

LEGISLATIVE COUNCIL BRIEF

Ozone Layer Protection Ordinance (Chapter 403)

OZONE LAYER PROTECTION (FEES) (AMENDMENT) REGULATION 2000

INTRODUCTION

In accordance with section 16 of the Ozone Layer Protection Ordinance, the Secretary for the Environment and Food has, after consultation with the Advisory Council on the Environment, made the Amendment Regulation at Annex A to revise the fees payable under the Ozone Layer Protection (Fees) Regulations.

BACKGROUND AND ARGUMENT

2. It is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services. Most Government fees and charges have been frozen since February 1998 as an exceptional measure to ease the burden on the community at a time of economic setback. The Financial Secretary decided in June 1999 to continue the fee revision moratorium until the year-on-year quarterly Gross Domestic Product growth rate turned firmly positive. Taking into account the current state of economic recovery, the Administration consulted the Legislative Council Panel on Financial Affairs on 13 April 2000 on proposals to revise various fees that would not directly affect people's livelihood or general business activities. In view of the diverse nature of the fees involved, Members suggested and the Legislative Council House Committee agreed on 14 April 2000 that the Administration should consult the relevant subject Legislative Council Panels on whether and if so how the fees under their respective purview should be adjusted.

3. In this connection, we consulted the Legislative Council Panel on Environmental Affairs on 2 June 2000 on the proposals to revise, among others, the fees related to the Ozone Layer Protection Ordinance. Members of the Panel did not raise any objection to the proposed fee revision. The existing and proposed fees are summarized in Annex B.

4. The fees were last revised in January 1998. A costing review conducted at 2000-01 prices showed that the cost recovery rate of the fees ranged from 97% to 99%. The cost computation is shown in Annex C.

5. For this revision exercise, we propose to increase the fees by 1% or 3% to their full cost at 2000-01 prices.

THE REGULATION

6. The Amendment Regulation seeks to revise the fees as set out at Annex B with effect from 22 December 2000.

PUBLIC CONSULTATION

7. The Legislative Council Panel on Environmental Affairs was consulted on 2 June 2000. Members did not raise any objection to the proposed fee revision. The Advisory Council on the Environment was consulted on 30 October 2000 and Members did not raise objections.

BASIC LAW IMPLICATIONS

8. The Department of Justice advises that the Amendment Regulation is consistent with the Basic Law.

HUMAN RIGHTS IMPLICATIONS

9. The Department of Justice advises that the Amendment Regulation has no human rights implications.

BINDING EFFECT OF THE LEGISLATION

10. The Amendment Regulation will not affect the current binding effect of the Ozone Layer Protection (Fees) Regulation.

FINANCIAL AND STAFFING IMPLICATIONS

11. The implementation of the new fees will generate additional Government revenue of about \$28,000 per annum. There are no staffing implications.

ECONOMIC IMPLICATIONS

12. The cost impact of the proposed increase in fees under the said Ordinance on the trades concerned should be minimal.

EFFICIENCY INITIATIVES

13. To provide a more efficient service to the public, the Environmental Protection Department will continue to undertake necessary measures to -

- (a) contain costs by continuing to implement the Enhanced Productivity Programme and taking other improvement measures; and
- (b) review whether it is still necessary to provide the various services that require payment of fees and charges.

PUBLICITY

14. The Amendment Regulation will be published in the Gazette on 10 November 2000. A press release will be issued on the same day. A spokesman will be available to answer media enquiries.

ENQUIRY

15. For any enquiries on this brief, please contact Mr Billy Cheung, Assistant Secretary for the Environment and Food, at 2136 3359.

Environment and Food Bureau
November 2000

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ANNEXES

- Annex A - Ozone Layer Protection (Fees) (Amendment) Regulation 2000
- Annex B - Comparison of the existing and proposed fees
- Annex C - Cost computation under Ozone Layer Protection (Fees) Regulations

Comparison of the existing and proposed fees

	<u>Existing Fee</u>	<u>Proposed Fee</u>
	\$	\$
<u>Ozone Layer Protection (Fees) Regulations</u>		
(1) The fee for a licence to import or export issued under section 6(1)	910	940
(2) The fee for registration under section 5	2,790	2,805

COST COMPUTATION

ENVIRONMENTAL PROTECTION DEPARTMENT

Fees under the Ozone Layer Protection (Fees) Regulations
(Cost at 2000-01 Prices)

	(1) \$	(2) \$
Staff Costs	54,361	26,335
Departmental Expenses	3,331	1,340
Accommodation Costs	2,581	1,068
Depreciation	19	9
Cost of Services Provided by Other Departments	330,933	796,884
Central Administrative Overhead	1,480	717
Total Cost	392,705	826,353
Estimated number of cases	140	879
Unit Cost at 2000/01 prices (\$)	2,805	940
Existing fee (\$)	2,790	910
Proposed fee (\$)	2,805	940

Legend

- (1) The fee for registration under section 5 of the Ordinance
- (2) The fee for a licence to import or export issued under section 6(1) of the Ordinance