

Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

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

Estimate 2020–21	\$6,781.7m
Establishment ceiling 2020–21 (notional annual mid-point salary value) representing an estimated 49 non-directorate posts as at 31 March 2020 and as at 31 March 2021.	\$37.4m
In addition, there will be an estimated seven directorate posts as at 31 March 2020 and as at 31 March 2021.	
Commitment balance.....	\$11,807.8m

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

Detail

Programme (1): Director of Bureau's Office

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	17.7	19.2	20.7 (+7.8%)	22.0 (+6.3%)
				(or +14.6% on 2019–20 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

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	313.9	1,742.3	1,892.4 (+8.6%)	6,723.7 (+255.3%)
				(or +285.9% on 2019–20 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 2019–20, the Bureau:

- oversaw the implementation of the various programmes and schemes in relation to the promotion of energy efficiency and conservation and the development of renewable energy under the 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 during the transitional period in moving to a lower carbon future;
- oversaw the implementation of Electricity Charges Subsidy Scheme for Non-residential Customers to ease businesses' operating pressure and financial burden during economic downturn;
- 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;
- 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;
- provided support to the Working Group on External Lighting in reviewing measures to manage external lighting;
- continued to oversee the implementation of the updated 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;
- continued to promote the accelerated 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;
- provided support to the inter-departmental steering committee on the promotion of green building and renewable energy in Hong Kong;
- oversaw the publicity for Phase 3 of the Mandatory Energy Efficiency Labelling Scheme (MEELS) and reviewed the scope of MEELS, with a view to including additional types of products under Phase 4;
- followed up the "Energy Saving Plan for Hong Kong's Built Environment 2015~2025+" including continuous promotion of 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 2019 Campaign including the Energy Saving Charter 2019, 4T 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 some \$900 million reserved to implement electricity saving projects.

Matters Requiring Special Attention in 2020–21

7 During 2020–21, the Bureau will:

- continue to oversee the implementation of the various programmes and schemes under the 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 during the transitional period in moving to a lower carbon future;
- continue to oversee the implementation of Electricity Charges Subsidy Scheme for Non-residential Customers to ease businesses' operating pressure and financial burden during economic downturn;
- 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, plan for the implementation of a proposed DCS in the Kwu Tung North New Development Area and take forward feasibility studies on implementing DCS projects in other New Development Areas;
- continue to support the Working Group on External Lighting in reviewing measures to manage external lighting;
- continue to promote the Charter on External Lighting and the Guidelines on Industry Best Practices for External Lighting Installations;
- continue to promote building energy efficiency, and conduct retro-commissioning progressively in suitable major government buildings to improve their energy efficiency;
- oversee the implementation of energy saving projects and installation of renewable energy systems at government buildings and infrastructure to achieve the six per cent Green Energy Target by 2024–25;
- continue to encourage the wider application of renewable energy projects in 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;
- continue to promote public awareness of energy efficiency and conservation measures; and
- continue to review the scope of Phase 4 of MEELS to cover additional types of products.

Programme (3): Sustainable Development

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	28.8	34.4	31.7 (–7.8%)	36.0 (+13.6%)
				(or +4.7% on 2019–20 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 2020–21

10 During 2020–21, 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;
- 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

	2018–19 (Actual) (\$m)	2019–20 (Original) (\$m)	2019–20 (Revised) (\$m)	2020–21 (Estimate) (\$m)
Programme				
(1) Director of Bureau’s Office	17.7	19.2	20.7	22.0
(2) Power.....	313.9	1,742.3	1,892.4	6,723.7
(3) Sustainable Development.....	28.8	34.4	31.7	36.0
	360.4	1,795.9	1,944.8 (+8.3%)	6,781.7 (+248.7%)
				(or +277.6% on 2019–20 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2020–21 is \$1.3 million (6.3%) higher than the revised estimate for 2019–20. This is mainly due to the increased provision for operating expenses.

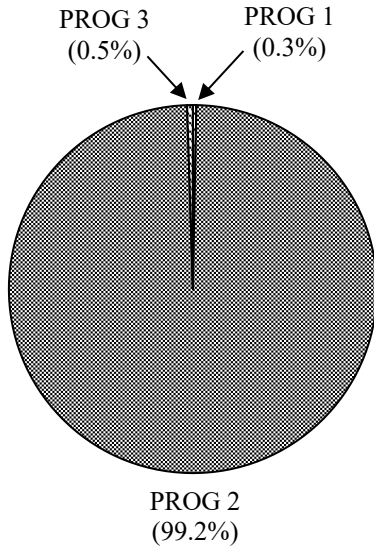
Programme (2)

Provision for 2020–21 is \$4,831.3 million (255.3%) higher than the revised estimate for 2019–20. This is mainly due to the increased cash flow requirement for the Electricity Charges Subsidy Scheme for Non-residential Customers and the Electricity Charges Relief Scheme.

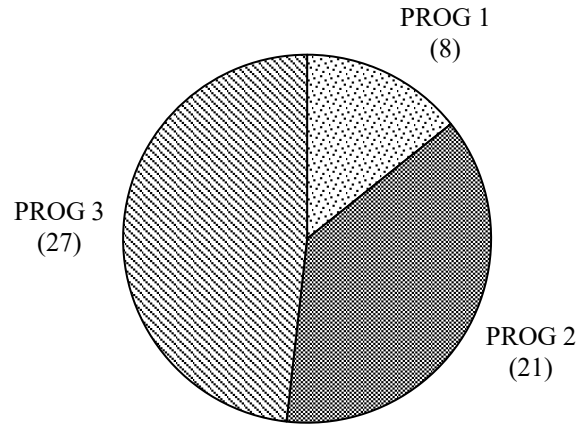
Programme (3)

Provision for 2020–21 is \$4.3 million (13.6%) higher than the revised estimate for 2019–20. This is mainly due to the increased provision for operating expenses.

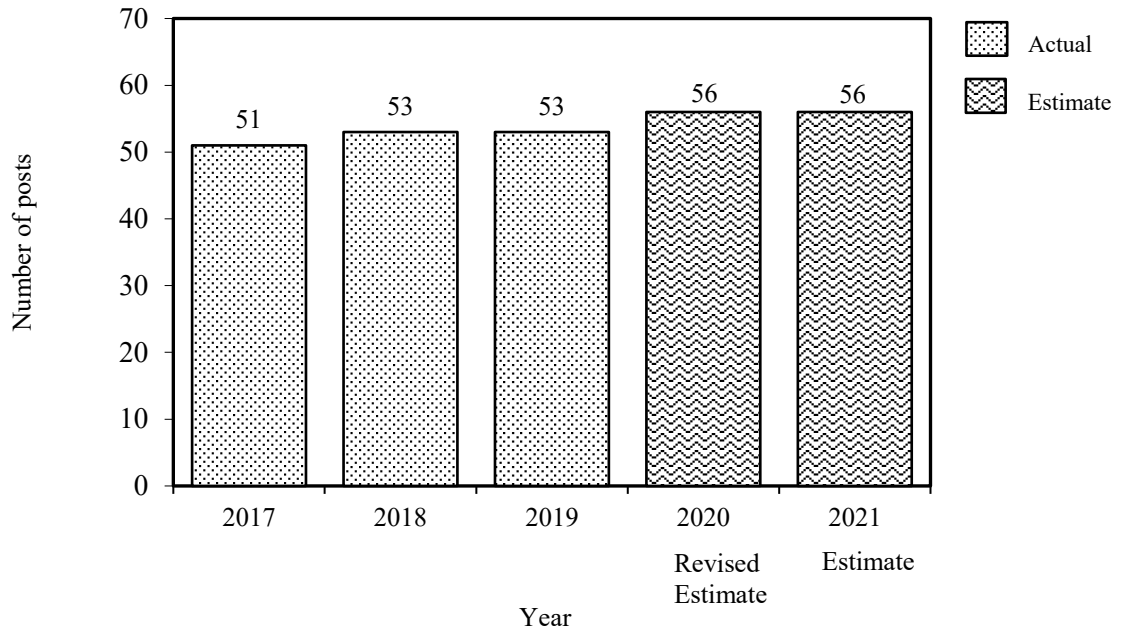
Allocation of provision to programmes (2020-21)



Staff by programme (as at 31 March 2021)



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



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Sub-head (Code)	Actual expenditure 2018–19	Approved estimate 2019–20	Revised estimate 2019–20	Estimate 2020–21	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	80,128	87,431	91,883	98,254
	Total, Recurrent.....	80,128	87,431	91,883	98,254
Non-Recurrent					
700	General non-recurrent	280,321	1,708,500	1,852,900	6,683,400
	Total, Non-Recurrent.....	280,321	1,708,500	1,852,900	6,683,400
	Total, Operating Account	360,449	1,795,931	1,944,783	6,781,654
	Total Expenditure	360,449	1,795,931	1,944,783	6,781,654

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Details of Expenditure by Subhead

The estimate of the amount required in 2020–21 for the salaries and expenses of the Environment Bureau is \$6,781,654,000. This represents an increase of \$4,836,871,000 over the revised estimate for 2019–20 and \$6,421,205,000 over the actual expenditure in 2018–19.

Operating Account

Recurrent

2 Provision of \$98,254,000 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 2020 will be 56 posts. No change in establishment is expected in 2020–21. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2020–21, but the notional annual mid-point salary value of all such posts must not exceed \$37,413,000.

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

	2018–19 (Actual) (\$'000)	2019–20 (Original) (\$'000)	2019–20 (Revised) (\$'000)	2020–21 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	48,899	52,186	50,386	54,203
- Allowances	1,142	1,077	1,588	1,449
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution	66	74	96	129
- Civil Service Provident Fund contribution	2,645	3,128	3,030	3,571
Departmental Expenses				
- General departmental expenses	27,376	30,964	36,781	38,900
	80,128	87,431	91,883	98,254

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2019	Revised estimated expenditure for 2019–20	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	052	Sustainable Development Fund.....	100,000	61,594	2,900	35,506
	801	Electricity Charges Relief Scheme.....	8,700,000	277,689	1,600,000	6,822,311
	802	Electricity Charges Subsidy Scheme for Non-residential Customers¶.....	5,200,000¶	—	250,000	4,950,000
		Total	<u>14,000,000</u>	<u>339,283</u>	<u>1,852,900</u>	<u>11,807,817</u>

¶ The increased commitment from \$2.3 billion to \$5.2 billion is sought in the context of the Appropriation Bill 2020, if the item FCR(2019-20)44 is approved by the Finance Committee of Legislative Council.