Bills Committee on Air Pollution Control (Amendment) Bill 2013

Follow-up actions by the Administration

- 1. (a) The applications and impact of the new Air Quality Objectives ("AQOs") to the public and on different sectors including the licensing requirements of various industries, in particular the energy and the transport sectors.
 - (b) The number and ages of pre-Euro, Euro I and Euro II diesel commercial vehicles which were "single-vehicles" (i.e. the owners of which were also the drivers).
- (a) In the context of Air Pollution Control Ordinance (APCO), some specified processes (SPs) such as power plant, gas works, cement and concrete batching plants are required to obtain a licence for from the Director of Environmental Protection (DEP) for their operation. While attainment and maintenance of relevant AQOs is one of the considerations of DEP in considering the licence application of an SP, as the Government has put forward a host of measures/ initiatives (details are set out below) outside the SP context, that would contribute to improvement of air quality and help achieve the new AQO, we consider that the tightening of AQOs would not have significant impact on most of these industries under APCO. As for the transport industry (of which the licensing requirement is outside APCO), the Government has put forward a number of initiatives to reduce emissions from vehicles. Details are in the next paragraph.

Measures and initiatives introduced by the Government for improving air quality include:

(i) Power Sector

We progressively tighten the emission caps on power plants by reviewing every two years the emission caps in Technical Memoranda for Allocation of Emission Allowances in Respect of Specified Licences promulgated under the Air Pollution Control Ordinance (APCO), (Cap 311). As compared with those of 2010, the emission caps of the power plants will be tightened up by 34% to 50% in 2015 and by 39 to 59% in 2017. To

¹ There are 31 types of SP scheduled under the APCO as shown in Annex 1. Section 15(3) of the APCO, as shown in Annex 2, also sets out the factors that have to be taken into account in the granting of a licence.

achieve the tightened emission caps, the power companies need to increase the overall gas fuel mix from the current of about 30% to about 50% and prioritize the use of coal units equipped with advanced emission control devices. Further review of the emission caps will be made in 2014.

(ii) Vehicles

- (a) Phasing out progressively pre-Euro IV diesel commercial vehicles by an incentive-cum-regulatory approach with \$10 billion earmarked as subsidy. We are now consulting the transport trades.
- (b) Strengthening the emission control of petrol and liquefied petroleum gas (LPG) vehicles by deploying remote sensing equipment and dynamometers for emission testing. We provide a one-off subsidy to help vehicle owners replace once the catalytic converters and oxygen sensors in their LPG and petrol taxis and public light buses. The replacement exercise will start in the second half of 2013;
- (c) Encouraging the transport trades to use a \$300 million Pilot Green Transport Fund to try out green and innovative technologies;
- (d) Funding franchised bus companies to try out hybrid buses and electric buses. The trials are expected to commence in 2014;
- (e) Retrofitting Euro II and III franchised buses with selective catalytic reduction devices to reduce their emission of nitrogen oxides to raise their emission performance to Euro IV or above level;
- (f) Pursuing transport management measures such as bus route rationalization, setting up low bus emission zones, expanding the rail network and promotion of energy efficiency, etc.

(iii) Vessels

- (a) Preparing legislative proposals to mandate ocean-going vessels to switch to cleaner fuel when at berth in Hong Kong waters and to tighten the standards of local marine diesel; and
- (b) Taking preparatory work for to the installation of on-shore power supply facilities for use by cruise vessels at the Kai Tak Cruise

Terminal.

We are also working in collaboration with the Mainland to reduce the emissions in the Pearl River Delta to specific targets by 2015 and 2020. These efforts together should enable us to attain broadly the proposed new AQOs by 2020 for better protection of public health.

(b) For diesel commercial vehicles (i.e. goods vehicles, light buses and non-franchised buses), the Transport Department (TD) does not have information on "single-vehicles" (i.e. the owners of which were also the drivers). However, TD has information on vehicles whose owners own just one diesel commercial vehicle. These owners could be natural persons or bodies corporate. The ownership information is as follows –

	Number of Diesel Commercial Vehicles whose Owners own One Diesel Commercial Vehicles (Broken down into Vehicle Age/Emission Standard)					
	18 years or above	16 years - below 18 years	13 years - below 16 years	10 years - below 13 years	Below 10 years	Total
Engine standard	pre-Euro	Euro I	Euro I / Euro II	Euro II / Euro III	Euro III	
Owned by natural persons	6,900 (8%)	3,300 (4%)	7,000 (8%)	6,300 (7%)	8,100 (9%)	31,600 (37%)
Owned by body corporate	700 (<1%)	400 (<1%)	1,100 (1%)	1,400 (2%)	2,600 (3%)	6,200 (7%)

Note: Numbers are rounded to the nearest hundred. Figures in brackets show the number of vehicles as a percentage of pre-Euro IV diesel commercial vehicles in Hong Kong.

Environmental Protection Department May 2013

Annex 1 – List of Specified Processes

1.	Acrylates Works	2.	Aluminium Works
3.	Cement Works	4.	Ceramic Works
5.	Chlorine Works	6.	Copper Works
7.	Electricity Works	8.	Gas works
9.	Iron and Steel Works	10.	Metal Recovery Works
11.	Mineral Works	12.	Incinerators
13.	Petrochemical Works	14.	Sulphuric Acid Works
15.	Tar and Bitumen Works	16.	Frit Works
17.	Lead Works	18.	Amines Works
19.	Asbestos Works	20.	Chemical Incineration Works
21.	Hydrochloric Acid Works	22.	Hydrogen Cyanide Works
23.	Sulphide Works	24.	Pathological Waste Incinerators
25.	Organic Chemical Works	26.	Petroleum Works
27.	Zinc Galvanising Works	28.	Rendering Works
29.	Non-ferrous Metallurgical Works	30.	Glass Works

For details of the definitions of the above works, please refer to Schedule 1 of the Air Pollution Control Ordinance.

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31. Paint Works²

 $^{^2}$ The Commencement Notice for the "Paint Works" is gazetted on 19 April 2013 and appoints 1 July 2013 as the date of operation of the works.

Annex 2 – Section 15(3) of the Air Pollution Control Ordinance

In the exercise of his discretion to grant or refuse to grant a licence the Authority shall –

- (a) have regard to the capability of the applicant to provide and maintain the best practicable means for the prevention of the emission from his premises of any air pollutant;
- (b) have as his purpose the attainment and maintenance of any relevant air quality objective; and
- (c) have regard to whether the emission of noxious or offensive emissions would be, or be likely to be, prejudicial to health.