# 立法會 Legislative Council

LC Paper No. CB(1)1143/14-15

(These minutes have been seen by the Administration)

Ref : CB1/SS/8/14/1

## Subcommittee on Road Traffic Ordinance (Amendment of Schedule 10) Order 2015

## Minutes of third meeting held on Monday, 15 June 2015, at 10:45 am in Conference Room 2B of the Legislative Council Complex

Members present	:	Hon Frankie YICK Chi-ming (Chairman)
		Hon Cyd HO Sau-lan, JP
		Hon CHAN Hak-kan, JP
		Dr Hon KWOK Ka-ki
		Hon POON Siu-ping, BBS, MH
		Hon TANG Ka-piu, JP

Public Officers	:	For item I
attending		
		Mr Andrew LAI, JP
		Deputy Director of Environmental Protection

Deputy Director of Environmental Protection (3) Environmental Protection Department

Mr MOK Wai-chuen, JP Assistant Director (Air Policy) Environmental Protection Department

Mr FONG Kin-wa Principal Environmental Protection Officer (Mobile Source) Environmental Protection Department

	Mr Alex LAI Government Counsel
	Department of Justice
Clerk in Attendance :	Ms Angel SHEK Chief Council Secretary (1)1
Staff in attendance :	Miss Carrie WONG Assistant Legal Adviser 4
	Ms Mandy LI Council Secretary (1)1
	Miss Mandy POON Legislative Assistant (1)1

# <u>Action</u>

Meeting with the Administration Matters arising from previous meet	ing
(LC Paper No. CB(1)984/14- 15(01)	- — List of follow-up actions arising from the meeting on 10 June 2015
LC Paper No. CB(1)984/14-15(02)	<ul> <li>Administration's response to the issues arising from the meeting held on 10 June 2015 and to the views provided by organizations/individual at the meeting or in their submissions</li> </ul>
Relevant papers	
L.N. 90 of 2015	<ul> <li>— Road Traffic Ordinance (Amendment of Schedule 10) Order 2015</li> </ul>
issued in May 2015	— Legislative Council Brief issued by the Environment

Bureau/ Environmental Protection Department

- LC Paper No. LS66/14-15 Legal Service Division Report
- LC Paper No. CB(1)926/14-15(01) Marked-up copy of relevant provisions to be amended by the subsidiary legislation prepared by the Legal Service Division (Restricted to members)
- LC Paper No. CB(1)926/14-15(02) Background brief prepared by the Legislative Council Secretariat)

#### **Discussion**

<u>The Subcommittee</u> deliberated (index of proceedings attached at the **Annex**).

2. <u>The Subcommittee</u> completed scrutiny of the provisions of the Road Traffic Ordinance (Amendment of Schedule 10) Order 2015 ("the Order").

Follow-up actions to be taken by the Administration

Admin 3. <u>The Administration</u> was requested to provide –

- (a) drawn-to-scale diagrams to illustrate the locations for placing remote sensing equipment on uphill roads for detecting vehicle emissions at roadsides;
- (b) information on the respective emission caps adopted by the European Union for Euro 6 diesel, petrol and liquefied petroleum gas ("LPG") vehicles; and the emission performance of diesel vehicles compared to that of petrol and LPG vehicles if the former were equipped with functioning selective catalytic reduction devices; and
- (c) proposed amendments to the Order to the effect that the emission test fee increase would be implemented in two phases: 50% of the fee increase for each type of vehicles concerned would come into effect on 1 August 2015 (i.e. first phase); and the remaining 50% of

the fee increase would come into operation 18 months afterwards on 1 February 2017 (i.e. second phase).

(*Post-meeting note*: The Administration's written response was issued to members vide LC Paper No. CB(1)1012/14-15(02) on 22 June 2015.)

4. <u>The Subcommittee</u> agreed that it would not propose amendments to the Order.

## II. Any other business

Legislative timetable

5. <u>The Chairman</u> reminded members that the scrutiny period of the Order would expire at the Council meeting of 8 July 2015, and that the deadline for giving notice of amendment to the Order was 30 June 2015.

6. There being no other business, the meeting ended at 11:45 am.

Council Business Division 1 Legislative Council Secretariat 23 July 2015

## Subcommittee on Road Traffic Ordinance (Amendment of Schedule 10) Order 2015

### Proceedings of the third meeting on Monday, 15 June 2015, at 10:45 am in Conference Room 2B of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action required		
Agenda Ite	Agenda Item I - Meeting with the Administration				
000205 - 000316	Chairman	Introductory remarks			
000317 - 000919	Chairman Administration	Briefing by the Administration on its response to the issues arising from the meeting on 10 June 2015 and to the views provided by organizations/individual at the meeting or in their submissions [LC Paper No. CB(1)984/14-15(02)]			
000920 - 002014	Chairman Mr POON Siu-ping Mr TANG Ka-piu Administration	Referring to the concerns expressed by the transport trades at the last meeting, Mr POON and Mr TANG suggested that the increase in the fees payable to designated vehicle emission testing centres ("DVETCs") for conducting emission tests ("test fees") be implemented in phases.			
		The Chairman expressed concerns that it would be even more difficult for the businesses of DVETCs to become or remain viable in view of the decreasing number of vehicles with excessive emissions as a result of the Government's strengthened emission control measures, and the likelihood that fewer vehicles would be required to undergo emission tests at DVETCs in the long run. This might necessitate further and perhaps more substantial adjustment of the test fees again in the near future.			
		The Administration advised that –			
		<ul> <li>(a) the test fee had not been adjusted over the past 17 years albeit the increase in the operating costs of DVETCs. As all DVETCs were privately-run, it was necessary to set the test fee at a reasonable level to sustain their operations and maintain the provision of emission test services;</li> </ul>			
		(b) the vehicles caught with excessive emissions since the launch of the remote sensing scheme in September 2014 only accounted			

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		<ul> <li>for 1% of some 400 000 vehicles checked.;</li> <li>(c) increasing the test fee would not cause any burden to vehicle owners who had maintained their vehicles properly. For those who had overlooked vehicle maintenance, it was reasonable to subject these owners to the test fee payment if their vehicles were caught emitting excessively; and</li> </ul>	
		(d) similar to the implementation of the smoky vehicle control programme for diesel vehicles, it would take time for the strengthened emission control programme to bring about a significant decrease in the number of petrol and LPG vehicles with excessive emissions. As such, it was unlikely that the number of emission tests would fall sharply in the near future.	
002015 -	Chairman	Mr CHAN suggested the Administration consider –	
002819	Mr CHAN Hak-kan Administration	<ul> <li>(a) postponing the implementation of the test fee increase. If the fee increase had taken into account inflation in the coming few years, there should be room for reducing the increase;</li> </ul>	
		(b) including dynamometer-based emission tests as part of the annual examination for licence renewal of motor vehicles; and	
		(c) providing emission test services with its own resources instead of relying on the private sector to conduct the tests in the long run.	
		The Administration responded that –	
		<ul> <li>(a) while it had been making preparations for the inclusion of dynamometer-based emission test as part of the annual examination of motor vehicles, the fact remained that vehicle owners should properly maintain and repair their vehicles to avoid them causing excessive emissions;</li> </ul>	
		(b) the new test fees were set having regard to the prevailing costs of running a DVETC and the imminent need to bring down the operating loss of DVETCs. The fee increase had not	

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		taken into account the potential inflationary growth in the coming years; and	
		(c) to strike a balance of interests between the transport trades and DVETC operators, the Administration would in future review the test fees from time to time to keep the fees in pace with cost increases and avoid making substantial fee increase at one time.	
002820 - 004444	Chairman Administration	The Chairman expressed concerns about –	
004444	Administration	<ul> <li>(a) the lifespan and quality of catalytic converters provided under the one-off subsidy scheme launched by the Environmental Protection Department ("EPD") to assist owners of petrol/LPG taxis and PLBs to replace the catalytic converters and oxygen sensors of their vehicles to reduce emissions ("the Scheme");</li> </ul>	
		<ul> <li>(b) the existing policy restriction on importation of diesel taxis as it had in effect limited the options of vehicle types/brands for making replacement of older taxis; and</li> </ul>	
		(c) the objectivity of emission measurement if the remote sensing equipment for screening vehicles was placed at the lower end of steep roads.	
		The Chairman urged EPD to work with the Transport Department more closely to expedite the inclusion of dynamometer-based emission test as part of the annual examination of motor vehicles. He also indicated that he would consider moving a motion to repeal the Order if the Administration would not take heed of members' request for a phased implementation of the test fee increase.	
		The Administration responded that –	
		<ul> <li>(a) catalytic converters would be worn out over time and needed to be replaced regularly. In the case of LPG taxis and PLBs, replacement should be made after some 100 000 kilometre mileage depending on the actual conditions of maintenance/repair of the converters and other parts of the vehicles. A 12-month free warranty was provided to all products</li> </ul>	

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		supplied under the Scheme against the usual trade practice of providing no such warranty;	
		(b) taxis were in the same category as cars in respect of emission standards. The emission caps adopted by the European Union ("EU") for diesel cars was less stringent than those for their petrol/LPG cars. The nitrogen oxides emissions from Euro 6 diesel cars could still be much higher than those from their petrol or LPG counterparts. Hence the Administration did not see it opportune to allow for the use of diesel taxis but the Administration would continue to encourage the introduction of more environmentally friendly taxis into the local market;	
		(c) the remote sensing equipment was set up at locations with smooth traffic including flat road or slightly uphill road to detect emissions from vehicles under normal driving conditions. If vehicles' parts (including emission reduction device) were operating normally, they would not be detected with excessive emissions; and	
		(d) if the test fees were not raised, some DVETCs might consider withdrawing from the provision of the emission test services. This would impair the ongoing efforts to strengthen vehicle emission control and to improve roadside air quality.	
		At the Chairman's request, the Administration agreed to provide –	The Administration to take action as
		<ul> <li>(a) drawn-to-scale diagrams to illustrate the locations for placing remote sensing equipment on uphill roads;</li> </ul>	paragraph 3(a) and (b) of the minutes
		<ul> <li>(b) information on the respective emission caps adopted by EU for Euro 6 diesel, petrol and LPG vehicles; and</li> </ul>	
		(c) the emission performance of diesel vehicles compared to that of petrol/LPG vehicles if the former were equipped with functioning selective catalytic reduction devices.	

Time marker	Speaker	Subject(s)	Action required	
marker 004445 - 005930	Chairman Mr TANG Ka-piu Mr POON Siu-ping Dr KWOK Ka-ki Administration	As members in general agreed that the Administration should consider implementing the test fee increase in phases, the Chairman suggested that the fee increase be implemented in two phases, i.e. 50% of the test fee increase for each type of vehicles concerned would come into operation on 1 August 2015 (i.e. first phase); and the remaining 50% of the fee increase would come into operation 24 months later (i.e. second phase). This would help the transport trades to absorb the impact of the fee increase progressively, while the Administration could take time to enhance implementation of the emission tests (e.g. incorporating the emission tests as part of the annual examination for licence renewal of motor vehicles). Mr POON said that while he appreciated the difficulties faced by DVETC operators given their commercial operations, the Administration should address the concerns of the transport trades about the large magnitude of test fee increase. Mr TANG suggested that issues relating to the operation mode of DVETCs be dealt with separately from this Order. After discussion, the Administration agreed that the test fee increase be implemented in two phases but counter-proposed that the second phase of the test fee increase should come into operation 18 months (instead of 24 months) after implementing the first phase. Members considered the Administration's counter-		
		proposal acceptable as it could strike a balance between the interests of DVETC operators and the transport trades.		
Section-by-section examination of the Order				
005931 - 010057	Chairman Administration	Road Traffic Ordinance (Amendment of Schedule 10) Order 2015 (L.N. 90 of 2015)		
		Section 1 – Commencement		
		Section 2 – Road Traffic Ordinance amended		
		Section 3 – Schedule 10 amended (requirements applicable to vehicle emission testing centres)		

Time marker	Speaker	Subject(s)	Action required
		Members raised no questions. The Administration advised that it would provide the proposed amendments in respect of phased implementation of the test fee increase for comment by the Legal Adviser to the Subcommittee on the legal and drafting aspects.	The Administration to take action as paragraph 3(c) of the minutes
010058 - 010210	Chairman	Follow-up arrangements and legislative timetable	

Council Business Division 1 Legislative Council Secretariat 23 July 2015