LEGISLATIVE COUNCIL BRIEF

AIR POLLUTION CONTROL (AMENDMENT) (No. 2) BILL 2013

INTRODUCTION

At the meeting of the Executive Council on 20 August 2013, the Council ADVISED and the Acting Chief Executive ORDERED that the Air Pollution Control (Amendment) (No. 2) Bill 2013 (the Amendment Bill) at **Annex A** should be introduced into the Legislative Council to amend the Air Pollution Control Ordinance.

JUSTIFICATIONS

- 2. Scientific evidence has revealed that inhalation of asbestos fibres can cause asbestosis, lung cancer and mesothelioma ¹. The World Health Organisation's International Agency for Research on Cancer has thus classified all types of asbestos as definite human carcinogen (Group 1).
- 3. Asbestos had been widely used in friction, fireproofing, insulation and building materials before the mid-1980s because of its very high tensile strength and good heat and chemical resistance properties. These asbestos containing materials or products pose little health risk as long as they are undisturbed. If they are exposed and disturbed, they can release very fine asbestos fibres which can remain airborne for a very long period of time.
- 4. The potential health risks associated with asbestos have led to the development of substitutes which are free of asbestos. Proven and safer substitutes are now available in many applications such as building materials, friction products, brake lining, seals and gaskets.
- 5. Given the potential health impact of asbestos and the availability of the

¹ Mesothelioma is a rare form of cancer that develops from the protective lining that covers body's internal organs mainly caused by exposure to asbestos.

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asbestos free substitutes, many countries have already banned the import, sale, supply and use of asbestos in phases. For example, Germany banned asbestos in 1993 followed by the United Kingdom in 1999, Australia in 2003, the European Union in 2005 and South Korea in 2009. Banning asbestos to reduce the risk of exposure to asbestos has become an international trend.

- 6. Since 1996, the import and sale of the more hazardous blue asbestos (crocidolite) and brown asbestos (amosite) have been banned under the Air Pollution Control Ordinance APCO (Cap. 311). To avert the release of asbestos fibres into the environment, the APCO requires the engagement of registered qualified professionals to conduct certain work involving asbestos containing materials and engage in asbestos related activities in accordance with the provisions of the APCO and a set of codes of practice. Besides, asbestos waste must be properly handled and disposed of in accordance with the Waste Disposal Ordinance (Cap. 354). Since April 2008, a permit system to control the import, export, manufacturing and use of asbestos other than chrysotile has also been implemented under the Hazardous Chemicals Control Ordinance (Cap. 595). The existing legislation has provided adequate protection for exposure to asbestos in the course of removal, handling and disposal.
- 7. To further abate the risk of asbestos and better protect the public from exposure to environmental asbestos, it is necessary to stop asbestos from entering Hong Kong by banning the import, transhipment, sale, supply and new use of all forms of asbestos.
- 8. We need to amend the APCO to ban all forms of asbestos in order to better protect public health.

THE AMENDMENT BILL

- 9. The Amendment Bill proposes to amend the APCO to ban the use, supply, import and transhipment of asbestos or asbestos containing material. The Bill also proposes related amendments to the Factories and Industrial Undertakings (Asbestos) Regulation (Cap. 59 sub. leg. AD) (principal Regulation) to tighten up the control on the use of asbestos in industrial undertakings in parallel.
- 10. Clause 3 proposes to amend the definition of *asbestos containing material* in section 2 of the APCO by removing the requirement that the material must contain more than 1% asbestos.

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11. Clause 7 proposes to amend section 80 of the APCO by providing for the ban on using, supplying, importing and transhipping asbestos or asbestos containing material. In particular, the new section 80(5) provides for the definitions of "supply" and "use".

- 12. Clause 8 proposes to add the following provisions to the APCO—
 - (a) new section 81—providing a defence for a defendant charged under section 80 by putting the evidential burden on the defendant to prove that the defendant had no knowledge of the existence of asbestos or asbestos containing material;
 - (b) new section 82—providing for the circumstances to which the prohibition does not apply;
 - (c) new section 83—providing that a person may be exempted from the prohibition; and
 - (d) new section 84—providing that if a person is convicted of the offence under the new section 80, the asbestos or asbestos containing material that is connected with the offence may be seized, removed, destroyed or disposed of.
- 13. Clause 9 repeals section 12(2)(a) of the principal Regulation to require the designation of a protective equipment zone for work with chrysotile.
- 14. Clause 11 adds a new section 21D to the principal Regulation prohibiting the proprietor of an industrial undertaking from carrying out work with chrysotile in the industrial undertaking.
- 15. Clause 12 proposes to raise the maximum penalty for offences related to the ban on using asbestos in industrial undertakings under the principal Regulation.

LEGISLATIVE TIMETABLE

16. The legislative timetable will be -

Publication in the Gazette

27 September 2013

First Reading and commencement

of Second Reading debate

23 October 2013

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Resumption of Second Reading debate, committee stage and Third Reading

To be notified

IMPLICATIONS

- 17. The proposal has economic, financial, civil service, environmental and sustainability implications as set out at **Annex B**. The proposal has no family implications.
- 18. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The Amendment Bill will not affect the current binding effect of the APCO.

PUBLIC CONSULTATION

- 19. We consulted the asbestos trade organizations and the relevant stakeholders about our proposal between April and August 2011. A total of 26 written responses from the major stakeholders were received and all of them were supportive of the proposal. Several respondents considered that relocation of existing equipment, e.g., power transformers with parts containing asbestos embedded inside should not be counted as new use. Since some Chinese herbal medicines may contain special forms of asbestos, such as tremolitum and actinolitum, the Chinese Medicine Council of Hong Kong considered that the import, sale and use of proprietary Chinese medicines with tremolitum and actinolitum formulated in a finished dose form and registered under the Chinese Medicine Ordinance (Cap. 549) should continue to be allowed as there is no scientific evidence showing that ingestion of these asbestos materials would be harmful to health. We have already taken onboard these comments in the drafting of the Amendment Bill.
- 20. On 16 May 2011 and 19 January 2012, we consulted the Advisory Council on the Environment and the Panel on Environmental Affairs of the LegCo on the legislative proposal respectively and they supported the proposal.

PUBLICITY

21. We will publish the Amendment Bill in the Gazette. A spokesperson will

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be available for press enquiries.

ENQUIRIES

22. For enquiries about this brief, please contact Mr. WC Mok, Assistant Director of Environmental Protection (Air Policy) at 35098618.

Environment Bureau 25 September 2013

Air Pollution Control (Amendment) (No. 2) Bill 2013

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Air Pollution Control (Amendment) (No. 2) Bill 2013

Part 2 Clause 3

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A BILL

To

Amend the Air Pollution Control Ordinance to prohibit the use, supply, import and transhipment of asbestos or asbestos containing material; to make related amendments to the Factories and Industrial Undertakings (Asbestos) Regulation; and to provide for related matters.

Enacted by the Legislative Council.

Part 1

Preliminary

1. Short title and commencement

- (1) This Ordinance may be cited as the Air Pollution Control (Amendment) (No. 2) Ordinance 2013.
- (2) This Ordinance comes into operation on a day to be appointed by the Secretary for the Environment by notice published in the Gazette.

2. Enactments amended

The enactments specified in Parts 2 and 3 are amended as set out in those Parts.

Part 2

Amendments to Air Pollution Control Ordinance (Cap. 311)

3. Section 2 amended (interpretation)

Section 2, definition of asbestos containing material—

Repeal

"more than 1% asbestos by weight"

Substitute

"asbestos,".

4. Section 28 amended (powers of entry and inspection, etc.)

(1) Section 28(1)(da), after "being"—

Add

"asbestos or".

(2) Section 28(1)(db), after "contain"—

Add

"asbestos or".

(3) Section 28(1)(ic), after "contain"—

Add

"asbestos or".

(4) Section 28(1)(iiib), after "contain"—

Add

"asbestos or".

(5) Section 28(1)(iva), after "chimneys"—

Add

Air Pollution Control (Amendment) (No. 2) Bill 2013

Part 2 Clause 7

4

", asbestos".

5. Section 78 substituted

Section 78—

Part 2

Clause 5

Repeal the section

Substitute

"78. Defences

- (1) It is a defence for a person charged under section 77 in respect of any work in the premises or any part of the premises if the person establishes that—
 - (a) the person carried out the work, or caused or permitted the work to be carried out, in an emergency situation that did not permit the person to comply with that section without risk to human life or serious disruption to a public service; or
 - (b) the person did not know and could not have reasonably known of the presence of asbestos containing material in the premises or that part of the premises at the time when the person carried out the work, or caused or permitted the work to be carried out.
- (2) The person is taken to have established a fact that needs to be established for the defence if—
 - (a) there is sufficient evidence to raise an issue with respect to the fact; and
 - (b) the contrary is not proved by the prosecution beyond reasonable doubt.".

6. Part X heading added

After section 79—

Ban on Use, Supply, Import and Transhipment of Asbestos etc.".

"Part X

7. Section 80 substituted

Add

Section 80—

Repeal the section

Substitute

"80. Ban on use, supply, import and transhipment of asbestos or asbestos containing material

- (1) Subject to sections 82 and 83, a person must not—
 - (a) use, supply, import or tranship asbestos or asbestos containing material; or
 - (b) cause or permit the use, supply, import or transhipment of asbestos or asbestos containing material.
- (2) A person who contravenes subsection (1)(a) or (b) commits an offence and is liable on conviction to a fine of \$200,000 and to imprisonment for 6 months.
- (3) For subsection (1), if a person imported asbestos or asbestos containing material that—
 - (a) is consigned on a through bill of lading or a through air waybill from a place outside Hong Kong to another place outside Hong Kong;
 - (b) is or is to be removed from the vessel, vehicle or aircraft on which it was imported; and

Part 2 Clause 8

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- (c) is or is to be—
 - (i) returned to the same vessel, vehicle or aircraft before being exported; or
 - (ii) transferred to another vessel, vehicle or aircraft before being exported,

the person tranships the asbestos or asbestos containing material.

- (4) For subsection (3)(c), it does not matter whether the asbestos or asbestos containing material—
 - (a) is or is to be directly transferred between those vessels, vehicles or aircrafts; or
 - (b) is to be landed in Hong Kong after its importation and stored pending exportation.
- (5) In subsection (1)—

supply (供應) includes—

- (a) supply without consideration;
- (b) offer or expose for supply;
- (c) sell, or offer or expose for sale; and
- (d) hire out, or offer or expose for hiring out;

use (使用), in relation to asbestos or asbestos containing material, means—

- (a) affixing, applying, spraying or installing asbestos or asbestos containing material on or in any premises;
- (b) adding, mixing or inserting asbestos or asbestos containing material to, with, into any material, substance, product or article for manufacturing or producing any product or substance; or

(c) wrapping any material, substance, product or article with asbestos or asbestos containing material."

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8. Sections 81 to 84 added

After section 80-

Add

"81. Defence for offence under section 80

- (1) It is a defence for a person charged under section 80(2) for an article if the person establishes that at the time of the alleged offence the person did not know and could not have reasonably known that the article is asbestos or asbestos containing material.
- (2) The person is taken to have established a fact that needs to be established for the defence if—
 - (a) there is sufficient evidence to raise an issue with respect to the fact; and
 - (b) the contrary is not proved by the prosecution beyond reasonable doubt.

82. Non-application of section 80

- (1) Section 80 does not prohibit a person from importing or transhipping, or causing or permitting the import or transhipment of, asbestos or asbestos containing material that is goods in transit.
- (2) For subsection (1), it is presumed, in the absence of evidence to the contrary, that the asbestos or asbestos containing material is not goods in transit.
- (3) Section 80 does not prohibit a person from supplying, importing or transhipping, or causing or permitting the

Clause 8

supply, import or transhipment of, asbestos containing material that is proprietary Chinese medicine—

- (a) registered under section 121(2) of the Chinese Medicine Ordinance (Cap. 549);
- (b) deemed under section 128(2) of that Ordinance to be registered; or
- (c) exempted under section 158(5) of that Ordinance from the application of section 119 of that Ordinance.
- Section 80 does not prohibit an exempted person for a proprietary Chinese medicine from supplying or importing, or causing or permitting the supply or import of, asbestos containing material that is the proprietary Chinese medicine.
- Section 80 does not prohibit a person from using asbestos or asbestos containing material in work carried out in an industrial undertaking.
- (6) In this section—
- exempted person (豁免人士) means a person or an institution that is exempted under section 158(1) of the Chinese Medicine Ordinance (Cap. 549) from the application of section 119 of that Ordinance in relation to a proprietary Chinese medicine:

goods in transit (過境貨品) means goods that—

- (a) are brought into Hong Kong solely for being taken out of Hong Kong; and
- (b) remain at all times on the vessel, vehicle or aircraft that brought the goods into Hong Kong;
- industrial undertaking (工業經營) has the meaning given by section 2(1) of the Factories and Industrial Undertakings Ordinance (Cap. 59), but does not include an

Air Pollution Control (Amendment) (No. 2) Bill 2013

Part 2

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undertaking or agricultural operation to which that Ordinance does not apply under section 2(3) of that Ordinance:

proprietary Chinese medicine (中成藥) has the meaning given by section 2(1) of the Chinese Medicine Ordinance (Cap. 549).

83. Exemption from section 80

- On application, the Authority may exempt a person from a prohibition imposed under section 80(1) if the Authority considers that the exemption—
 - (a) is warranted; and
 - (b) would be unlikely to lead to a health risk to the community.
- The Authority
 - may impose any condition subject to which the exemption is granted; and
 - (b) may withdraw the exemption at any time.
- (3) If the person fails to comply with a condition of the exemption, the person commits an offence and is liable on conviction to a fine of \$200,000 and to imprisonment for 6 months.

84. Seizure etc. of asbestos or asbestos containing material following conviction under section 80

- (1) If a person is convicted of an offence under section 80(2), the Authority or an authorized officer may—
 - (a) seize, remove, destroy or otherwise dispose of the asbestos or asbestos containing material connected with the offence; or

- (b) by notice require the person to remove, destroy or otherwise dispose of the asbestos or asbestos containing material within the time and in the manner specified in the notice.
- (2) If the person fails to comply with a requirement in the notice—
 - (a) the person commits an offence and is liable on conviction to a fine of \$200,000 and to imprisonment for 6 months;
 - (b) the Authority or an authorized officer may, without further notice, seize, remove, destroy or otherwise dispose of the asbestos or asbestos containing material connected with the offence; and
 - (c) the person is liable to the Government for any costs incurred under paragraph (b) (including the transportation and storage costs of the asbestos or asbestos containing material).
- (3) The costs under subsection (2)(c) are recoverable as a civil debt due to the Government.".

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Part 3 Clause 9

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Part 3

Related Amendments to Factories and Industrial Undertakings (Asbestos) Regulation (Cap. 59 sub. leg. AD)

9. Section 12 amended (protective equipment zone)

Section 12(2)—

Repeal paragraph (a).

10. Section 21 repealed (prohibitions, etc.)

Section 21—

Repeal the section.

11. Sections 21A to 21D added

Before Part VI-

Add

"21A. Ban on asbestos spraying

The proprietor of an industrial undertaking must not undertake asbestos spraying in the industrial undertaking.

21B. Ban on using asbestos insulation

The proprietor of an industrial undertaking must not use in the industrial undertaking asbestos insulation for thermal, acoustic or other insulation (including fire protection).

Part 3 Clause 12

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21C. Ban on working with amphibole asbestos

- (1) The proprietor of an industrial undertaking must not carry out work with amphibole asbestos in the industrial undertaking.
- (2) Subsection (1) does not prohibit the proprietor from removing or disposing of amphibole asbestos that was in use before 1 September 1997.

21D. Ban on working with chrysotile

- (1) The proprietor of an industrial undertaking must not carry out work with chrysotile in the industrial undertaking.
- (2) Subsection (1) does not prohibit the proprietor from removing or disposing of chrysotile that was in use before Part 3 of the Air Pollution Control (Amendment) (No. 2) Ordinance 2013 (of 2013) comes into operation."

12. Section 23 amended (offences by proprietors)

(1) Section 23—

Renumber the section as section 23(1).

(2) Section 23(1)—

Repeal

", 20 or 21"

Substitute

"or 20".

(3) After section 23(1)—

Add

"(2) A proprietor who, without reasonable excuse, fails to comply with section 21A, 21B, 21C or 21D commits an

offence and is liable to a fine of \$200,000 and to imprisonment for 6 months.".

Air Pollution Control (Amendment) (No. 2) Bill 2013

Explanatory Memorandum

The object of this Bill is to amend the Air Pollution Control Ordinance (Cap. 311) (*principal Ordinance*) to prohibit the use, supply, import and transhipment of asbestos, or asbestos containing material, as defined in section 2 of the principal Ordinance. The Bill also makes related amendments to the Factories and Industrial Undertakings (Asbestos) Regulation (Cap. 59 sub. leg. AD) (*Regulation*) to tighten up the control on the use of asbestos in industrial undertakings.

- 2. Clause 1 sets out the short title and provides for commencement.
- 3. Clause 3 amends the definition of *asbestos containing material* in section 2 of the principal Ordinance by removing the requirement that the material must contain more than 1% asbestos.
- 4. Clause 4 amends section 28(1)(da), (db), (ic), (iiib) and (iva) of the principal Ordinance by making the provisions applicable to asbestos or asbestos containing material instead of solely to asbestos containing material.
- 5. Clause 5 replaces section 78 of the principal Ordinance with a new section containing a defence provision in line with the new section 81.
- 6. Clause 6 adds a new Part X heading to the principal Ordinance. That Part contains provisions banning the use, supply, import and transhipment of asbestos or asbestos containing material.
- 7. Clause 7 replaces section 80 of the principal Ordinance with a new section to provide for the ban on using, supplying, importing and transhipping asbestos or asbestos containing material. In particular, the new section 80(5) provides for the definitions of *supply* and *use*.

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Explanatory Mem	orandum
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Paragraph 8 14

- 8. Clause 8 adds the following provisions to the principal Ordinance—
 - (a) new section 81—providing a defence for a defendant charged under the new section 80(2) by putting the evidential burden on the defendant to prove that the defendant had no knowledge of the existence of asbestos or asbestos containing material; and
 - (b) new section 82—providing for the circumstances to which the ban does not apply; and
 - (c) new section 83—providing that the Authority, as defined in section 2 of the principal Ordinance, may exempt a person from the ban; and
 - (d) new section 84—providing that if a person is convicted of an offence under the new section 80(2), the Authority or an authorized officer may seize, remove, destroy or otherwise dispose of the asbestos or asbestos containing material connected with the offence, or require that person to do so.
- 9. Clause 9 repeals section 12(2)(a) of the Regulation to require the designation of a protective equipment zone for work with chrysotile.
- 10. Clause 11 adds a new section 21D to the Regulation that bans the proprietor of an industrial undertaking from carrying out work with chrysotile in the industrial undertaking.
- 11. Clause 12 amends section 23 of the Regulation by raising the maximum penalty for offences related to the ban on using asbestos in industrial undertakings.

Implications of the Proposal

Economic Implications

With the introduction of proven and safer asbestos free substitutes into the market, our reliance on asbestos products has greatly diminished. Asbestos was no longer used in new public housing projects since 1984. Buildings built after mid-1980s in general should be free from asbestos. Since 2002, Hong Kong has no domestic exports of asbestos and asbestos-containing products. All the imports and re-exports of asbestos and asbestos-containing products are the most commonly used asbestos - chrysotile (white asbestos). Hong Kong's imports and re-exports of white asbestos have substantially decreased from 187 tonnes in 2002 to 21 tonnes in 2012 and from 191 tonnes in 2002 to 0.2 tonnes in 2012 respectively. The corresponding import and re-export values also declined sharply at average rates of 16.6% per annum and 31.0% per annum between 2003 and 2012 respectively, and accounted for insignificant shares in Hong Kong's total merchandise trade. As such, the Amendment Bill will not have any significant impact on the local economy.

Environmental Implications

2. Asbestos is a proven carcinogen which can cause fatal diseases when inhaled. Although import and sale of amosite (brown asbestos) and crocidolite (blue asbestos) have been banned since 1996, import and sale of other forms of asbestos, including chrysotile (white asbestos), fibrous actinolite, fibrous anthophyllite and fibrous tremolite, are still allowed. Implementation of the proposed ban will effectively stop asbestos from entering the local market and prevent removed or abandoned asbestos from being re-used. It will further abate the risk of asbestos and better protect the public from exposure to environmental asbestos. The control measures will improve the environment.

Sustainability Implications

3. Banning asbestos can further abate the risk of asbestos. The proposal is conducive to the sustainability principles of seeking opportunities to enhance environmental quality, and providing a living environment which promotes and

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protects the public health.

Financial and Civil Service Implications

4. There might be a slight increase in workload in the first few years for enforcing the asbestos banning requirement through random sampling and examination of the alternatives to asbestos-containing products imported to Hong Kong. The Environmental Protection Department will absorb the additional work by the existing staff resources.