# 立法會 Legislative Council

LC Paper No. CB(1)1341/20-21 (These minutes have been seen by the Administration)

Ref: CB1/PL/EA

#### **Panel on Environmental Affairs**

# Minutes of meeting held on Monday, 19 July 2021, at 4:30 pm in Conference Room 2 of the Legislative Council Complex

**Members present**: Hon Vincent CHENG Wing-shun, MH, JP (Chairman)

Hon Paul TSE Wai-chun, JP (Deputy Chairman)

Hon WONG Ting-kwong, GBS, JP Hon CHAN Hak-kan, SBS, JP Hon Steven HO Chun-yin, BBS, JP Hon Frankie YICK Chi-ming, SBS, JP

Hon KWOK Wai-keung, JP Hon Elizabeth QUAT, BBS, JP

Ir Dr Hon LO Wai-kwok, GBS, MH, JP

Dr Hon Junius HO Kwan-yiu, JP

Hon SHIU Ka-fai, JP

Hon Kenneth LAU Ip-keung, BBS, MH, JP

Hon Tony TSE Wai-chuen, BBS, JP

# Public Officers attending

For item III

Mr WONG Kam-sing, GBS, JP Secretary for the Environment

Mr TSE Chin-wan, BBS, JP

Under Secretary for the Environment

Mr Owin FUNG, JP

Deputy Director of Environmental Protection (3)

**Environmental Protection Department** 

Mr Dave HO, JP Assistant Director (Air Policy) Environmental Protection Department

Mr Brian LAU

Principal Environmental Protection Officer (Air Policy)

**Environmental Protection Department** 

Dr Kenneth LEUNG

Principal Environmental Protection Officer (Air Science)

**Environmental Protection Department** 

Mr LIU Chun-san, JP Under Secretary for Development

Mr SHEA Tin-cheung Chief Engineer/Strategic Studies Transport Department

#### For item IV

Mr TSE Chin-wan, BBS, JP Under Secretary for the Environment

Mr José YAM

Principal Assistant Secretary for the Environment (Energy)

Mr Barry CHU

Assistant Director/Electricity and Energy Efficiency Electrical and Mechanical Services Department

Mr Arthur LEE Chief Engineer/Energy Efficiency A Electrical and Mechanical Services Department

**Clerk in attendance:** Ms Angel SHEK

Chief Council Secretary (1)1

**Staff in attendance**: Mr Jason KONG

Senior Council Secretary (1)1

Miss Mandy POON Legislative Assistant (1)1

Action

# I. Information papers issued since last meeting

Members noted that no information paper had been issued since the last meeting.

# II. Items for discussion at the next meeting

(LC Paper No. CB(1)1113/ — List of follow-up actions 20-21(01)

LC Paper No. CB(1)1113/ — List of outstanding items for discussion) 20-21(02)

- 2. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Monday, 23 August 2021, at 2:30 pm:
  - (a) Public Consultation on the Scheme on Regulation of Disposable Plastic Tableware; and
  - (b) ameliorating noise problems in public places and domestic premises and wider use of innovative technologies to manage environmental noise.
- 3. The <u>Chairman</u> remarked that the Panel would conduct a duty visit to O·PARK1 (an Organic Resources Recovery Centre) in Siu Ho Wan, North Lantau; T·PARK (a sludge treatment facility) in Tsang Tsui, Tuen Mun; and GREEN@TUEN MUN (a Recycling Station in Tuen Mun that provided recycling support and environmental protection education) on 17 August 2021.

# III. Clean Air Plan for Hong Kong 2035

(LC Paper No. CB(1)1113/ — Administration's paper on "Clean Air 20-21(03) Plan for Hong Kong 2035"

LC Paper No. CB(1)1113/ — Updated background brief on "Measures to improve air quality" prepared by the Legislative Council Secretariat

LC Paper No. CB(1)1125/ — Submission from Business Environment 20-21(01) — Council (English version only)

LC Paper No. CB(1)1132/ — Submission from Hong Kong Institute 20-21(01) of Qualified Environmental Professionals (English version only)

LC Paper No. CB(1)1134/ — Joint submission from 5 members of the 20-21(01) public (English version only))

#### Briefing by the Administration

- 4. The <u>Secretary for the Environment</u> ("SEN") said that with the implementation of a series of measures to reduce air pollutant emissions from local electricity generation, vehicles, vessels, etc., by 2020, Hong Kong had attained the major goals set out in the progress report of the "A Clean Air Plan for Hong Kong" in 2017. To continuously improve air quality, the Government announced the Clean Air Plan for Hong Kong 2035 ("the Plan") in June 2021, which set out the vision of "Healthy Living Low-carbon Transformation World Class". It was expected that implementation of measures outlined in the Plan would also help realize Hong Kong's target of achieving carbon neutrality before 2050.
- 5. With the aid of a PowerPoint presentation, the <u>Deputy Director of Environmental Protection (3)</u> ("DDEP(3)") advised that the two major targets in the Plan were to lead Hong Kong to become a liveable city with air quality on par with major international cities by 2035, and progressively advance towards the ultimate goal of fully meeting the ultimate targets under the Air Quality Guidelines ("AQGs") of the World Health Organization ("WHO"). He then briefed members on the six major areas of action under the Plan, namely green transport, liveable environment, comprehensive emissions reduction, clean energy, scientific management, and regional collaboration.

(*Post-meeting note*: The PowerPoint presentation materials were circulated to members on 19 July 2021, vide LC Paper No. CB(1)1137/20-21(01).)

#### Discussion

Policy direction and major targets

- 6. <u>Mr Tony TSE</u> and <u>Mr Kenneth LAU</u> expressed support for the implementation of policies and measures under the Plan. <u>Ms Elizabeth QUAT</u> welcomed the announcement of the Plan and considered that the six major areas of action were in the right direction.
- 7. Mr SHIU Ka-fai said that he was supportive of environmental protection but was concerned whether the benefits of relevant initiatives outweighed the costs. He and Mr Frankie YICK considered that the Administration should provide more information to the public on the cost-benefit analyses of environmental protection initiatives.
- 8. In response to Mr KWOK Wai-keung's question about the progress of tightening Hong Kong's Air Quality Objectives ("AQOs"), the <u>Under Secretary for the Environment</u> ("USEN") explained that half of the 12 AQOs had already adopted the ultimate targets of WHO's AQGs. The remaining six AQOs related to the concentrations of sulphur dioxide, respirable suspended particulates, fine suspended particulates ("PM2.5") and ozone. The Administration would progressively tighten those AQOs with reference to WHO's guidelines.

#### Green transport

- 9. <u>Mr Tony TSE</u> and the <u>Chairman</u> urged the Administration to continue to step up efforts to reduce air pollutant emissions from public transport vehicles, with a view to improving roadside air quality. <u>Mr TSE</u> raised the following questions:
  - (a) whether franchised bus low emission zones ("LEZs") were effective in reducing emissions from franchised buses, and why the Administration had not set up more LEZs in addition to the three existing ones;
  - (b) the progress of other measures for improving franchised buses' emission performance; and
  - (c) given that the only manufacturer of liquefied petroleum gas ("LPG") light buses formerly supplied to Hong Kong had ceased the production of this vehicle type, how the Administration would expedite the adoption of new energy vehicles ("NEVs") as public light buses ("PLBs").

- 10. <u>Mr Frankie YICK</u> pointed out that hydrogen fuel cell buses had been introduced in the Mainland and the United Kingdom. He suggested that the Administration should study how to facilitate the application of hydrogen energy for transport in Hong Kong.
- 11. <u>SEN</u> responded that with the implementation of measures for phasing out old vehicles, there had been significant improvement in roadside air quality over the years. The Administration had also put in a great deal of efforts to test out applications of NEVs in public transport. Since the announcement of the Hong Kong Roadmap on Popularisation of Electric Vehicles ("EV Roadmap") in March 2021, a franchised bus company had indicated its plan to procure a few hundred electric buses by 2025, while another franchised bus company would actively explore the feasibility of adopting hydrogen fuel cell buses.
- 12. <u>DDEP(3)</u> supplemented that the Administration's long-term goal was to achieve zero vehicular emission before 2050, and this necessitated the popularization of NEVs in place of conventional fuel-propelled vehicles. In pursuit of this goal and to improve roadside air quality, the Administration would promote the general adoption of low-emission or zero-emission franchised buses in the whole territory, instead of within LEZs only. On reducing the emissions from PLBs, the Administration was taking forward a pilot scheme on electric PLBs ("e-PLBs"). The technical guidelines for e-PLBs and associated charging facilities had been formulated. The Administration was in the process of identifying suitable routes for trial under the pilot scheme and potential manufacturer(s) of e-PLBs. It was envisaged that the trial could be launched in 2023. Moreover, to support the trials and applications of hydrogen energy in Hong Kong, the Administration endeavoured to draw up relevant standards and regulations as soon as practicable.

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- 13. <u>Mr Tony TSE</u> requested the Administration to provide supplementary information on the implementation timetables and targets for initiatives on further reducing air pollutant emissions from franchised buses and PLBs.
- 14. <u>Ms Elizabeth QUAT</u> expressed dissatisfaction that the short and mediumterm measures in the area of green transport under the Plan were rather unambitious and would fall short of bringing about a much-needed transformation of the public transport sector for improving roadside air quality. As the incentive-cum-regulatory programme to phase out old diesel commercial vehicles had successfully reduced roadside air pollution, she suggested that the Administration should expedite the adoption of NEVs in public transport through legislation and subsidies. As traffic congestion exacerbated roadside air pollution, she considered that the Administration should also step up efforts to develop intelligent transport systems, such as smart parking systems and smart traffic light systems. In this connection, she enquired whether owners or

operators of private car parks would be required to provide real-time vacancy/occupancy information of such car parks.

- 15. <u>SEN</u> responded that the Administration had been supporting trials and adoption of NEVs by the transport trades through the New Energy Transport Fund ("NET Fund"). In June 2021, subsidies had been approved under the NET Fund for some organizations to purchase single-deck electric buses to be used as school buses. The Administration also noted that some food delivery service providers had plans to try out some electric motorcycles in their vehicle fleets. These examples showed that NEVs were gaining popularity among the transport trades.
- 16. On promoting the development of intelligent transport systems, the Chief Engineer/Strategic Studies, Transport Department advised that provisions had been incorporated into new land leases as appropriate to require developers to provide the Transport Department ("TD") with real-time parking vacancy information after completion of relevant new development projects with car parks. TD would soon commence a traffic and transport strategy study, which would support the formulation of policies on the development of the public transport systems by 2050. Topics to be covered by the study would include, among other things, the development of smart traffic light systems and other methods to optimize traffic flow, and the use of innovative transport technologies (such as vehicle-to-everything communications and autonomous vehicles). TD planned to conduct a public consultation on the first batch of relevant proposals by the third quarter of 2023. Ms Elizabeth QUAT urged the Administration to expedite the study and the formulation of relevant proposals.
- 17. <u>Ir Dr LO Wai-kwok</u> pointed out that the European Union had proposed a new rule that would effectively ban the sale of petrol and diesel vehicles from 2035. As it was a global trend to switch to zero-emission vehicles, he considered that the Administration should formulate a blueprint for phasing out fuel-propelled vehicles.
- 18. <u>SEN</u> responded that the Administration would keep an eye on the European Union's deliberation of the said proposal. As announced in EV Roadmap, Hong Kong would stop new registration of fuel-propelled private cars (including hybrid vehicles) in 2035 or earlier. The Administration would also continue to conduct trials for electric commercial vehicles, with a view to setting a more concrete way forward and timetable for the adoption of such vehicles in the future.
- 19. <u>Mr Frankie YICK</u> asked whether the Administration would consider putting in place a transitional arrangement to encourage owners of older models of fuel-propelled private cars to switch to newer models with better environmental performance (e.g. Euro VI private cars) through tax rebates, so

that private car owners who did not choose electric vehicles ("EVs") could also make some contributions to emission reduction. <u>DDEP(3)</u> responded that the Administration was open to suggestions on how to promote the popularization of NEVs and reduce vehicular emissions.

- 20. The <u>Chairman</u> asked about the implementation progress of the EV-charging at Home Subsidy Scheme ("EHSS") and whether the Administration would consider injecting more funds into the scheme if it was oversubscribed.
- 21. <u>SEN</u> advised that public response to EHSS was enthusiastic. Applications to the scheme (from its launch in October 2020) already covered about 100 000 parking spaces in over 440 private residential buildings, compared to the initial estimation of some 60 000 parking spaces to be covered by the scheme in three years. Some of the successful applicants had initiated the tender processes for inviting consultant to design the installation works. It was expected that experience gained from the implementation of these earlier projects could enable more accurate assessment of the funds required to upgrade car parks of private residential buildings to enable EV charging. The Administration would consider the way forward for EHSS, taking into account the assessment results.

### Clean energy

- 22. As natural gas was more expensive than coal, <u>Mr Kenneth LAU</u> asked how the Administration would prevent the power companies from transferring the increased fuel cost to the general public amid the increasing use of natural gas for local electricity generation. He also asked about the Administration's plan for promoting the use of non-fossil fuel energy sources to generate electricity.
- 23. <u>SEN</u> responded that it was a mainstream practice globally to use more natural gas as a transitional energy source for electricity generation. Government's energy policy was to ensure that electricity demands of the community were met safely, reliably, efficiently and at reasonable prices, while minimizing the environmental impact of electricity generation. The offshore liquefied natural gas ("LNG") terminal being constructed by the two power companies would enhance LNG supply security at competitive prices, which could help maintain costs of electricity generation at stable levels. electricity tariffs in Hong Kong were relatively low compared to those in many other major cities, the Administration was aware of the need to address the concern about the financial burden on some demographic groups. Electricity charge subsidies had therefore been offered in recent years. Looking ahead, the Administration would update the Hong Kong's Climate Action Plan, which would set out in more detail how to decarbonize the electricity sector and diversify energy sources. In the meantime, the Administration would continue to promote

the development of renewable energy through the Feed-in Tariff Scheme.

- 24. As the two power companies were studying the feasibility of developing offshore wind farms and some fishermen might suffer permanent loss of fishing grounds if the projects were taken forward, <u>Mr Steven HO</u> considered that the Administration should assist affected fishermen in transforming their businesses (say from commercial fishing to recreational fishing or eco-tourism), and give priority consideration to those fishermen in the applications for relevant business licences.
- 25. <u>SEN</u> responded that when implementing green infrastructure projects, the Administration would seek to minimize the impacts on stakeholders concerned and assist the trades in seizing new business opportunities. The Administration would continue to maintain close communication with relevant stakeholders on the proposed development of offshore wind farms.
- 26. Mr Tony TSE and Mr Frankie YICK enquired about the plan for and progress of facilitating or requiring the use of cleaner fuel by ocean-going vessels, and whether the Administration would consider promoting the introduction of LNG heavy-duty vehicles into Hong Kong. In addition, Mr YICK expressed concern about the financial impact of the proposed tightening of sulphur content limit of marine light diesel (from not more than 0.05% to not more than 0.001%) on transport operators, and asked whether the Administration would offer any financial assistance to mitigate the impact.
- 27. <u>Mr Steven HO</u> commented that before the Administration launched any schemes to mandate the use of cleaner fuels or switch to new energy sources, it should ensure that there was effective market competition in the supply of those fuels/energy sources and related equipment.
- 28. <u>DDEP(3)</u> advised that it was expected that LNG would be widely adopted in ocean-going vessels across the globe in future. The Administration would actively explore the provision of offshore LNG bunkering facility for such vessels. If the local adoption of LNG in vessels was successful, it would likely to be feasible to extend the fuel's application to heavy-duty vehicles as well. The Administration adopted an open attitude towards potential applications of LNG in Hong Kong, and would study the issues involved, such as how to enable the refuelling of vehicles with LNG.
- 29. As regards the proposed tightening of the sulphur content limit of locally-supplied marine fuels, <u>DDEP(3)</u> advised that the Administration had discussed relevant issues with the trade in 2020. The Administration had not set any timetable yet for the implementation of the initiative, and would take into account relevant factors, including the impact on the operating costs of transport operators

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and economic environment, when formulating the implementation proposal.

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- 30. <u>Mr Tony TSE</u> requested the Administration to provide supplementary information on the implementation timetables and targets for initiatives on reducing air pollutant emissions from ocean-going vessels.
- 31. Referring to a question he raised at the Council meeting of 5 June 2019 on promoting the use of biodiesel, <u>Mr Frankie YICK</u> asked how the Administration would ensure that there would be sufficient outlets for locally-produced biodiesel. <u>SEN</u> advised that the Administration had increased the use of biodiesel in recent years, and would continue to discuss with stakeholders how to widen biodiesel's applications in Hong Kong.

Comprehensive emissions reduction and creating a more liveable environment

- 32. Mr KWOK Wai-keung expressed dissatisfaction that there was no mention of promoting the use of bicycles as a daily mode of transport in urban areas in the Administration's paper (LC Paper No. CB(1)1113/20-21(03)). He urged the Environment Bureau ("ENB") to work closely with the Transport and Housing Bureau in formulating and implementing bicycle-friendly policies.
- 33. The <u>Under Secretary for Development</u> responded that the Administration endeavoured to provide comprehensive cycle track networks in new towns and new development areas, so as to promote cycling for short-distance commuting between public transport facilities and homes or offices. The <u>Chief Engineer/Strategic Studies</u>, <u>Transport Department</u> added that TD had been working closely with the Development Bureau in promoting cycling. The Administration's target was to achieve a higher usage rate of bicycles in new development areas (such as the Hung Shui Kiu New Development Area), compared with the usage rates in established new towns (such as Sha Tin New Town), through enhancing the provision of bicycle parking spaces and designs of cycle tracks, etc. Due to the heavy traffic in urban areas and other limitations, the Administration did not encourage the public to use bicycles as a mode of transport in urban areas.
- 34. <u>Ir Dr LO Wai-kwok</u> commented that Hong Kong lagged behind some neighbouring cities in the use of the light emitting diode ("LED") technology in public lighting systems. He asked about the current coverage of LED public lighting systems in Hong Kong. <u>SEN</u> advised that he would relay Ir Dr LO's concern and question to the Highways Department.

#### Scientific management and regional collaboration

- 35. The <u>Chairman</u> remarked that a fire that broke out on a vessel in Tsing Yi South in June 2021 had aroused public concern about the emission of PM2.5 and associated health risks. He asked whether the Environmental Protection Department ("EPD") would consider enhancing the monitoring of PM2.5 and providing timely information to the public following fire incidents and other air pollution episodes.
- 36. The <u>Assistant Director (Air Policy)</u> responded that data on the ambient and roadside concentrations of PM2.5 was published on the relevant website hourly. The Administration would issue a press release to advise the public to take precautionary measures if the Air Quality Health Index reached an alert level. While fire incidents might lead to short-term spikes in PM2.5 concentrations, their impact on the overall air quality was usually limited. Following the incident mentioned by the Chairman, EPD had strengthened dissemination of information on air pollutants monitoring data after major fire incidents.
- 37. <u>Ir Dr LO Wai-kwok</u> stressed the importance for Hong Kong to collaborate with other cities in the Guangdong-Hong Kong-Macao Greater Bay Area on improving regional air quality. He considered that the Administration should enhance publicity on related measures and their outcomes in terms of air quality improvement.
- 38. <u>SEN</u> advised that the Administration would work with the Guangdong Provincial Government to formulate regional air pollutant emission reduction plans and targets for 2025 and 2030, with a view to further improving regional air quality. The Administration would take the opportunity to provide the public with more information on efforts made by the Mainland authorities to improve air quality.

#### Benefits of air quality improvement measures

- 39. Mr SHIU Ka-fai noted that the number of premature deaths associated with long-term exposure to air pollutants in 2025 was estimated to be reduced by about 1 900 cases compared with 2015. He enquired how the number was arrived at.
- 40. The <u>Principal Environmental Protection Officer (Air Science)</u> ("PEPO(AS)") explained that the number was estimated using a model developed by local experts with reference to historical numbers of deaths and hospital admissions associated with cardiovascular and respiratory diseases, data of health risk assessment published by other jurisdictions, trends in Hong Kong's air

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quality, etc. In response to Mr SHIU Ka-fai's follow-up question, <u>PEPO(AS)</u> undertook to provide supplementary information on the number of premature deaths reduced in the past years due to improvement in Hong Kong's air quality

41. <u>Mr Frankie YICK</u> opined that the general public might find it hard to understand the concept of premature deaths avoided. He suggested that the Administration conduct studies on the economic benefits of air quality improvement measures and publish the study results for public reference. <u>The Administration</u> took note of the suggestion.

## IV. Phase IV of Mandatory Energy Efficiency Labelling Scheme

(LC Paper No. CB(1)1113/ — Administration's paper on "Phase IV of 20-21(05) Mandatory Energy Efficiency Labelling Scheme"

LC Paper No. CB(1)1113/ — Updated background brief on 20-21(06) "Mandatory Energy Efficiency Labelling Scheme" prepared by the Legislative Council Secretariat)

#### Briefing by the Administration

42. With the aid of a PowerPoint presentation, the Chief Engineer/Energy Efficiency A, Electrical and Mechanical Services Department ("CE/EEA, EMSD") briefed the Panel on the proposed implementation of Phase IV of the Mandatory Energy Efficiency Labelling Scheme ("MEELS"), which would expand the scheme's coverage to include gas cookers, gas instantaneous water heaters and LED lamps ("the three product types"). The proposal was supported by all respondents to a public consultation conducted by the Electrical and Mechanical Services Department ("EMSD"). The Administration planned to introduce the relevant legislative amendments into the Legislative Council ("LegCo") in the 2022-2023 legislative session, with a view to implementing MEELS Phase IV in the second quarter of 2023. It was proposed to put in place a transitional period of 15 to 18 months, during which the test results of product models that had already been registered under the latest edition of the Voluntary Energy Efficiency Labelling Scheme ("VEELS") could be carried forward to MEELS upon application. MEELS Phase IV was expected to be fully implemented in the third or fourth quarter of 2024, upon expiry of the transitional period.

(*Post-meeting note*: The PowerPoint presentation materials were circulated to members on 19 July 2021, vide LC Paper No. CB(1)1137/20-21(02).)

#### Discussion

Product coverage and market situation

- 43. <u>Mr KWOK Wai-keung</u> enquired whether LED lamps without separate packaging and pre-installed on other electrical appliances, such as LED lamps on motion sensor lighting products, would be within the scope of MEELS Phase IV.
- 44. The <u>Assistant Director/Electricity and Energy Efficiency</u>, <u>Electrical and Mechanical Services Department</u> ("AD/EE, EMSD") explained that the international test standard IEC 62612:2013 would be adopted for measuring the energy efficiency performance of LED lamps. This standard applied to LED lamps with a rated power up to 60 W and a single lamp cap. As there was no international test standard for other types of LED lamps pre-installed on other electrical appliances (e.g. LED tubes and LED lanterns), they would not be covered in MEELS Phase IV. EMSD would keep abreast of developments in the test standards for existing and potential prescribed products, and review the need to update MEELS accordingly.
- 45. <u>Ir Dr LO Wai-kwok</u> expressed support for the introduction of MEELS Phase IV, as the scheme could help enhance the overall energy efficiency of target products in the market. He also envisaged a smooth implementation of the proposal, given that Hong Kong consumers and the trades concerned were accustomed to MEELS. He asked about the general energy efficiency performance of product models of the three product types currently supplied in Hong Kong.
- 46. <u>USEN</u> responded that there were numerous product models in the local market that were likely to meet the proposed energy efficiency standards for the three product types under MEELS Phase IV. According to past experience, the inclusion of the three product types in MEELS was expected to influence consumer choices, so that product models of low energy efficiency would gradually become obsolete.
- 47. <u>AD/EE, EMSD</u> added that VEELS currently covered the three product types. Most of the LED lamp models listed on VEELS's register could meet the Grade 1 to Grade 3 standards under the proposed grading standards in MEELS Phase IV, with Grade 2 being the commonest. As regards gas cookers and gas instantaneous water heaters, most listed models in VEELS could meet the

proposed Grade 1 and Grade 2 standards based on market surveillance testing results.

- 48. Mr Tony TSE expressed support for expanding the product coverage of MEELS, with a view to assisting consumers in making informed choices. He noted that thermal efficiencies of gas cookers were mostly in mid double digits, while those of induction cookers were usually close to 90%. He asked whether this indicated that electrical appliances had higher fuel efficiencies than their gas counterparts in general.
- 49. <u>USEN</u> explained that there was some energy loss in the generation and transmission of electricity. Taking this factor into account and other things being equal, fuel efficiencies of induction cookers and storage-type electric water heaters (currently covered by MEELS) were roughly similar to those of gas cookers and gas instantaneous water heaters.

#### Transitional arrangements

- 50. Given that the three product types had been included in VEELS since at least seven years ago and the trade should be ready for the launch of MEELS Phase IV, Mr Tony TSE queried the justification for putting in place a rather long transitional period (i.e. 15 to 18 months). He also asked how the Administration would ensure a seamless transition from VEELS to MEELS for the three product types.
- 51. Mr SHIU Ka-fai expressed support for the general direction of MEELS and did not object to the proposed Phase IV. He commended the Administration for maintaining close communication with the trade, which had helped ensure the smooth implementation of the previous phases of the scheme. He considered it appropriate to put in place a transitional period for the trade to make necessary preparation for the full implementation of MEELS Phase IV.
- 52. <u>AD/EE, EMSD</u> explained that a transitional period of 18 months had been provided during the implementation of each of the first three phases of MEELS. As it would be the first time for MEELS to include gas appliances, the trade had raised that the transitional period under Phase IV should be long enough for them to get prepared, including handling of the existing stock of product models without energy labels. The Administration would continue to maintain close communication with the trade, with a view to expediting the full implementation of MEELS Phase IV.
- 53. On transition from VEELS to MEELS, <u>AD/EE</u>, <u>EMSD</u> advised that VEELS for gas cookers and gas instantaneous water heaters was currently operated as a "recognition type" labelling system without differentiation of

energy efficiency. EMSD would progressively update the requirements under VEELS and adopt the "grading type" labelling system for gas cookers and gas instantaneous water heaters, so that the updated requirements under VEELS would be similar to the requirements under MEELS Phase IV. This could facilitate a smooth transition of product models registered under VEELS to MEELS. <u>USEN</u> and <u>CE/EEA, EMSD</u> assured members that if the Panel supported the Administration's proposal, EMSD would immediately commence work on updating the VEELS requirements and discuss relevant issues with the trade.

#### Enforcement and compliance monitoring

- 54. Mr Tony TSE asked about the sampling percentage of listed models to be tested each year for compliance monitoring, and how the Administration ensured the quality of tests conducted by independent laboratories.
- 55. <u>AD/EE, EMSD</u> advised that EMSD selected about 5% of listed models each year for compliance monitoring testing. Independent accredited laboratories were arranged by EMSD for carrying out the energy efficiency tests for the purpose. EMSD collaborated with the independent accredited laboratories closely for the selection of samples of listed models from the market, and the samples would be immediately delivered to the laboratories for testing.
- 56. Mr KWOK Wai-keung asked about the numbers of non-compliance case and prosecution case related to MEELS and the penalties imposed on offenders, and how the Administration monitored compliance of products sold at online shopping platforms.
- 57. <u>CE/EEA, EMSD</u> advised that since the launch of MEELS and until May 2021, EMSD had conducted 8 451 inspections at retail shops, and no noncompliance had been found in 8 374 of those inspections. Regarding the noncompliance cases, 76 prohibition notices (i.e. notices served under section 16 of the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598) prohibiting the persons concerned from supplying prescribed products) were served, and there were 26 prosecution cases. The fines imposed on the convicted persons ranged from \$1,000 to \$15,000. The requirements under MEELS, including the needs to acquire a reference number for and attach/affix an energy label on a product, applied to prescribed products sold at online shopping platforms. In view of the rising popularity of online shopping, EMSD had been conducting regular inspections of online shopping platforms to monitor compliance since 2017. Some non-compliance cases had been identified through such efforts and there was one case of successful prosecution.

#### Decarbonization targets

- 58. <u>Dr Junius HO</u> expressed support for the implementation of MEELS Phase IV. He asked whether the per-capita carbon emission target of 4.5 tonnes for 2020 (down from 6.2 tonnes in 2014) set out in the Hong Kong's Climate Action Plan 2030+ had been achieved.
- 59. <u>USEN</u> responded that EPD had released on 14 July 2021 the 2019 greenhouse gas ("GHG") inventory for Hong Kong, according to which the per-capita carbon emission in 2019 was about 5.3 tonnes. Compilation of the annual GHG inventory required data from a variety of sources, including government data and data provided by other organizations. As it took time for some organizations to finalize relevant data, the lead time for compiling the annual inventory was usually one and a half years after the end of the year, and the 2020 inventory was expected to be available in mid-2022. Given the trend of emission reduction, the Administration was confident that the per-capita carbon emission target for 2020 had been achieved.
- 60. <u>Dr Junius HO</u> expressed dissatisfaction over the long lead time for compiling the annual GHG inventory. He urged the Administration to frequently publish rough estimates of Hong Kong's carbon emission based on live data (such as waste disposal statistics), so as to facilitate public monitoring of Hong Kong's decarbonization progress. He also expressed concern on how the Administration would ensure Hong Kong's compliance with the reporting requirements under the Paris Agreement.
- 61. USEN responded that the methodology adopted by the Administration for compiling the annual GHG inventory aligned with international standards, and it was not uncommon for such compilation work to last for over a year in other It was feasible to make rough estimates of the latest carbon jurisdictions. emission of Hong Kong based on available data, such as electricity and fuel consumption. It was also based on such data that the Administration estimated that the carbon emission target for 2020 had been achieved, even though the GHG inventory for the year was yet to be worked out. The Paris Agreement required that each party to the United Nations Framework Convention on Climate Change should review its actions taken to address climate change and adopt new actions every five years. As it was decided by the Central People's Government that the Paris Agreement applied to Hong Kong, Hong Kong's five-year progress report would be submitted together with the national report. In this connection, ENB was updating the climate action plan, which would set out decarbonization target for 2050 and relevant actions. It was expected that the updated climate action plan would be announced in the fourth quarter of 2021.

#### Action

# Conclusion

62. The <u>Chairman</u> invited members to indicate whether they supported the introduction of relevant legislative amendments into LegCo in the 2022-2023 legislative session. <u>Members</u> did not raise objection.

# V. Any other business

63. There being no other business, the meeting ended at 6:31 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
17 September 2021