

**Twenty-ninth Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 2 : Implementation of the Revised Code of Practice
on Energy Labelling of Products under the
Mandatory Energy Efficiency Labelling Scheme***

Purpose

This paper briefs members on the latest progress of the preparation for the full implementation of the revised Code of Practice on Energy Labelling of Products under the Mandatory Energy Efficiency Labelling Scheme (MEELS).

Background

2. Significant energy savings could be achieved by using more energy-efficient appliances, which would help reduce the emission of greenhouse gases and other air pollutants from power plants.

3. MEELS was introduced through the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598) (the Ordinance), which was enacted on 9 May 2008. Under the Ordinance, energy labels are required to be shown on all prescribed products for supply in Hong Kong to inform consumers of their energy efficiency performance.

4. MEELS was implemented in phases. The initial and second phases were fully implemented on 9 November 2009 and 19 September 2011 respectively, covering five types of prescribed products, namely room air conditioners, refrigerating appliances, compact fluorescent lamps, washing machines and dehumidifiers. It is estimated that these five electrical products altogether account for about 60% of the annual electricity consumption in the residential sector in 2012.

5. Section 42 of the Ordinance empowers the Director of Electrical and Mechanical Services to, *inter alia*, approve, issue and revise Code of Practice (CoP) to provide practical guidance for requirements under the Ordinance. The latest edition of the CoP has been issued by notice published in the Gazette and is available at the website of the Electrical and Mechanical Services Department (EMSD).

Mandatory Energy Efficiency Labelling Scheme

6. Similar to most of the overseas mandatory energy efficiency labelling schemes, MEELS in Hong Kong operates on the basis of a self-testing system under which manufacturers or importers of the prescribed products are required to conduct tests in accredited testing laboratories. The testing laboratories include accredited laboratory under the Hong Kong Laboratory Accreditation Scheme (HOKLAS) or under an accreditation scheme operated by a laboratory accreditation body in other economies with which HOKLAS has concluded a mutual recognition arrangement. The tests must be carried out in accordance with the CoP issued under the Ordinance.

7. If the Director of Electrical and Mechanical Services is satisfied with the information submitted, he will issue a letter of notification informing the manufactures or importers of the reference number assigned to the product model concerned. Manufacturers or importers are required to attach energy labels in the prescribed formats specified in the Ordinance before supplying these products in Hong Kong. All local suppliers (including wholesalers and retailers) cannot supply the specified products which do not bear the energy labels.

8. The CoP provides practical guidance and technical details about the energy efficiency labelling for the prescribed products. It specifies the relevant test standards¹, calculation methods and determination of energy efficiency grading levels of prescribed products, in accordance with which the energy efficiency performance of the product models are tested and assessed.

¹ The test standards are in line with international standards, including those issued by International Electrotechnical Commission and International Organization for Standardization.

9. EMSD conducts regular shop inspections to monitor compliance with the labelling requirements under the Ordinance. Samples of listed models are regularly selected for testing by independent accredited laboratories to ensure that the products conform to the energy efficiency information submitted to EMSD. All test results are announced on EMSD's website. If a listed model is found not conforming to the performance requirements, its reference number will be removed from the record of listed models, and the model will not be allowed to be supplied to the market.

Promotion of the Scheme

10. The Government has been carrying out a series of publicity activities to promote MEELS to the trade and the public. Such efforts include the launching of a thematic website "Energy Label Net"² which provides information about the latest development of the scheme; distribution of promotional posters and leaflets (with energy saving tips); announcements in TV and radio; issue of notification letters / reminders to suppliers; promotional visits to retailers; and seminars for trade and school outreach programme, etc. We will continue to promote MEELS with a view to enhancing public awareness of the scheme and facilitating compliance with the regulatory requirements by the trade.

Outcome of the Scheme

11. As set out above, MEELS has been effective in –
- (a) promoting energy saving by informing potential customers of the energy performance level of the products and facilitating customers in choosing the more energy-efficient models;
 - (b) encouraging product suppliers to make available more energy-efficient products to meet customers' demand; and
 - (c) increasing the penetration rate of energy labels through the introduction of legislation to mandate the display of energy labels.

² The website is assessable via <http://www.energylabel.emsd.gov.hk/en/mainpage.html>. Publicity materials can be found on this page (<http://www.energylabel.emsd.gov.hk/en/about/background.html>).

12. The first two phases of MEELS which cover five types of electrical products contribute to an annual saving in electricity of about 175 million kilowatt-hour (“kWh”) and an annual reduction of carbon dioxide emissions by about 122 500 tonnes.

13. As at the end of May 2015, over 6 600 product models have been listed under MEELS. Currently, over 60% of the total listed models are of Grade 1 energy labels, which have been steadily increasing since the launch of MEELS.

Review of grading standards

14. A review of the grading standards of room air conditioners, refrigerating appliances and washing machines was completed in late 2014. In reviewing the grading standards of these products, due regard has been given to such factors as the distribution of the appliances among various existing grades; grading systems adopted overseas; development of testing standards; and potential energy savings arising from further tightening of the grading standards, etc.

15. After a three-month consultation with the trade in early 2014, a Task Force (comprised representatives of relevant trade associations and the Consumer Council) was set up to consider the implementation of the new energy efficiency grading standards of the three products. With the agreement of the Task Force, EMSD promulgated the tightened energy efficiency grading standards of these products through the issue of a revised CoP ([http://www.energylabel.emsd.gov.hk/en/doc/2014%20MEELS%20Code%20of%20Practice%20\(Eng\)%20\(Final\).pdf](http://www.energylabel.emsd.gov.hk/en/doc/2014%20MEELS%20Code%20of%20Practice%20(Eng)%20(Final).pdf)). The revised CoP was gazetted in October 2014. Full implementation will take place in November 2015, after which the three products to be supplied into the market must bear energy labels under the new energy efficiency grading standards.

16. It is estimated that the upgrading of the energy efficiency grading standards of the three products could bring annual electricity saving of about 300 million kWh and an annual reduction of carbon dioxide emissions by about 210 000 tonnes.

Publicity on full implementation of the new energy efficiency grading standards

17. Various publicity means, such as distribution of promotional posters and leaflets, thematic website “Energy Label Net”, trade seminars, talks, promotional visits to retailers, trade publications, Consumer Council’s magazine, issue of notification letters / reminders to suppliers, energy label newsletters, newspaper and etc, have been deploying for disseminating the message on full implementation of the new energy efficiency grading standards to the general public and various stakeholders.

Way forward

18. Members are requested to note the content of the paper and offer comments, if any.

Electrical and Mechanical Services Department
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