



33/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong
香港灣仔告士打道5號稅務大樓33樓

ACE Paper 7/2021
For information on 12 April 2021

Review of the Eighth Technical Memorandum for Allocation of Emission Allowances for Power Plants

Background Note

PURPOSE

This paper provides background information to the “Review of the Eighth Technical Memorandum for Allocation of Emission Allowances for Power Plants” (*ACE Paper 6/2021*) prepared by the Environmental Protection Department for discussion at the Advisory Council on the Environment (ACE) meeting on 12 April 2021.

BACKGROUND

2. The Air Pollution Control Ordinance (Cap. 311) (APCO) was amended in 2008 to empower the Government to set a cap on the emissions of power plants for improving air quality. Section 26G of the APCO provides for the Secretary for the Environment to allocate emission allowances for three specified pollutants, namely sulphur dioxide, nitrogen dioxide and respirable suspended particulates, for power plants by way of a Technical Memorandum (TM). Section 26G(4) requires a TM to be issued at least four years before the commencement of the emission year (a period of 12 months commencing on 1 January in each year) that it takes effect. The latest TM, i.e. the Eighth TM, was issued in 2019 to further tighten the emission allowances starting from 1 January 2024.

3. The ACE had been consulted regularly on the review of TM. At its meeting on 10 June 2019, Members discussed the review of the Seventh TM and were supportive of issuing a new TM to reduce emission allowances for power plants.

4. For Members' easy reference, a table setting out the relevant papers and minutes of meetings is appended below -

Brief description	Relevant papers and meeting minutes
The 173 rd ACE meeting on 11 October 2010 to discuss the paper on "Review of the Technical Memorandum for Allocation of Emission Allowances in Respect of Specified Licenses"	<ul style="list-style-type: none"> ● ACE Paper 13/2010 ● Confirmed Minutes of Meeting
The 188 th ACE meeting on 15 October 2012 to discuss the paper on "Review of the Second Technical Memorandum for Allocation of Emission Allowances for Power Plants"	<ul style="list-style-type: none"> ● ACE Paper 9/2012 ● ACE Paper 9/2012 (Annex) ● Confirmed Minutes of Meeting
The 201 st ACE meeting on 13 October 2014 to discuss the paper on "Review of the Third Technical Memorandum for Allocation of Emission Allowances for Power Plants"	<ul style="list-style-type: none"> ● ACE Paper 8/2014 ● Confirmed Minutes of Meeting
The 209 th ACE meeting on 12 October 2015 to discuss the paper on "Review of the Fourth Technical Memorandum for Allocation of Emission Allowances for Power Plants"	<ul style="list-style-type: none"> ● ACE Paper 13/2015 ● Confirmed Minutes of Meeting
The 217 th ACE meeting on 3 October 2016 to discuss the paper on "Review of the Fifth Technical Memorandum for Allocation of Emission Allowances for Power Plants"	<ul style="list-style-type: none"> ● ACE Paper 14/2016 ● Confirmed Minutes of Meeting
The 224 th ACE meeting on 5 June 2017 to discuss the paper on "Review of the Sixth Technical Memorandum for Allocation of Emission Allowances for Power Plants"	<ul style="list-style-type: none"> ● ACE Paper 11/2017 ● Confirmed Minutes of Meeting

The 236th ACE meeting on 10 June 2019 to discuss the paper on “Review of the Seventh Technical Memorandum for Allocation of Emission Allowances for Power Plants”

- [ACE Paper 7/2019](#)
- [ACE Paper 8/2019](#)
- [Confirmed Minutes of Meeting](#)

ACE Secretariat

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