

## Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

**Controlling officer:** the Permanent Secretary for the Environment will account for expenditure under this Head.

**Estimate 2008–09** ..... **\$63.7m**

**Establishment ceiling 2008–09** (notional annual mid-point salary value) representing an estimated 30 non-directorate posts as at 31 March 2008 rising by one post to 31 posts as at 31 March 2009 ..... **\$14.6m**

In addition, there will be an estimated six directorate posts as at 31 March 2008 rising by one post to seven directorate posts as at 31 March 2009.

**Commitment balance** ..... **\$90.3m**

### Controlling Officer's Report

#### Programmes

**Programme (1) Director of Bureau's Office** This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for the Environment).

**Programme (2) Power**  
**Programme (3) Sustainable Development** These programmes contribute to Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).

#### Detail

##### Programme (1): Director of Bureau's Office

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	<b>2008–09 (Estimate)</b>
Financial provision (\$m)#	6.6	6.7	7.5 (+11.9%)	<b>13.6</b> (+81.3%)

(or +103.0% on  
2007–08 Original)

# For comparison purpose, the figures include relevant provisions for director of bureau's office which have been transferred from the former Head 159—Government Secretariat: Environment, Transport and Works Bureau (Works Branch) due to the re-organisation of the Government Secretariat with effect from 1 July 2007.

#### Aim

2 The aim is to ensure the smooth operation of the Office of the Secretary for the Environment.

#### Brief Description

3 The Office of the Secretary for the Environment is responsible for providing support to the Secretary for the Environment in undertaking political work. This includes the support provided by the Under Secretary and the Political Assistant. The office is also responsible for providing administrative support to the Secretary for the Environment in carrying out his duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

##### Programme (2): Power

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	<b>2008–09 (Estimate)</b>
Financial provision (\$m)#	8.6	12.4	9.6 (–22.6%)	<b>12.2</b> (+27.1%)

(or –1.6% on  
2007–08 Original)

# For comparison purpose, the figures include relevant provisions for power which have been transferred from the former Head 145—Government Secretariat: Economic Development and Labour Bureau (Economic Development Branch) due to the re-organisation of the Government Secretariat with effect from 1 July 2007.

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### *Aim*

4 The aims are to ensure reliable and efficient energy supply at reasonable prices through the established monitoring arrangements of the operation of the two power companies and the town gas supply company; to enhance electrical and gas safety through the introduction and enforcement of safety standards; and to raise public awareness of and achieve energy efficiency and conservation through education, promotion, and implementation of various programmes.

### *Brief Description*

5 The Bureau's main responsibility under this programme is to formulate policies and programmes in relation to energy supply, electrical and gas safety, and energy efficiency and conservation.

6 In 2007–08, the Bureau:

- oversaw the reliability of electricity and gas supply which was maintained by the companies concerned at a level exceeding 99.8 per cent;
- continued to work out the regulatory arrangements for the electricity market after the expiry of the existing Scheme of Control Agreements in 2008 having regard to the outcome of the two rounds of public consultation in 2005 and 2006;
- continued to conduct a financial review of a proposal to build a liquefied natural gas receiving terminal in Hong Kong pursuant to the Scheme of Control Agreement with a power company;
- oversaw enforcement of regulations for domestic electrical and gas appliances to ensure public safety; and
- oversaw the promotion of public awareness of energy efficiency and conservation measures, and the implementation of various programmes, including the introduction of a bill to mandate the provision of energy efficiency label for specified products, consulting the public on the mandatory implementation of the Building Energy Codes, and continuing to facilitate and promote wider application of renewable energy.

### *Matters Requiring Special Attention in 2008–09*

7 During 2008–09, the Bureau will:

- continue to monitor the development and potential availability of natural gas supply having regard to potential development for the Hong Kong gas market;
- commence studies on the long-term market structure for the electricity market;
- continue to ensure that electrical and gas safety requirements are enforced to enhance public safety;
- roll out the first phase of the mandatory Energy Efficiency Labelling Scheme after completing the legislative process and plan for the coverage of its second phase; and
- formulate proposals to enhance building energy efficiency having regard to the public views received on the mandatory implementation of the Building Energy Codes.

### **Programme (3): Sustainable Development**

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)#	18.2	25.3	22.0 (–13.0%)	37.9 (+72.3%)

(or +49.8% on  
2007–08 Original)

# For comparison purpose, the figures include relevant provisions for sustainable development which have been transferred from Head 142—Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary due to the re-organisation of the Government Secretariat with effect from 1 July 2007.

### *Aim*

8 The aim is to promote sustainable development (SD) in Hong Kong.

### *Brief Description*

9 Under this programme, the main responsibilities of the Sustainable Development Division (SDD) of this Bureau are to:

- provide secretariat support to the Council for Sustainable Development (SDC) established to advise the Government on the preparation of an SD strategy for Hong Kong and promote public awareness and understanding of the principles of SD;

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- assist the SDC in conducting rounds of public engagement process for formulating an SD strategy for Hong Kong;
- implement the SDC's education and publicity programmes;
- oversee the operation of the SD Fund;
- ensure the incorporation of sustainability considerations into the Government's decision-making process through the sustainability assessment (SA) system; and
- promote the understanding and application of the SD principles as well as the SA system among bureaux and departments.

### ***Matters Requiring Special Attention in 2008–09***

**10** During 2008–09, the SDD will:

- service the SDC and implement the SDC's public engagement process for formulating an SD strategy for Hong Kong;
- implement the SDC's education and publicity programmes including the School Outreach Programme, Community Outreach Programme, SD School Award Programme and a graffiti design competition related to sustainable development;
- process applications for the SD Fund and monitor the implementation of the approved projects;
- monitor the implementation of the SA system; and
- provide training programmes for bureaux and departments on the SD principles and the SA system.

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### ANALYSIS OF FINANCIAL PROVISION

Programme	2006-07 (Actual) (\$m)	2007-08 (Original) (\$m)	2007-08 (Revised) (\$m)	2008-09 (Estimate) (\$m)
(1) Director of Bureau's Office.....	6.6	6.7	7.5	13.6
(2) Power .....	8.6	12.4	9.6	12.2
(3) Sustainable Development.....	18.2	25.3	22.0	37.9
	33.4	44.4	39.1 (-11.9%)	63.7 (+62.9%)
				(or +43.5% on 2007-08 Original)

#### Analysis of Financial and Staffing Provision

##### Programme (1)

Provision for 2008-09 is \$6.1 million (81.3%) higher than the revised estimate for 2007-08. This is mainly due to the increased provisions for salary and general departmental expenses arising from the creation of one position of Under Secretary and one position of Political Assistant, both under the Political Appointment System, and other related expenses for administrative support. In addition, one post will be created in 2008-09.

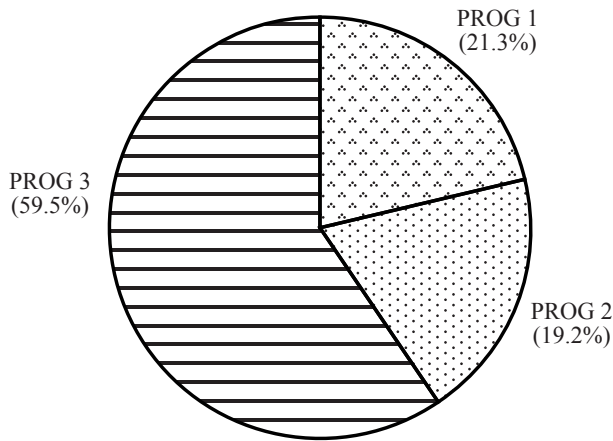
##### Programme (2)

Provision for 2008-09 is \$2.6 million (27.1%) higher than the revised estimate for 2007-08. This is mainly due to the creation of one post in 2008-09.

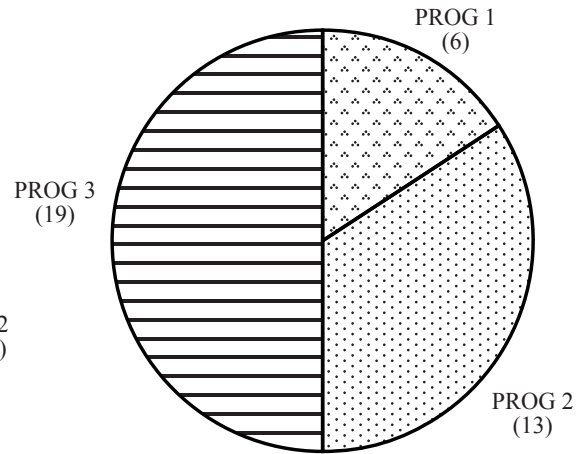
##### Programme (3)

Provision for 2008-09 is \$15.9 million (72.3%) higher than the revised estimate for 2007-08. This is mainly due to the additional provision for operational expenses of the SDC and conducting a biennial habitat mapping study for the computer-aided sustainability evaluation tool.

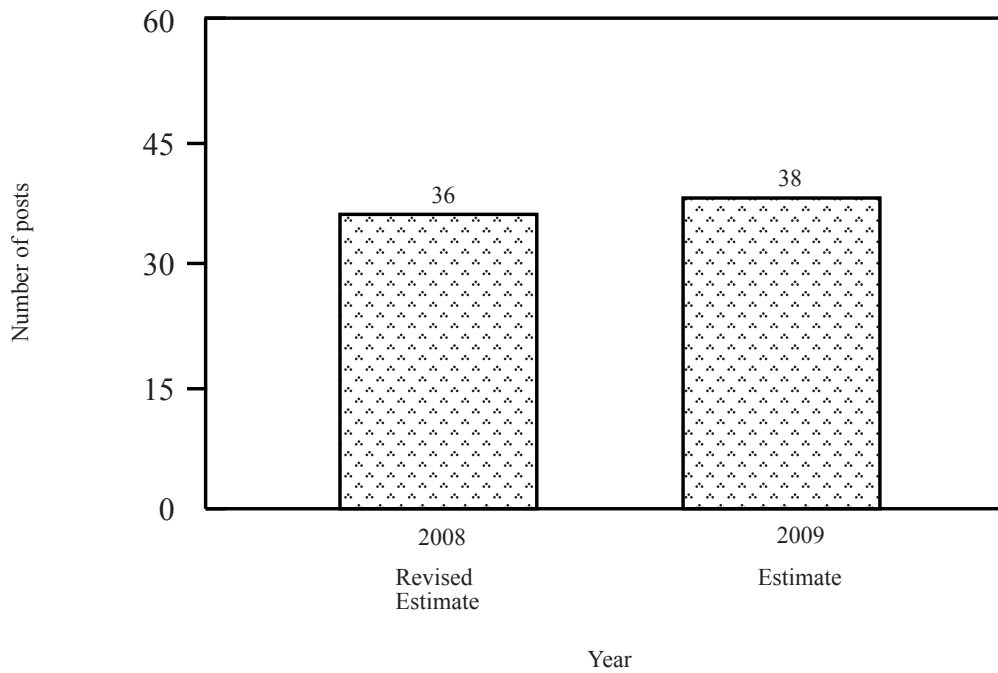
*Allocation of provision  
to programmes  
(2008-09)*



*Staff by programme  
(as at 31 March 2009)*



*Changes in the size of the establishment  
(as at 31 March)*



## Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

Sub-head (Code)	Actual expenditure 2006–07	Approved estimate 2007–08	Revised estimate 2007–08 <sup>α</sup>	<b>Estimate 2008–09</b>	
	\$'000	\$'000	\$'000	<b>\$'000</b>	
<b>Operating Account</b>					
Recurrent					
000	Operational expenses .....	—	—	23,852	<b>53,131</b>
	Total, Recurrent.....	—	—	23,852	<b>53,131</b>
Non-Recurrent					
700	General non-recurrent .....	—	—	4,848	<b>10,600</b>
	Total, Non-Recurrent.....	—	—	4,848	<b>10,600</b>
	Total, Operating Account .....	—	—	28,700	<b>63,731</b>
Total Expenditure .....					
		—	—	28,700	<b>63,731</b>

<sup>α</sup> The Environment Bureau was established on 1 July 2007 upon the re-organisation of the Government Secretariat. The revised estimate for 2007–08 represents the provision required for the nine months from 1 July 2007 to 31 March 2008.

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### Details of Expenditure by Subhead

The Environment Bureau was established on 1 July 2007 upon the re-organisation of the Government Secretariat. The estimate of the amount required in 2008–09 for the salaries and expenses of the Environment Bureau is \$63,731,000. This represents an increase of \$35,031,000 over the revised estimate for 2007–08, which is a nine-month provision for the period from 1 July 2007 to 31 March 2008.

#### *Operating Account*

##### Recurrent

**2** Provision of \$53,131,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Environment Bureau. The increase of \$29,279,000 (122.8%) over the revised estimate for 2007–08 is mainly due to the full-year provision for this subhead in 2008–09, additional provision for operational expenses of the Council for Sustainable Development, and increased provisions for salary and general departmental expenses arising from the creation of one position of Under Secretary and one position of Political Assistant, both under the Political Appointment System, and other related expenses for administrative support.

**3** The establishment as at 31 March 2008 will be 36 permanent posts. It is expected that there will be a net increase of two permanent posts in 2008–09. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2008–09, but the notional annual mid-point salary value of all such posts must not exceed \$14,590,000.

**4** An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2006–07 (Actual) (\$'000)	2007–08 (Original) (\$'000)	2007–08 (Revised) (\$'000)	2008–09 (Estimate) (\$'000)
Personal Emoluments				
- Salaries .....	—	—	18,000	26,382
- Allowances .....	—	—	800	900
- Job-related allowances .....	—	—	2	3
Personnel Related Expenses				
- Mandatory Provident Fund contribution .....	—	—	10	48
- Civil Service Provident Fund contribution .....	—	—	68	94
Departmental Expenses				
- General departmental expenses .....	—	—	4,972	25,704
	—	—	23,852	53,131

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### Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2007	Revised estimated expenditure for 2007–08	Balance
			\$'000	\$'000	\$'000	\$'000
<b><i>Operating Account</i></b>						
700		<i>General non-recurrent</i>				
	017	Consultancy studies for developing the regulatory and market restructuring framework of electricity supply industry in Hong Kong .....	8,500	3,869	—	4,631
	052	Sustainable Development Fund .....	100,000	10,741	3,589	85,670
		Total .....	<u>108,500</u>	<u>14,610</u>	<u>3,589</u>	<u>90,301</u>