

Head 44 — ENVIRONMENTAL PROTECTION DEPARTMENT

Controlling officer: the Permanent Secretary for the Environment / Director of Environmental Protection will account for expenditure under this Head.

Estimate 2018–19	\$6,167.2m
Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 1 872 non-directorate posts as at 31 March 2018 rising by 208 posts to 2 080 posts as at 31 March 2019.....	\$1,114.6m
In addition, there will be an estimated 37 directorate posts as at 31 March 2018 rising by three posts to 40 posts as at 31 March 2019.	
Commitment balance	\$5,210.9m

Controlling Officer's Report

Programmes

<p>Programme (1) Waste Programme (2) Air Programme (3) Noise Programme (4) Water Programme (5) Environmental Assessment and Planning Programme (6) Nature Conservation</p>	<p>These programmes contribute to Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).</p>
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Detail

Programme (1): Waste

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	2,355.9	3,148.8	2,649.3 (–15.9%)	3,664.0 (+38.3%)
				(or +16.4% on 2017–18 Original)

Aim

2 The aim is to develop and implement a waste-to-resources management strategy for Hong Kong to reduce, reuse and recycle waste, as well as to safeguard the health and welfare of the community from any adverse environmental effects associated with the improper handling and disposal of waste.

Brief Description

3 The Department is responsible for preparing plans at strategic and district levels for the provision of facilities for proper treatment and disposal of waste including municipal, construction, livestock, chemical and clinical wastes, sewage and water treatment works sludges and other special wastes. The Department enforces relevant legislation to control the illegal disposal of waste, develops new proposals to meet changing waste management needs and advises on the assessment and remediation of contaminated land. The Department also works with the community to promote and encourage waste reduction and recycling.

4 In *Hong Kong Blueprint for Sustainable Use of Resources 2013–2022* published in May 2013, the Government set out a comprehensive strategy, with targets, policies and action plans for waste management for the coming ten years to tackle our imminent waste challenge. In February 2014, the Government also unveiled *A Food Waste & Yard Waste Plan for Hong Kong 2014–2022* to map out the comprehensive strategy, targets, policies and action plans for the management of food waste and yard waste in the coming years. In this connection, the Department has been implementing a Food Wise Hong Kong Campaign since December 2012 to nurture the culture of food waste reduction at source and food donation to the needy. The campaign has started to achieve some positive results and the waste-less culture has begun to take root in the community. The Department has also launched a new phase of the campaign to sustain the momentum in promoting the “Food Wise” culture with a view to reducing food waste at source and facilitating food waste source separation and recycling.

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5 On waste reduction, the Department has been proceeding with the phased implementation of the producer responsibility schemes (PRs) on waste electrical and electronic equipment (WEEE) and glass beverage containers, and has commenced a feasibility study to explore how to implement a PR on plastic beverage and personal care product containers. On municipal solid waste (MSW) charging, the Department has been undertaking the necessary preparatory work and will introduce the required legislation into the Legislative Council. Meanwhile, the Department will continue to support voluntary recycling programmes and promote sustainable development of the recycling industry. Among other things, the Department set up the \$1 billion Recycling Fund in 2015 to facilitate the upgrading of the operational capabilities and efficiencies of the recycling industry. Various new subsidy programmes under the Recycling Fund were launched in 2017 to support the industry to meet the Mainland's tightened standard for import recyclables which have gradually taken effect since early 2018. A publicity campaign under the central theme of "Dump Less, Save More" has also been launched to promote waste reduction and recycling, initially focusing on the clean recycling of waste paper and waste plastic bottles. The Department is also progressively developing a network of Community Green Stations (CGSs) across the territory to promote environmental education and enhance recycling support for the local community. The Department will provide enhanced recycling support for low-value recyclables, in particular, waste plastic bottles, at the community level by, among other things, introducing a new pilot district collection service. It is also setting up outreach teams which will gradually reach out to the community to provide on-site support and assistance to different sectors in practising proper waste source separation and clean recycling, as well as in implementing MSW charging and other waste reduction initiatives.

6 In 2017, about 5.66 million tonnes of solid waste were disposed of at the three landfills. Regarding waste infrastructure, with the funding approval for the South East New Territories Landfill Extension Scheme and the North East New Territories Landfill Extension Scheme by the Legislative Council in December 2014, the landfills are expected to cope with the local disposal need up to late 2020s. Apart from landfill extension schemes and the commissioning of the T·PARK, the sludge treatment facility, in 2015, the Department is taking forward a number of waste-to-energy projects, including organic resources recovery centres and integrated waste management facility. For Batch 1 of the Restored Landfill Revitalisation Funding Scheme, two non-profit-making organisations were selected in 2017 to develop detailed proposals to revitalise the Ma Yau Tong Central Landfill in Kwun Tong and the Tseung Kwan O Stage I Landfill in Sai Kung respectively.

7 The key performance measures in respect of the waste programme are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
operation hours of strategic landfills.....	13 870#	14 021	13 858	13 870
processing marine dumping permits within 18 days (%).....	90	95	98	90
initial response to waste complaints within three days (%).....	95	96	96	95

The target is revised from 14 235 to 13 870 as from 2017 having regard to the shortened operating hours for South East New Territories Landfill since 1 April 2016.

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
strategic landfills			
no. of capital works milestone payments.....	2	3	2
tonnage of waste received annually.....	5 611 650	5 663 279	5 622 030
total solid waste disposed of (%).....	100	100	100
refuse transfer stations			
tonnage of waste received annually.....	3 157 286	3 283 030	3 283 000
special wastes			
tonnage of waste treated annually at the Chemical Waste Treatment Centre.....	15 157	17 647	17 700
tonnage of sewage sludge treated annually at the T·PARK.....	418 757	386 208	386 000
livestock waste			
total quantity produced (thousand tonnes).....	65	65	65
disposed of by environmentally-acceptable means (%).....	90	90	90
WEEE			
tonnage of WEEE treated annually			
at the WEEE·PARK.....	N.A.	930	9 000
marine dumping permits issued.....	219	134	130
waste import/export permits issued.....	9	22	21
chemical waste trip tickets recorded.....	36 200	35 100	35 000
chemical waste collector licences issued.....	4	7	10

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
chemical waste disposal licences issued	10	7	17
prosecutions for			
chemical waste control offences	70	190	190
clinical waste control offences	6	4	4
livestock waste control offences	12	3	5
marine dumping offences	2	4	4
waste import/export offences	27	66	40
illegal deposit of waste offences	397	198	200
complaints handled	3 225	3 855	3 600
enquiries handled by the Waste Reduction and Recycling Hotline Service	4 142	3 855	3 900

Ω Revised description of the previous indicator “tonnage of sewage sludge treated annually at the Sludge Treatment Facility” as from 2017.

Λ New indicator established following the commencement of operation of the WEEE·PARK from end 2017.

Matters Requiring Special Attention in 2018–19

8 During 2018–19, the Department will:

- continue to implement in phases the PRSs on WEEE and glass beverage containers;
- continue with the study to explore how to implement a PRS on plastic beverage and personal care product containers;
- continue to monitor and enhance the operation of the Recycling Fund to facilitate the upgrading of the operational capabilities and efficiencies of the recycling industry;
- continue to implement voluntary PRSs;
- continue to take forward the legislative proposal of MSW charging and undertake other preparatory work for the implementation of MSW charging;
- continue to take forward the development of CGSs across the territory;
- continue to pursue the proposal for requiring the use of Global Positioning System on construction waste collection vehicles to facilitate enforcement actions against fly-tipping of construction waste;
- continue to promote reduction of food waste at source and on-site/off-site recycling of unavoidable food waste under the Food Wise Hong Kong Campaign;
- continue to support the Steering Committee to Promote Sustainable Development of Recycling Industry;
- continue to monitor the operation of the EcoPark in Tuen Mun Area 38 and pursue the development of manufacturing industries involving local recyclables by leveraging on the land and other infrastructural support provided by the EcoPark;
- continue to raise public awareness of and enhance community participation in clean recycling and proper source separation of waste;
- continue to set up outreach teams on pilot basis with a view to gradually reaching out to the community to provide on-site support and assistance to residents and property management companies in practising proper waste source separation and clean recycling, as well as making preparation for implementing MSW charging and other waste reduction initiatives;
- introduce a new pilot district collection service for waste plastic bottles;
- continue to take forward the development of Organic Resources Recovery Centres (ORRCs) for the treatment of source-separated food waste and the project on the development of an Integrated Waste Management Facility to achieve bulk reduction of MSW as soon as possible;
- continue to implement the South East New Territories Landfill Extension Scheme and the North East New Territories Landfill Extension Scheme and to carry out the design and site investigation study on the West New Territories Landfill Extension Scheme;
- continue to promote green procurement in the Government and the community;
- continue to implement the Restored Landfill Revitalisation Funding Scheme to expedite the development of gainful facilities at restored landfills; and
- keep in view the operational experience of the administrative control scheme on Waste Cooking Oil (WCO), in particular after the Food and Environmental Hygiene Department’s relevant licensing conditions imposed on food premises have taken effect, in preparation of the legislative work to amend the Waste Disposal Ordinance (Cap. 354) to introduce a licensing system for strengthening the control of WCO.

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Programme (2): Air

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	2,072.5	2,440.8	2,070.7 (–15.2%)	1,888.6 (–8.8%)
				(or –22.6% on 2017–18 Original)

Aim

9 The aim is to formulate and oversee emission reduction measures to broadly attain the Air Quality Objectives (AQOs) by 2020; to enforce the Air Pollution Control Ordinance (Cap. 311) (APCO), the Ozone Layer Protection Ordinance (Cap. 403) (OLPO) and other statutory requirements; to co-ordinate Government's efforts in tackling climate change; and to promote the use of electric vehicles in Hong Kong.

Brief Description

10 The work carried out by the Department in seeking to achieve and maintain satisfactory air quality includes:

- development of AQOs, standards and guidelines;
- enforcement of APCO to control air pollution from factories, polluting processes and products, motor vehicles, vessels, non-road mobile machinery, asbestos and other sources;
- enforcement of OLPO to control ozone depleting substances and products containing these substances;
- implementation of the voluntary Indoor Air Quality Certification Scheme for offices and public places;
- operation of an air quality monitoring network and laboratories to provide the air quality information needed for checking the effectiveness of existing programmes and development of new policies;
- provision of air quality information and air quality health index (AQHI) to the public;
- collaboration with authorities in Guangdong to carry out the Cleaner Production Partnership Programme and implement measures to improve regional air quality; and
- co-ordination of strategies and measures for combating climate change.

11 Compared with 1999, the ambient concentrations of respirable suspended particulates (RSP), fine suspended particulates (FSP), nitrogen dioxide (NO₂) and sulphur dioxide (SO₂) dropped by 33 per cent, 33 per cent, 30 per cent and 56 per cent respectively in 2017. Ozone was the only pollutant that showed an increase in concentration by 50 per cent, owing to regional photochemical smog problem. At the roadside, the concentrations of RSP, FSP, NO₂ and SO₂ fell by 57 per cent, 52 per cent, 13 per cent and 74 per cent respectively between 1999 and 2017. However, NO₂ remains a challenge as it stayed at high level at the roadside due to excessive emissions from vehicles as well as high regional background ozone. To further improve air quality, a wide range of emission reduction measures are being implemented in respect of motor vehicles and vessels locally while joint efforts are being made with the Guangdong Provincial Government to tackle regional air pollution by attaining emission reduction targets for 2020 in the Pearl River Delta (PRD) Region.

12 The new AQOs took effect on 1 January 2014. Our target is for all AQO limits to be broadly complied in the ambient air by 2020 upon full implementation of the air quality improvement measures stipulated in *A Clean Air Plan for Hong Kong* issued in March 2013. The Department embarked on a review of the AQOs in 2016 through a Working Group comprising relevant external experts, stakeholders and representatives of bureaux and departments to identify and deliberate on the practicability of implementing possible new air quality improvement measures and assess the possible scope for further tightening the AQOs. The Department aims to complete the review in 2018. It is implementing an ex-gratia payment scheme, which was launched on 1 March 2014, for assisting vehicle owners to progressively phase out their pre-Euro IV diesel commercial vehicles by the end of 2019. In November 2017, a new technical memorandum was promulgated under the APCO to further tighten the emission caps on the power sector from 2022 and onwards. The Department also introduced legislative control to cap the contents of volatile organic compounds (VOCs) in solvents used in printing processes. It completed the joint regional study on PM2.5 with Guangdong and Macao, thus strengthening the scientific basis for mapping out future air quality improvement measures in the PRD region. Together with the Guangdong authorities, the Department completed the mid-term review on the air pollutant emission reduction for 2015 and finalised the emission reduction targets for 2020. At the end of December 2017, a total of 109 trials had been approved under the Pilot Green Transport Fund to test out green innovative transport technologies.

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13 Recognising the need to step up climate actions and to draw up long-term strategies, an inter-departmental committee, namely the Steering Committee on Climate Change, was established under the chairmanship of the Chief Secretary for Administration to steer and co-ordinate the climate actions of various bureaux and departments. The Department released in January 2017 Hong Kong's Climate Action Plan 2030+, setting out in detail the key measures on mitigation, adaptation and resilience to combat climate change, and the target to reduce our carbon intensity by between 65 per cent and 70 per cent by 2030, using 2005 as the base level. This is equivalent to an absolute reduction of 26 to 36 per cent, resulting in per capita emissions of 3.3 to 3.8 tonnes in 2030. Hong Kong has been actively involved in international co-operation and exchanges on climate actions. These include joining the C40 Cities Climate Leadership Group (C40) in 2007 and becoming a member of C40's Steering Committee since 2011. Starting from April 2017, bureaux and departments are required to start conducting regular carbon audits on major government buildings with a view to exploring room for carbon reduction and to disclose their carbon emissions information.

14 The key performance measures in respect of air-related activities are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
processing of chimney/furnace applications within 16 days (%)	90	94	93	90
percentage of hourly AQHI below 7 (i.e. low or moderate "health risk" category) (%)				
general	98‡	99	97	97
roadside	96‡	98	96	96

‡ Targets when AQO limits are broadly complied by 2020.

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
chimney/furnace applications processed	551	508	510
asbestos management plans processed	191	152	150
specified processes under licence (%)	100	100	100
premises and plants inspected	14 449	14 997	15 000
complaints handled	4 027	4 500	4 500
technical advice offered	2 260	2 163	2 200
legal notices issued	156	193	200
prosecutions under the APCO and OLPO	91	100	100
reduction of scheduled ozone depleting substance consumption (tonnage)	5 522	5 519	5 520
planning advice issued	1 036	960	960
smoky vehicle reports processed	3 798	3 122	3 100
smoky vehicles tested	2 528	2 055	2 000
enquiries/complaints on vehicle matters handled	7 475	7 279	7 200
indoor air quality certifications registered	1 332	1 494	1 600

Matters Requiring Special Attention in 2018–19

15 During 2018–19, the Department will:

- continue to expedite the implementation of various air quality improvement measures outlined in *A Clean Air Plan for Hong Kong* with a view to bringing further improvements to the air quality and broadly attaining the AQOs by 2020;
- complete the review of the AQOs and consult the public on review findings;
- continue to encourage the transport trade to make use of the Pilot Green Transport Fund to try out innovative green transport technologies;
- continue to promote the use of electric vehicles;
- introduce legislative amendment to tighten the statutory emission standards for non-road vehicles newly supplied to Hong Kong;
- explore the feasibility to launch pilot schemes on green ferry and green government vessels;
- introduce legislative control to mandate the use of compliant fuel for vessels within Hong Kong waters starting from 2019;

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- continue to collaborate with the Mainland authorities to take forward the implementation of a Domestic Marine Emission Control Area in the PRD waters;
- collaborate with the Guangdong and Macao authorities to include routine VOCs monitoring in the PRD regional air quality monitoring network;
- continue to collaborate with the Guangdong authorities to promote the adoption of cleaner production technologies and practices by Hong Kong-owned factories in Guangdong Province;
- co-ordinate the implementation of measures to combat climate change, step up educational and publicity efforts to promote awareness of climate change, and continue to co-operate with the Guangdong authorities to address the challenge; and
- support bureaux and departments in enhancing carbon management by carrying out carbon audits on major government buildings so as to identify room for carbon reduction.

Programme (3): Noise

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	124.4	127.4	131.5 (+3.2%)	138.6 (+5.4%)
				(or +8.8% on 2017–18 Original)

Aim

16 The aim is to prevent, minimise and resolve environmental noise problems through intervention in the planning process, implementation of noise abatement measures and enforcement of the Noise Control Ordinance (Cap. 400) (NCO).

Brief Description

17 To achieve this aim, the Department carries out the following main tasks:

- provision of professional input in relation to planning and development proposals to pre-empt and mitigate noise problems,
- development of practicable proposals to address existing traffic noise problems,
- promoting the use of quieter construction equipment, and
- enforcement of the NCO.

18 The key performance measures in respect of noise-related activities are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
processing of applications for construction noise permits within 18 days (%)	90	96	95	90
processing of applications for noise emission labels for breakers and air compressors within 15 days (%).....	90	90	93	90

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
comments given in planning stage	1 409	1 418	1 450
prosecutions under the NCO	100	102	100
construction noise permits processed.....	4 954	4 368	4 400
noise emission labels issued for breakers and air compressors	1 401	1 388	1 400
noise abatement notices served	34	42	40
complaints handled.....	4 211	4 785	4 800

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Matters Requiring Special Attention in 2018–19

19 During 2018–19, the Department will continue to:

- tackle noise impact of existing roads through the retrofitting programme, and
- promote good practices to prevent or minimise road traffic noise problems at the planning stage.

Programme (4): Water

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	292.6	301.6	300.6 (–0.3%)	319.9 (+6.4%)
				(or +6.1% on 2017–18 Original)

Aim

20 The aim is to ensure that the quality of Hong Kong’s marine and fresh waters promotes the conservation and best use of those waters in the public interest, and that plans are formulated and implemented such that Hong Kong’s sewerage systems can operate safely and effectively both now and with further urban developments in future.

Brief Description

21 The Department seeks to attain and maintain Water Quality Objectives (WQOs) by enforcing relevant legislation; by ensuring the provision of an adequate sewage infrastructure; by assessing the possible impact of strategic and local developments on water quality and requiring this to be taken into account in development plans; and by proposing revisions to existing legislations aimed at preventing water pollution, if necessary. Water and sediment quality is monitored extensively, and special investigations are conducted to provide the basis for policy development and preventive planning.

22 The Department continues to pursue the phased implementation of the Harbour Area Treatment Scheme (HATS). HATS Stage 2A has been fully commissioned since December 2015. A study on enhancing the quality of the coastal waters of Victoria Harbour was commissioned in January 2016, with a long-term objective of enhancing the Harbour’s leisure and recreational value.

23 The sewerage master plans for Central and East Kowloon, West Kowloon, Tsuen Wan and Kwai Chung, Tuen Mun, Tsing Yi, the Outlying Islands, Hong Kong Island, North District and Tolo Harbour areas have been reviewed and proposals for sewerage upgrading works are being pursued in accordance with the identified priority.

24 The key performance measures in respect of the water programme are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
inspection of major discharges in every Water Control Zone at least four times a year (%).....	100	100	100	100
provision of weekly beach water quality grading to the public during bathing season (%).....	100	100	100	100
initial response to water pollution complaints within three days (%)	95	97	97	95

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
compliance with WQOs for marine waters (%).....	84	84	84
inland water sampling points	82	82	82
no. of the sampling points classified as (%)			
excellent	59	59	59
good	25	25	25
fair	9	9	9
bad	7	7	7
very bad	0	0	0
compliance with WQOs for inland waters (%).....	90	90	90

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
enforcement of the Water Pollution Control Ordinance (Cap. 358)			
licences granted.....	1 461	1 444	1 400
licences renewed.....	1 148	1 455	1 400
prosecutions for water pollution control offences.....	29	49	50
detailed investigations and inspections.....	13 205	13 551	13 000
complaints handled.....	2 353	2 684	2 600
drainage plans vetted (under the Buildings Ordinance (Cap. 123)).....	73	79	80
responses to planning cases.....	1 042	1 035	1 050

Matters Requiring Special Attention in 2018–19

25 During 2018–19, the Department will continue to:

- co-operate with the Guangdong authorities on cross-boundary water quality management issues and protection of the marine environment,
- pursue various sewage treatment and sewerage projects, and
- improve the water quality of Victoria Harbour.

Programme (5): Environmental Assessment and Planning

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	103.5	107.3	106.8 (–0.5%)	115.5 (+8.1%)
				(or +7.6% on 2017–18 Original)

Aim

26 The aim is to pre-empt environmental problems associated with projects, plans, policies and strategies by reviewing proponents' assessment of their environmental implications and ensuring that effective preventive and mitigatory measures are implemented where potential problems are identified.

Brief Description

27 The Department seeks to prevent environmental problems through reviewing the environmental findings of projects, planning proposals and development strategies which may have significant environmental implications. It oversees strategic environmental assessment and environmental impact assessment (EIA) studies, and processes Environmental Impact Assessment Ordinance (Cap. 499) (EIAO) applications to ensure that the environmental impacts of designated projects are properly assessed and that measures to control them to acceptable levels are properly implemented.

28 The key performance measures in respect of environmental assessment and planning are:

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
plans reviewed and technical environmental advice given (on outline zoning plans, layout plans, etc.).....	91	97	90
miscellaneous district planning or housing proposals reviewed and technical environmental advice given (on housing proposals, applications under section 16 of the Town Planning Ordinance (Cap. 131)) ...	1 446	1 546	1 500
major planning studies and strategic planning studies.....	75	72	70
applications processed under the EIAO.....	77	83	77
major projects undergoing environmental monitoring and audit.....	102	111	110
EIA with technical advice provided.....	57	49	52
cases where environmental implications paragraphs in funding and policy proposals vetted.....	268	281	280

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Matters Requiring Special Attention in 2018–19

29 During 2018–19, the Department will continue to:

- pre-empt environmental problems through processing EIAO applications and enforcement of permit conditions,
- promote the incorporation of environmental considerations into major policies and strategies at the earliest possible stage, and
- promote environmental good practices in the planning and design of new developments.

Programme (6): Nature Conservation

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	7.8	7.8	8.2 (+5.1%)	40.6 (+395.1%)
				(or +420.5% on 2017–18 Original)

Aim

30 The aim is to regulate, protect and manage natural resources that are important for the conservation of biological diversity of Hong Kong in a sustainable manner, taking into account social and economic considerations, for the benefit and enjoyment of the present and future generations of the community.

Brief Description

31 The Department's main responsibilities under this programme are to formulate policies and to co-ordinate and oversee the implementation of programmes on nature conservation.

32 In accordance with the New Nature Conservation Policy, projects on management agreements with landowners are being implemented and proposals for public-private partnership to enhance conservation are being assessed in collaboration with the relevant departments. Nature conservation measures will continue to be implemented and, where appropriate, enhanced. Promotion and public education of nature conservation in the community across sectors will be conducted, to be supplemented by publicity initiatives to reinforce the messages.

Matters Requiring Special Attention in 2018–19

33 During 2018–19, the Department will:

- oversee the implementation of the measures to better protect country park enclaves, in particular those found suitable for being included as part of country parks;
- oversee the operation and management of the Hong Kong UNESCO Global Geopark;
- oversee the implementation of the first Biodiversity Strategy and Action Plan for Hong Kong; and
- set up the Countryside Conservation Office to plan and co-ordinate works projects and conservation projects for priority areas in the remote rural countryside with the \$1 billion funding set aside.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2016-17 (Actual) (\$m)	2017-18 (Original) (\$m)	2017-18 (Revised) (\$m)	2018-19 (Estimate) (\$m)
(1) Waste.....	2,355.9	3,148.8	2,649.3	3,664.0
(2) Air	2,072.5	2,440.8	2,070.7	1,888.6
(3) Noise	124.4	127.4	131.5	138.6
(4) Water.....	292.6	301.6	300.6	319.9
(5) Environmental Assessment and Planning.....	103.5	107.3	106.8	115.5
(6) Nature Conservation.....	7.8	7.8	8.2	40.6
	4,956.7	6,133.7	5,267.1 (-14.1%)	6,167.2 (+17.1%)
				(or +0.5% on 2017-18 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2018-19 is \$1,014.7 million (38.3%) higher than the revised estimate for 2017-18. This is mainly due to increased contract payments for the operation of waste facilities and the commencement of operation of Phase 1 of ORRCs as well as the full-year operation of WEEE PARK and increased cash flow requirement for non-recurrent projects. In addition, there will be a net increase of 155 posts in 2018-19.

Programme (2)

Provision for 2018-19 is \$182.1 million (8.8%) lower than the revised estimate for 2017-18. This is mainly due to decreased cash flow requirement for non-recurrent projects. In addition, there will be a net increase of seven posts in 2018-19.

Programme (3)

Provision for 2018-19 is \$7.1 million (5.4%) higher than the revised estimate for 2017-18. This is mainly due to increased provision for operating expenses. In addition, there will be a net increase of one post in 2018-19.

Programme (4)

Provision for 2018-19 is \$19.3 million (6.4%) higher than the revised estimate for 2017-18. This is mainly due to increased provision for operating expenses. In addition, there will be a net increase of 14 posts in 2018-19.

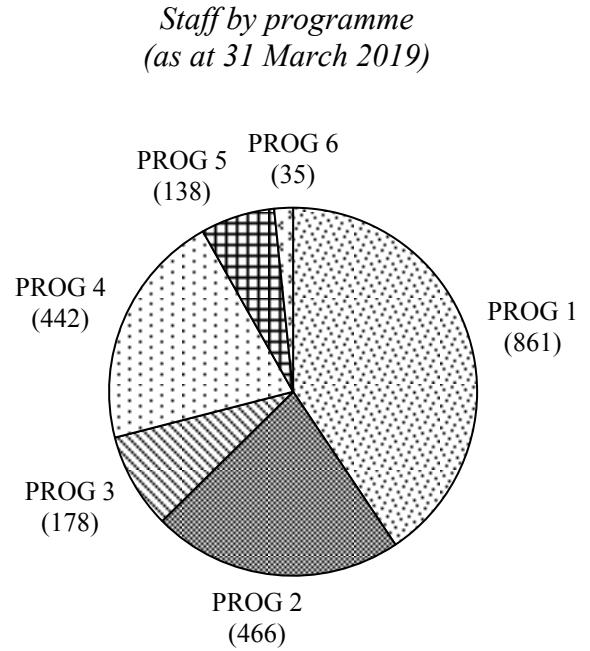
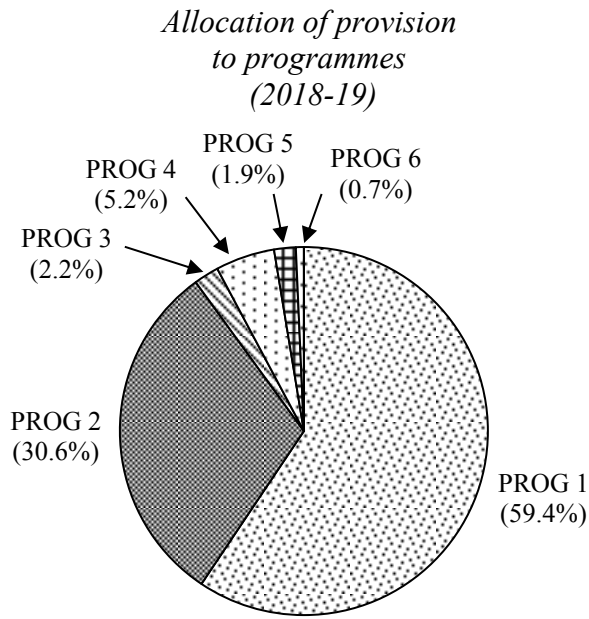
Programme (5)

Provision for 2018-19 is \$8.7 million (8.1%) higher than the revised estimate for 2017-18. This is mainly due to increased provision for operating expenses. In addition, there will be an increase of six posts in 2018-19.

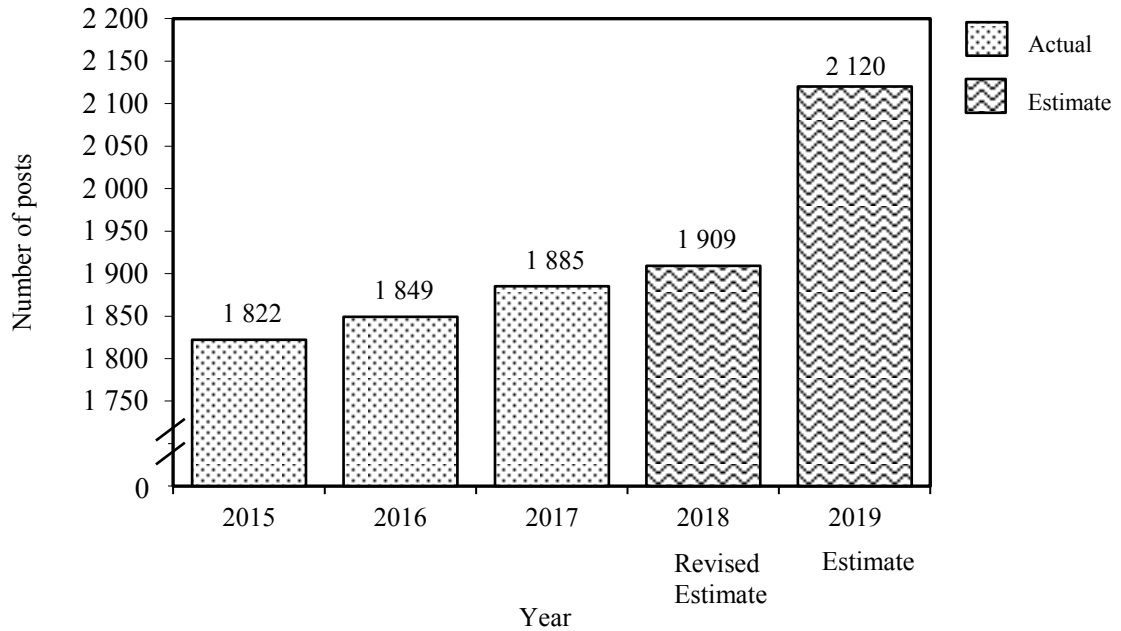
Programme (6)

Provision for 2018-19 is \$32.4 million (395.1%) higher than the revised estimate for 2017-18. This is mainly due to increased provision for operating expenses and increased cash flow requirement for a non-recurrent project. In addition, there will be an increase of 28 posts in 2018-19.

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



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Sub-head (Code)		Actual expenditure 2016-17	Approved estimate 2017-18	Revised estimate 2017-18	Estimate 2018-19
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	1,572,298	1,801,588	1,698,292	2,146,833
297	Fees for operation of waste facilities	1,724,678	2,157,961	1,937,395	2,380,756
	Total, Recurrent	<u>3,296,976</u>	<u>3,959,549</u>	<u>3,635,687</u>	<u>4,527,589</u>
Non-Recurrent					
700	General non-recurrent	1,650,751	2,161,770	1,623,553	1,611,525
	Total, Non-Recurrent	<u>1,650,751</u>	<u>2,161,770</u>	<u>1,623,553</u>	<u>1,611,525</u>
	Total, Operating Account	<u>4,947,727</u>	<u>6,121,319</u>	<u>5,259,240</u>	<u>6,139,114</u>
Capital Account					
Plant, Equipment and Works					
605	Minor capital works (block vote)	—	1,667	1,573	1,748
661	Minor plant, vehicles and equipment (block vote)	9,000	10,756	6,274	26,336
	Total, Plant, Equipment and Works	<u>9,000</u>	<u>12,423</u>	<u>7,847</u>	<u>28,084</u>
	Total, Capital Account	<u>9,000</u>	<u>12,423</u>	<u>7,847</u>	<u>28,084</u>
	Total Expenditure	<u>4,956,727</u>	<u>6,133,742</u>	<u>5,267,087</u>	<u>6,167,198</u>

Head 44 — ENVIRONMENTAL PROTECTION DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Environmental Protection Department is \$6,167,198,000. This represents an increase of \$900,111,000 over the revised estimate for 2017–18 and \$1,210,471,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$2,146,833,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Environmental Protection Department. This represents an increase of \$448,541,000 (26.4%) over the revised estimate for 2017–18. This is mainly due to increased provision for filling of vacancies and new posts in 2018–19, and increased requirement for departmental expenses in connection with measures on waste reduction, air quality monitoring, and environmental protection and conservation.

3 The establishment as at 31 March 2018 will be 1 909 posts including three supernumerary posts. It is expected that there will be a net increase of 211 posts including one supernumerary post in 2018–19. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2018–19, but the notional annual mid-point salary value of all such posts must not exceed \$1,114,624,000.

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

	2016–17 (Actual) (\$'000)	2017–18 (Original) (\$'000)	2017–18 (Revised) (\$'000)	2018–19 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,130,462	1,163,340	1,189,042	1,319,407
- Allowances.....	30,126	30,914	31,234	36,393
- Job-related allowances.....	759	820	877	900
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	3,682	4,111	4,396	6,330
- Civil Service Provident Fund contribution.....	31,187	39,605	37,416	51,310
Departmental Expenses				
- Specialist supplies and equipment.....	12,987	14,715	13,111	14,357
- General departmental expenses.....	363,095	548,083	422,216	718,136
	1,572,298	1,801,588	1,698,292	2,146,833

5 Provision of \$2,380,756,000 under *Subhead 297 Fees for operation of waste facilities* is for contract payments for the operation of waste facilities including the Chemical Waste Treatment Centre, refuse transfer stations, landfills, T·PARK, WEEE·PARK, Phase 1 of Organic Resources Recovery Centres (ORRCs), etc. This represents an increase of \$443,361,000 (22.9%) over the revised estimate for 2017–18. This is mainly due to increased contract payments for the operation of waste facilities and the commencement of operation of Phase 1 of ORRCs as well as the full-year operation of WEEE·PARK.

Capital Account

Plant, Equipment and Works

6 Provision of \$1,748,000 under *Subhead 605 Minor capital works (block vote)* represents funding for renovation of Island West Transfer Station Administration Building. This represents an increase of \$175,000 (11.1%) over the revised estimate for 2017–18 mainly due to increased cash flow requirement for the renovation.

7 Provision of \$26,336,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$20,062,000 (319.8%) over the revised estimate for 2017–18. This is mainly due to increased requirement for new equipment.

Head 44 — ENVIRONMENTAL PROTECTION DEPARTMENT

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2017	Revised estimated expenditure for 2017–18	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	801	Countryside Conservation Office¶	500,000¶	—	—	500,000
	810	Ex-gratia payment for phasing out pre-Euro IV diesel commercial vehicles	11,444,000	6,819,717	1,383,000	3,241,283
	823	Retrofitting Franchised Buses with Selective Catalytic Reduction Devices	400,000	87,699	109,440	202,861
	827	Recycling Fund	1,000,000	66,108	23,470	910,422
	840	Pilot Green Transport Fund	300,000	46,234	13,660	240,106
	842	Trial of Hybrid Buses by Franchised Bus Companies	33,325	33,227	—	98
	850	Trial of Electric Buses by Franchised Bus Companies	180,000	79,964	52,000	48,036
	880	Enhancement and Extension of the Cleaner Production Partnership Programme	150,000	57,375	35,618	57,007
	915	Review of the Air Quality Objectives for Hong Kong	8,000	817	4,000	3,183
	931	Establishment of the Manufacturing, Inventory and Distribution System for Designated Garbage Bags and Designated Labels under the Municipal Solid Waste Charging – Feasibility Study	7,000	—	403	6,597
	983	PM2.5 Study for Air Quality Improvement in the Pearl River Delta Region	9,800	6,522	1,962	1,316
		Total	14,032,125	7,197,663	1,623,553	5,210,909

¶ This is a new item, funding for which is sought in the context of the Appropriation Bill 2018.