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ACE Paper 8/2019

For information on 10 June 2019

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

Background Note

PURPOSE

This paper provides background information to the “Review of the Seventh Technical Memorandum for Allocation of Emission Allowances for Power Plants” (*ACE Paper 7/2019*) prepared by the Environmental Protection Department for discussion at the Advisory Council on the Environment (ACE) meeting on 10 June 2019.

BACKGROUND

2. The Air Pollution Control Ordinance (Cap. 311) (APCO) was amended in 2008 to empower the Government to cap 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 oxides 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 Seventh TM, was issued in 2017 to further tighten the emission allowances starting from 1 January 2022.

3. The ACE had been consulted regularly on the review of TM. At its meeting on 5 June 2017, Members discussed the review of the Sixth 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

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