of locally manufactured products before implementation of the proposed control; and
  - (d) Failure to comply with the requirements will be liable to a fine ranging from \$50,000 to \$200,000 and imprisonment from three to six months.
- 5. The Director of Environmental Protection will be empowered to exempt a NRMM or a class of NRMM from the control and impose restrictions on their use as part of the exemption. In gist, NRMMs manufactured solely for export or imported for re-export are not required to meet emission standards and labelling requirements but the latter are still subject to import approval and declaration requirements. In line with other advanced countries, in-use NRMMs are exempted from the proposed emission control at this stage because of the lack of a database. The great diversity of the machinery types of NRMMs also makes it technically complicated to draw up an in-use control scheme.

The proposal to control emissions of non-road mobile sources was discussed at meeting of the Subcommittee on Improving Air Quality (formed under the Panel on Environmental Affairs (the Panel)) on 11 May 2010 Subcommittee members enquired about the environmental benefits to be achieved through the proposed control of emissions from NRMMs, and the basis upon which the penalty regime under the control scheme was arrived at. They also stressed the need for consultation with the affected importers and the According to the Administration, if all NRMMs were logistical trades. replaced with ones meeting the prescribed emission standards, 4.7% (4,500 tonnes) and 9% (500 tonnes) of the local emissions of NO<sub>x</sub> and RSP would be The environmental nuisance generated at container reduced respectively. terminals and construction sites near the urban centres could be reduced. smoke emitted by NRMMs would also be reduced, enhancing the green image The Administration further explained that when drawing up of Hong Kong. the penalty regime, reference had been made to the provisions in the Air Pollution Control Ordinance (Cap. 311) and the Ozone Layer Protection Ordinance (Cap. 403) and their subsidiary regulations on the import, manufacture and sale of controlled substances. Reference had also been made to overseas jurisdictions' penalty regimes in controlling emissions from non-road mobile sources. A comparison of the proposed penalty regime with those of the US, Japan and Canada had been provided to members for reference. The logistical trades and importers of NRMMs would be included in the consultation exercise.

### **Revised proposal**

- 7. The Administration's consultation with stakeholders revealed that while there was general support for the introduction of emission control on NRMMs, they were concerned about the approval process given that some 90% of imported NRMMs were for re-export. To require importers to obtain the same approval would mean a large amount of unnecessary administrative work. In addition, the proposed import approval might cause undue delay in delivery as NRMMs might have to be shipped to Hong Kong within a few days after the placement of purchase orders.
- 8. Taking into account the views received, the Administration has revised the proposal in June 2011. In brief, all NRMMs (either new or second-hand) to be sold or leased for local use will have to meet the specified emission standards and approved by EPD. NRMMs approved by EPD for local use will be properly labelled. Existing NRMMs in use before the introduction of the control regime will be exempted from the new requirements but they will have to be properly labelled for easy identification. The Administration also proposes to specify clearly which activities with the possible use of NRMMs (i.e. specified activities) would be subject to the proposed control. The proposed revised control framework is as follows –

- (a) EPD will formulate a set of emission standards applicable to NRMMs by making reference to those of US, EU and Japan;
- (b) Suppliers are required to obtain EPD's approval in respect of emission compliance before selling, leasing or supplying NRMMs for local use. Each piece of approved NRMM shall be affixed with an approval label for identification;
- (c) Owners of NRMMs currently used in specified activities are required to notify EPD of details of the NRMMs concerned before the new requirement is in place. Duly notified NRMMs will not be subject to the new requirements and will be affixed with an exemption label for identification; and
- (d) Only those NRMMs with approval or exemption labels are allowed to be used in specific activities upon commencement of the proposed emission control.

The Administration further consulted the stakeholders, and the consultation ended on 20 July 2011.

#### **Council questions**

9. Hon James TO raised a question in relation to the control on the emissions of non-road mobile sources at the Council meeting on 14 December 2011. Details of the Council question are hyperlinked below for ease of reference.

#### Latest development

10. The Administration proposes to report to the Panel on the outcome of the trade consultation, and explain the way forward at the Panel meeting on 27 February 2012. Subject to the Panel's support, the necessary legislative procedures for implementing the control proposal shall commence aiming at completion within the 2012-13 legislative session.

#### **Relevant papers**

11. A list of relevant papers is in the **Appendix**.

Council Business Division 1
<u>Legislative Council Secretariat</u>
21 February 2012

## Appendix

## Control on the emissions of non-road mobile sources

# List of relevant papers

Council/ Committee	Date of meeting	Paper
Subcommittee on Improving Air Quality	11 May 2010	Information paper on "A Proposal to Control Emissions of Non-road Mobile Sources" provided by the Administration (LC Paper No. CB(1) 1824/09-10(01)) <a href="http://www.legco.gov.hk/yr09-10/english/panels/ea/ea_iaq/papers/ea_iaq0511cb1-1824-1-e.pdf">http://www.legco.gov.hk/yr09-10/english/panels/ea/ea_iaq/papers/ea_iaq0511cb1-1824-1-e.pdf</a>
		Minutes of meeting (LC Paper No. CB(1) 2619/09-10) http://www.legco.gov.hk/yr09-10/english/panels/ea/ea_iaq/m_inutes/iaq20100511.pdf

# Hyperlinks to relevant Council Questions:

Date	Council Questions
14 December 2011	Council question raised by Hon James TO <a href="http://www.info.gov.hk/gia/general/201112/14/P201112140161.htm">http://www.info.gov.hk/gia/general/201112/14/P201112140161.htm</a>