



Air Policy Group  
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**Response to the Public Consultation on  
Proposal to Mandate Ocean-going Vessels and River Trade Vessels to Use Compliant  
Fuel within Hong Kong Waters**

**Views from Business Environment Council 商界環保協會有限公司**

Over the last 25 years, Business Environment Council Limited 商界環保協會有限公司 (“BEC”) has taken a leading role in advocating the business case for environmental excellence in Hong Kong. Our members are committed to actively engaging with the HKSAR Government (“the Government”) on a range of issues relating to the environment and sustainability.

BEC is an independent charitable membership organisation comprised of approximately 200 member companies ranging from major holding companies to small and medium-sized enterprises in Hong Kong. Views expressed in this submission are those of BEC as a whole, and may not necessarily be the same as the position of each individual member.

BEC has for many years advocated the importance of improving air quality – both regionally and locally. Please see [BEC's Submission on the 2017 Policy Address](#) and [BEC's Roadside Emissions Taskforce Report](#) for more information. In [BEC's Submission on the 2016 Policy Address](#), BEC specifically expressed its support of the progress made in addressing emissions from shipping, and encouraged the Government to put in place a regional emissions control area.

To this end, BEC welcomes the Government's proposal to mandate Ocean-going Vessels and River Trade Vessels to use fuel with sulphur content not exceeding 0.5% when entering Hong Kong waters (rather than simply when berthing here, as is the case at present), as of 1 January 2019. We recognise that this will align Hong Kong's regulations with the requirements within the Pearl River Delta (PRD) on the implementation of the PRD Domestic Emissions Control Area (PRD DECA) as of 1 January 2019. We are supportive of regional regulatory consistency, which avoids hindering competitiveness as well as supports operational ease for marine vessels.

Regarding the enforcement provisions on record-keeping and documentation on board vessels, we encourage the Government to closely align with existing requirements and practices of Emission Control Areas (ECAs) in Europe and North America under MARPOL Annex VI<sup>1</sup>.

BEC is keen to see Hong Kong continue to take a leading role in shipping emissions reductions, working across the PRD to develop a timeline to implement even higher emission standards, taking into account regional fuel supply considerations and implications for business competitiveness. We hope to see higher standards introduced in due course, having regard to limits in other ECAs globally. We note that all ECAs designated under MARPOL Annex VI have a 0.1% limit on sulphur content, and the North American and United States Caribbean Sea ECAs also have higher NOx standards for new ships. We also note that as of 1 January 2020, MARPOL will in any event globally cap sulphur content to 0.5%<sup>2</sup>.

Overall, BEC sees the introduction of higher emission standards over the whole of the PRD, following Hong Kong's leadership in this field, as important in terms of improving air quality and Hong Kong's overall liveability. As Hong Kong took the lead in controlling sulphur emissions from the marine sector several years ago, the DECA will support the competitiveness of Hong Kong's shipping and shipping-related industries in the PRD. We are pleased that the Government is seeking to align to the broader scope of the DECA, and recognize the success of Hong Kong's leadership along with cross-border collaboration over the past few years

If there are any questions or if you would like to discuss the content of this submission, please contact our Chief Executive Officer, Adam Koo, at [adamkoo@bec.org.hk](mailto:adamkoo@bec.org.hk) or 27843950.

Yours sincerely,



Richard Lancaster

Chairman

Business Environment Council Limited

<sup>1</sup> The Baltic Sea, North Sea, North American, and United States Caribbean Sea ECAs.

<sup>2</sup> We acknowledge that this is subject to a feasibility review to be concluded by 2018 as to the availability of the required fuel oil. Depending on the outcome of a review, this date could be deferred to 1 January 2025. We also note that since April 2014, Hong Kong has capped the sulphur content of locally supplied marine light diesel at 0.05%.