

Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

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

Estimate 2019–20 **\$1,795.9m**

Establishment ceiling 2019–20 (notional annual mid-point salary value) representing an estimated 46 non-directorate posts as at 31 March 2019 rising by three posts to 49 posts as at 31 March 2020..... **\$35.6m**

In addition, there will be an estimated seven directorate posts as at 31 March 2019 and as at 31 March 2020.

Commitment balance..... **\$8,312.2m**

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

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	15.9	17.4	18.4 (+5.7%)	19.2 (+4.3%)
				(or +10.3% on 2018–19 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

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	30.8	40.7	465.8 (+1 044.5%)	1,742.3 (+274.0%)
				(or +4 180.8% on 2018–19 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; to promote the adoption of renewable energy; 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, renewable energy as well as energy efficiency and conservation.

6 In 2018–19, the Bureau:

- publicised and implemented the various programmes and schemes in relation to the promotion of energy efficiency and conservation and the development of renewable energy under the post-2018 Scheme of Control Agreements (SCAs);
- granted and oversaw the distribution of electricity charges relief, which commenced from 1 January 2019, to eligible residential electricity accounts to alleviate the increase in electricity charges;
- 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 concerned;
- oversaw the enhanced efforts in enforcing statutory gas safety requirements in relation to liquefied petroleum gas vehicle fuel systems as well as the facilities and workshops engaged in the maintenance and repair of such systems;
- continued to oversee the construction and operation of the District Cooling System (DCS) in the Kai Tak Development and explore the implementation of DCS projects in other New Development Areas;
- continued to implement the recommendations submitted by the Task Force on External Lighting to tackle the problems of light nuisance and energy wastage caused by external lighting and formed the Working Group on External Lighting (WGEL) to review the effectiveness of the Charter on External Lighting;
- continued to implement and monitor compliance with 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;
- completed the review and tightened the Building Energy Code and Energy Audit code under the Buildings Energy Efficiency Ordinance (Cap. 610) and enhanced publicity on the requirements for major retrofitting works;
- continued to promote environmental protection and energy conservation in government buildings through a target-based performance framework;
- introduced legislative amendments to accelerate the tax deduction for capital expenditure on eligible environmental protection installations;
- continued to encourage the wider application of renewable energy at government buildings and facilities and promote the development of renewable energy in the private sector, including pursuing legislative amendments to provide exemption in relation to business registration and payment of profits tax;
- provided support to the inter-departmental steering committee on the promotion of green building and renewable energy in Hong Kong;
- reviewed the scope of the Mandatory Energy Efficiency Labelling Scheme (MEELS) and completed legislative processes pursuant to the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598) to include five additional categories of products under MEELS;
- followed up the “Energy Saving Plan for Hong Kong’s Built Environment 2015–2025+” including continuous promotion on retro-commissioning and making use of the dialogue platform established with stakeholders in the built environment sector to promote green building certification, retro-commissioning, and other initiatives;
- launched the Energy Saving for All 2018 Campaign including the Energy Saving Charter 2018, 4Ts Charter and Energy Saving Championship Scheme to promote public awareness of energy efficiency and conservation measures; and
- worked with relevant bureaux and departments to achieve the 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, including the use of the \$600 million reserved to implement electricity saving projects.

Matters Requiring Special Attention in 2019–20

7 During 2019–20, the Bureau will:

- oversee the implementation of the various programmes and schemes under the post-2018 SCAs, including the promotion of energy efficiency and conservation and the development of renewable energy;
- continue to grant and oversee the distribution of electricity charges relief to eligible residential electricity accounts to alleviate the increase in electricity charges;

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- 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;
- continue to oversee the enhanced efforts in enforcing statutory gas safety requirements in relation to liquefied petroleum gas vehicle fuel systems as well as the facilities and workshops engaged in the maintenance and repair of such systems;
- continue to oversee the construction and operation of the DCS in the Kai Tak Development, plan for the implementation of an additional DCS to meet the projected increase in cooling demand arising from additional facilities and developments in the Kai Tak Development, and take forward feasibility studies on implementing DCS projects in other New Development Areas;
- continue to promote the Charter on External Lighting and the Guidelines on Industry Best Practices for External Lighting Installations;
- continue to support the WGEL to conduct the review of the Charter on External Lighting;
- continue to promote building energy efficiency, and make preparations for conducting retro-commissioning progressively in suitable major government buildings to improve their energy efficiency;
- continue to oversee the implementation of electricity saving projects for government buildings and facilities for the purpose of achieving the target of five per cent saving in the electricity consumption of government buildings from 2015–16 to 2019–20;
- continue to encourage the wider application of renewable energy projects at government buildings and facilities and promote the development of renewable energy in the private sector;
- co-ordinate the efforts of various bureaux and departments in promoting green buildings in Hong Kong;
- continue to promote public awareness of energy efficiency and conservation measures; and
- consider the further expansion of MEELS to cover additional types of products to further energy saving.

Programme (3): Sustainable Development

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	30.0	33.7	31.9 (–5.3%)	34.4 (+7.8%)
				(or +2.1% on 2018–19 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 engagement 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 bureaux and departments.

Matters Requiring Special Attention in 2019–20

10 During 2019–20, 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 School Award Programme;
- process applications for the SDF and monitor implementation of the approved projects;

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- 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

	2017-18 (Actual) (\$m)	2018-19 (Original) (\$m)	2018-19 (Revised) (\$m)	2019-20 (Estimate) (\$m)
Programme				
(1) Director of Bureau's Office	15.9	17.4	18.4	19.2
(2) Power.....	30.8	40.7	465.8	1,742.3
(3) Sustainable Development.....	30.0	33.7	31.9	34.4
	76.7	91.8	516.1 (+462.2%)	1,795.9 (+248.0%)
				(or +1 856.3% on 2018-19 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2019-20 is \$0.8 million (4.3%) higher than the revised estimate for 2018-19. This is mainly due to the increased provision for operating expenses.

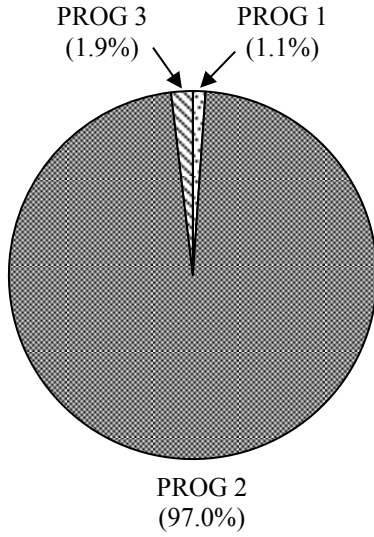
Programme (2)

Provision for 2019-20 is \$1,276.5 million (274.0%) higher than the revised estimate for 2018-19. This is mainly due to the increased cash flow requirement for the Electricity Charges Relief Scheme. In addition, there will be a net increase of one post in 2019-20.

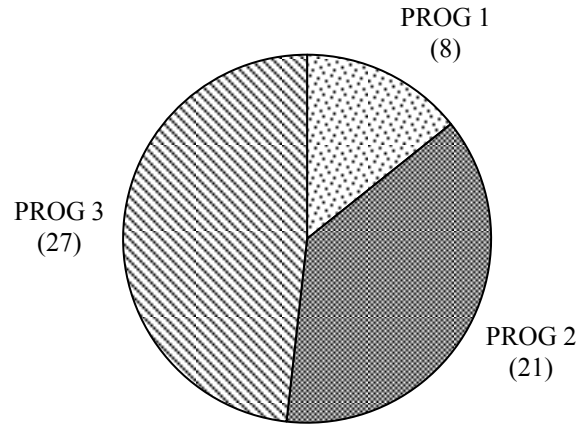
Programme (3)

Provision for 2019-20 is \$2.5 million (7.8%) higher than the revised estimate for 2018-19. This is mainly due to the increased provision for operating expenses. In addition, there will be an increase of two posts in 2019-20.

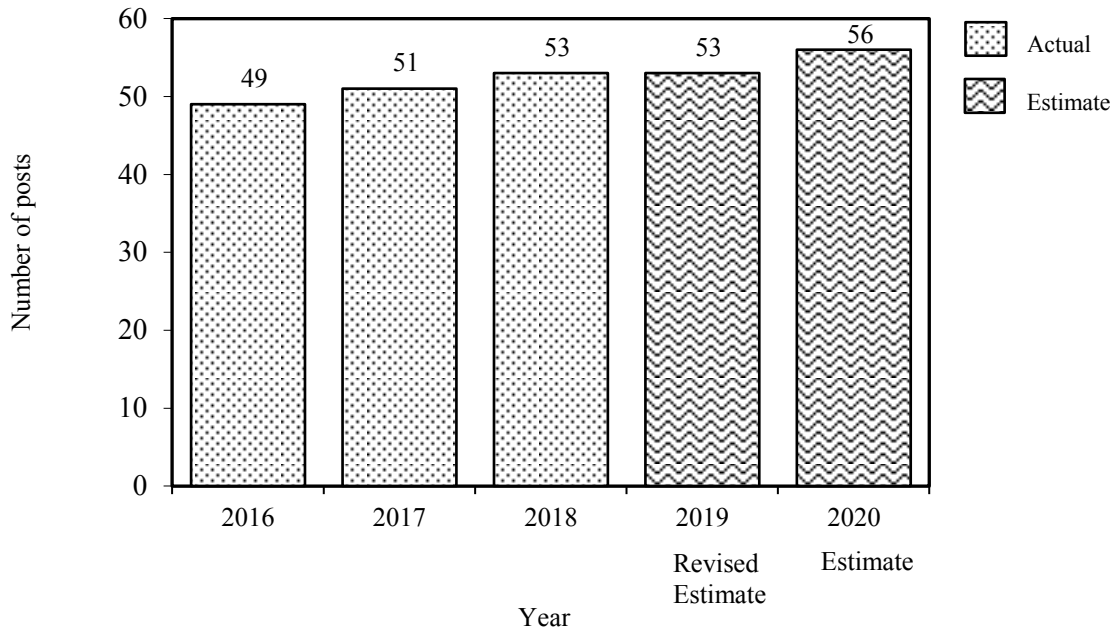
Allocation of provision to programmes (2019-20)



Staff by programme (as at 31 March 2020)



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



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Sub-head (Code)	Actual expenditure 2017–18	Approved estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	72,296	87,594	87,253	87,431
	Total, Recurrent.....	72,296	87,594	87,253	87,431
Non-Recurrent					
700	General non-recurrent	4,425	4,200	428,800	1,708,500
	Total, Non-Recurrent.....	4,425	4,200	428,800	1,708,500
	Total, Operating Account	76,721	91,794	516,053	1,795,931

	Total Expenditure	76,721	91,794	516,053	1,795,931
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Details of Expenditure by Subhead

The estimate of the amount required in 2019–20 for the salaries and expenses of the Environment Bureau is \$1,795,931,000. This represents an increase of \$1,279,878,000 over the revised estimate for 2018–19 and \$1,719,210,000 over the actual expenditure in 2017–18.

Operating Account

Recurrent

2 Provision of \$87,431,000 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 2019 will be 53 posts including one supernumerary post. It is expected that there will be a net increase of three posts in 2019–20. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2019–20, but the notional annual mid-point salary value of all such posts must not exceed \$35,645,000.

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

	2017–18 (Actual) (\$'000)	2018–19 (Original) (\$'000)	2018–19 (Revised) (\$'000)	2019–20 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	47,004	49,009	50,065	52,186
- Allowances.....	665	531	1,029	1,077
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	54	35	56	74
- Civil Service Provident Fund contribution.....	2,064	2,272	2,591	3,128
Departmental Expenses				
- General departmental expenses	22,509	35,745	33,510	30,964
	72,296	87,594	87,253	87,431

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2018	Revised estimated expenditure for 2018–19	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	052	Sustainable Development Fund.....	100,000	58,962	3,800	37,238
	801	Electricity Charges Relief Scheme.....	8,700,000	—	425,000	8,275,000
		Total	<u>8,800,000</u>	<u>58,962</u>	<u>428,800</u>	<u>8,312,238</u>