

Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

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

Estimate 2016–17 **\$77.8m**

Establishment ceiling 2016–17 (notional annual mid-point salary value) representing an estimated 43 non-directorate posts as at 31 March 2016 rising by one post to 44 posts as at 31 March 2017 **\$29.2m**

In addition, there will be an estimated six directorate posts as at 31 March 2016 rising by one post to seven posts as at 31 March 2017.

Commitment balance..... **\$50.3m**

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

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	14.7	15.9	16.2 (+1.9%)	16.0 (–1.2%) (or +0.6% on 2015–16 Original)

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

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	33.3	33.2	33.8 (+1.8%)	27.1 (–19.8%) (or –18.4% on 2015–16 Original)

Aim

4 The aims are to ensure safe, reliable and efficient energy supply at reasonable prices while minimising the environmental impact caused by the production and use of energy through the established monitoring arrangements for 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; to promote competition and transparency in the local fuel market; 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 as well as energy efficiency and conservation.

6 In 2015–16, the Bureau:

- conducted a public consultation on the future development of the electricity market;
- followed up on the implementation of the Memorandum of Understanding on Energy Cooperation for the long-term and stable supply of clean energy to Hong Kong;
- oversaw the reliability of electricity and gas supply which was maintained by the companies;
- reviewed and tightened the minimum energy efficiency standards stipulated in the Building Energy Code under the Buildings Energy Efficiency Ordinance (Cap. 610);
- promoted environmental protection and energy conservation in government buildings through a target-based performance framework in which the requirements had been reviewed and tightened;
- reviewed and tightened the grading standards of room air conditioners, refrigerating appliances and washing machines under the Mandatory Energy Efficiency Labelling Scheme;
- oversaw the construction and operation of the District Cooling System in the Kai Tak Development, and introduced the District Cooling Services Ordinance (Cap. 624) which provides for, inter alia, the charging of district cooling services;
- provided support to the Task Force on External Lighting which had submitted its recommendations to the Government on the measures for tackling lighting nuisance and energy wastage caused by external lighting, taking into account the views and suggestions received during the public engagement exercise;
- conducted preparatory work for the Charter on External Lighting to encourage owners of and responsible persons for external lighting installations of decorative, promotional or advertising purposes affecting the outdoor environment to switch off such lighting installations during the preset time;
- published the “Energy Saving Plan for Hong Kong’s Built Environment 2015~2025+” which was the first-ever energy saving blueprint for Hong Kong and set for Hong Kong a new target of reducing energy intensity by 40 per cent by 2025;
- launched the “Energy Saving for All” campaign including the Energy Saving Charter on Indoor Temperature, the “Energy Saving for All” dedicated website, the New Energy New Generation Solar Car Competition and the Youth Energy Saving Award to promote public awareness of energy efficiency and conservation measures as well as the facilitation and promotion of wider application of renewable energy;
- provided support to the inter-departmental steering committee on the promotion of green building in Hong Kong; and
- set a new target of five per cent saving in the electricity consumption of government buildings from 2015–16 to 2019–20 under comparable operating conditions, using the electricity consumption in 2013–14 as the baseline, and conduct energy audits for major government buildings with comparatively high annual electricity consumption to identify energy management opportunities.

Matters Requiring Special Attention in 2016–17

7 During 2016–17, the Bureau will:

- discuss with the two power companies the terms of the new Scheme of Control Agreements after the current ones expire in 2018, taking into account views received during the public consultation on the future development of the electricity market conducted in 2015;
- co-ordinate the efforts of various bureaux and departments in promoting green building in Hong Kong;
- continue to follow up on the implementation of the Memorandum of Understanding on Energy Cooperation for the long-term and stable supply of clean energy to Hong Kong;
- oversee the enhanced efforts in enforcing statutory gas safety requirements in relation to liquefied petroleum gas vehicle fuel systems and the facilities and workshops engaged in the maintenance and repair of such systems;
- continue to promote building energy efficiency and review the minimum energy efficiency standards as stipulated in the Building Energy Code;
- review and extend the scope of the Mandatory Energy Efficiency Labelling Scheme to cover additional types of appliances;
- continue to oversee the construction and operation of the District Cooling System in the Kai Tak Development;

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- invite signatories to the Charter on External Lighting and promote the Guidelines on Industry Best Practice for External Lighting; and
- continue to promote public awareness of energy efficiency and conservation measures, and promote the wider application of renewable energy.

Programme (3): Sustainable Development

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	30.2	32.3	30.9 (–4.3%)	34.7 (+12.3%)
				(or +7.4% on 2015–16 Original)

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 promote public awareness and understanding of the principles of SD,
- assist the SDC in conducting public engagements on matters relating to the SD of Hong Kong,
- implement the SDC's education and publicity programmes,
- oversee the operation of the Sustainable Development Fund (SDF),
- ensure the incorporation of sustainability considerations into the Government's decision-making process through the sustainability assessment (SA) system, and
- promote understanding and application of the SD principles as well as the SA system among government bureaux and departments.

Matters Requiring Special Attention in 2016–17

10 During 2016–17, the SDD will:

- continue to service the SDC in its public engagement on SD issues;
- implement the SDC's education and publicity programmes, including the School Outreach Programme and the Sustainable Development School Award Programme;
- process applications for the SDF and monitor 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

	2014–15 (Actual) (\$m)	2015–16 (Original) (\$m)	2015–16 (Revised) (\$m)	2016–17 (Estimate) (\$m)
Programme				
(1) Director of Bureau’s Office	14.7	15.9	16.2	16.0
(2) Power.....	33.3	33.2	33.8	27.1
(3) Sustainable Development.....	30.2	32.3	30.9	34.7
	78.2	81.4	80.9	77.8
			(-0.6%)	(-3.8%)
				(or -4.4% on 2015–16 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2016–17 is \$0.2 million (1.2%) lower than the revised estimate for 2015–16. This is mainly due to the decreased provision for operating expenses.

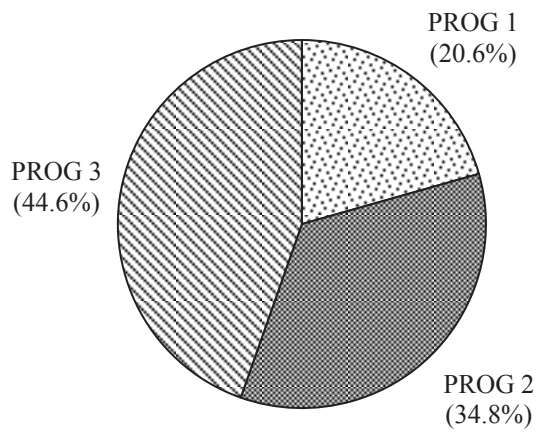
Programme (2)

Provision for 2016–17 is \$6.7 million (19.8%) lower than the revised estimate for 2015–16. This is mainly due to the decreased provision for operating expenses. In addition, there will be an increase of two posts in 2016–17.

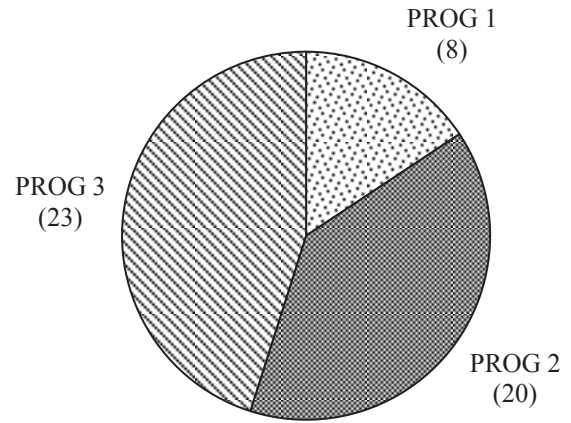
Programme (3)

Provision for 2016–17 is \$3.8 million (12.3%) higher than the revised estimate for 2015–16. This is mainly due to the increased provision for operating expenses.

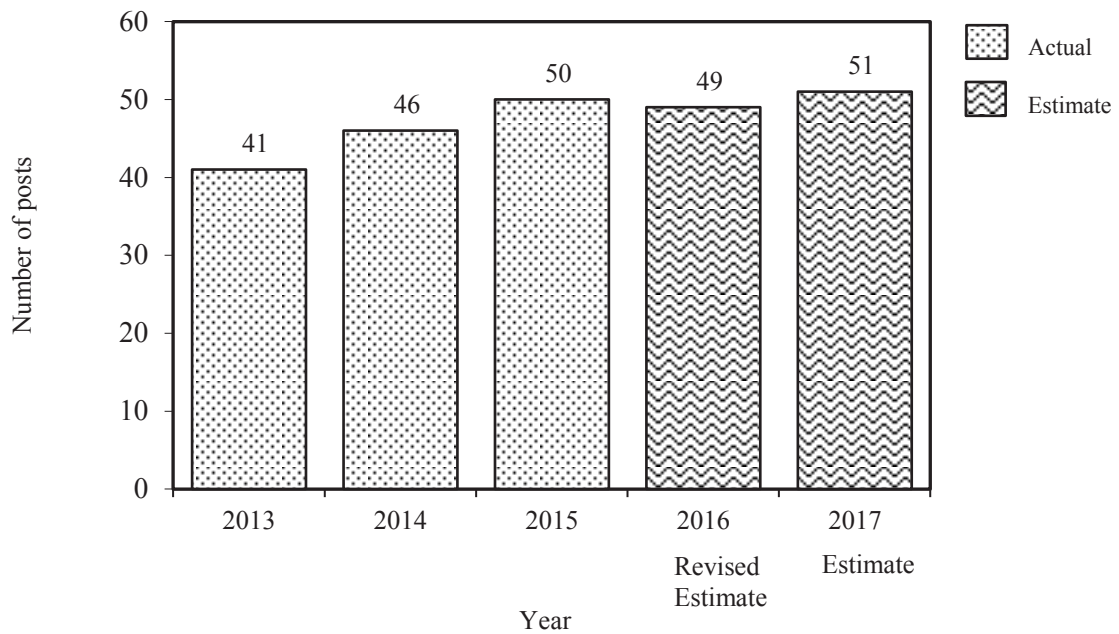
Allocation of provision to programmes (2016-17)



Staff by programme (as at 31 March 2017)



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



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Sub-head (Code)	Actual expenditure 2014–15	Approved estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	73,287	76,433	75,869	72,841
	Total, Recurrent.....	<u>73,287</u>	<u>76,433</u>	<u>75,869</u>	<u>72,841</u>
Non-Recurrent					
700	General non-recurrent	4,960	5,000	5,000	5,000
	Total, Non-Recurrent.....	<u>4,960</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	Total, Operating Account	78,247	81,433	80,869	77,841
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	Total Expenditure	<u>78,247</u>	<u>81,433</u>	<u>80,869</u>	<u>77,841</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2016–17 for the salaries and expenses of the Environment Bureau is \$77,841,000. This represents a decrease of \$3,028,000 against the revised estimate for 2015–16 and \$406,000 against the actual expenditure in 2014–15.

Operating Account

Recurrent

2 Provision of \$72,841,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Environment Bureau.

3 The establishment as at 31 March 2016 will be 49 posts. It is expected that there will be an increase of two posts including one supernumerary post in 2016–17. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2016–17, but the notional annual mid-point salary value of all such posts must not exceed \$29,230,000.

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

	2014–15 (Actual) (\$'000)	2015–16 (Original) (\$'000)	2015–16 (Revised) (\$'000)	2016–17 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	40,118	42,246	44,292	45,540
- Allowances.....	546	543	690	541
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	50	100	78	85
- Civil Service Provident Fund contribution.....	966	1,088	1,181	1,271
Departmental Expenses				
- General departmental expenses	31,607	32,454	29,626	25,402
	73,287	76,433	75,869	72,841

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2015	Revised estimated expenditure for 2015–16	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	052	Sustainable Development Fund.....	100,000	44,653	5,000	50,347
		Total	<u>100,000</u>	<u>44,653</u>	<u>5,000</u>	<u>50,347</u>