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MEMO

To : CCS(1)1

From: CCS(4)2

Ref : CB(4)/PAC/R61

Date: 14 February 2014

Public Accounts Committee

Implementation of air-quality improvement measures

The Public Accounts Committee ("PAC") Report No. 61 was tabled in the Council on 12 February 2014. In Part 4 of the Report on the "Report of the Public Accounts Committee on the Reports of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administration Region for the year ended 31 March 2012 and the Results of Value for Money Audits", the latest progress of implementing the Director of Audit's recommendations in relation to the implementation of air-quality improvement measures by the Environment Bureau, the Environmental Protection Department, the Transport and Housing Bureau, the Transport Department and the Marine Department was reported (see the **Appendix** attached).

2. While the PAC will keep in view of further development on the subject, the PAC has recommended that the issues concerned be referred to the Panel on Environmental Affairs for follow-up.

Mary SO) CCS(4)2

Encl.

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Report of the Public Accounts Committee on the Reports of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2012 and the Results of Value for Money Audits (Report No. 59) [P.A.C. Report No. 59]

Monitoring and reporting of air quality

(Chapter 1 of Part 7 of P.A.C. Report No. 59)

22. The Committee was informed that:

Administration of Air Pollution Index

- the Environmental Protection Department ("EPD") replaced the Air Pollution Index with a new health risk-based Air Quality Health Index system on 30 December 2013; and
- regarding the setting up of a general air-quality monitoring station in Tseung Kwan O, in September 2013, the EPD consulted the Sai Kung District Council on the potential sites and some members proposed additional sites for the EPD's consideration. The EPD was studying the feasibility of these additional sites. For the general air-quality monitoring station in Tuen Mun, the station was undergoing a baseline monitoring for 12 months. Reporting of air-quality monitoring data from this station had commenced since late 2013.
- 23. The Committee wishes to be kept informed of further development on the subject.

Implementation of air-quality improvement measures (Chapter 2 of Part 7 of P.A.C. Report No. 59)

24. The Committee was informed that:

Emission control of vehicles

Administration had consulted the relevant trades on its proposal to progressively phase out pre-Euro IV diesel commercial vehicles through an incentive-cum-regulatory approach. The LegCo Panel on Environmental Affairs ("EA Panel") was also consulted on 15 May 2013. The EA Panel met with the deputations from the transport trades and other stakeholders on 25 May 2013 on the proposal. Having considered the views collected, the Administration put forward a revised proposal for discussion at the EA Panel meeting on 2 October 2013.

P.A.C. Report No. 61 - Part 4

Report of the Public Accounts Committee on the Reports of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2012 and the Results of Value for Money Audits (Report No. 59) [P.A.C. Report No. 59]

With the support of the EA Panel, the Administration tabled the proposed regulation in LegCo on 30 October 2013 for negative vetting. Upon approval of the regulation on completion of the vetting procedures, the Administration would seek the LegCo Finance Committee's funding approval as soon as possible with a view to implementing the scheme in the first quarter of 2014;

emissions from liquefied-petroleum-gas ("LPG") and petrol taxis and light buses All contracts for the one-off subsidy to help vehicle owners replace the catalytic converters and oxygen sensors in their LPG and petrol taxis and light buses were awarded in July 2013. The replacement exercise commenced in October 2013 and would take about six months to complete. Immediately after its completion, the EPD would deploy roadside remote sensing equipment to identify those LPG or petrol vehicles emitting excessively and ask their owners to rectify the excessive emission problem; and

Emission control of marine vessels

- enforcement of international standards and dark-smoke control of vessels The EA Panel supported on 27 May 2013 the legislative proposal to adopt Shade 2 on the Ringelmann Chart as an objective benchmark for measuring dark-smoke emission from vessels. It also supported on 24 June 2013 the legislative proposal on incorporating the latest standards of the International Maritime Organisation into the Merchant Shipping (Prevention of Air Pollution) Regulation (Cap. 413M). The Transport and Housing Bureau, the Marine Department and the Department of Justice ("DoJ") were working together to expedite the two exercises with a view to introducing the relevant bill and amendment regulation in LegCo as soon as possible within the 2013-2014 legislative session.
- 25. The Committee was also informed that follow-up actions had been completed or on-going to address three of the seven audit recommendations. The four outstanding audit recommendations included:
 - formulating better strategies for reducing the number of pre-Euro IV diesel commercial vehicles running on the street;

P.A.C. Report No. 61 - Part 4

Report of the Public Accounts Committee on the Reports of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2012 and the Results of Value for Money Audits (Report No. 59) [P.A.C. Report No. 59]

- implementing a subsidy scheme for replacing high-polluting vehicles;
- requiring local and river-trade vessels to use ultra-low-sulphur diesel in Hong Kong waters as early as possible; and
- completing the legislative procedures necessary for implementing the proposed non-road mobile machinery emission-control system.
- 26. The Committee recommends that the issues related to the implementation of air-quality improvement measures be followed up by the LegCo EA Panel.
- 27. The Committee wishes to be kept informed of further development on the subject.

Regulatory control of private hospitals

(Chapter 3 of Part 7 of P.A.C. Report No. 59)

28. The Committee was informed that:

Inspection of private hospitals

- regulatory actions against irregularities detected during inspections to private hospitals The DH had finished revising the protocol on regulatory actions against non-compliance by private hospitals. The levels of regulatory actions were commensurate with the severity levels of non-compliance. Regulatory letters would be issued to remedy serious non-compliance. For those with an impact on public health, the DH would require rectification by the private hospital concerned as part of the registration conditions;
- closure arrangements The DH had drawn up a set of guidelines to assist any private hospital that intends to cease operation. The guidelines set out, among other things, necessary arrangements that private hospitals needed to make to cease operation smoothly without compromising patient safety. The DH would also monitor the process in accordance with the guidelines;