

For information
on 26 April 2010

**LEGISLATIVE COUNCIL
PANEL ON ENVIRONMENTAL AFFAIRS**

**Environment and Conservation Fund
Buildings Energy Efficiency Funding Schemes**

Purpose

This paper updates Members on the implementation of the Buildings Energy Efficiency Funding Schemes (the Schemes) set up under the Environment and Conservation Fund (ECF).

Background

2. We briefed the Panel on 27 April 2009 on the launch of the Schemes on 8 April 2009. Under the Schemes, \$150 million has been earmarked to subsidize owners of residential, commercial or industrial buildings to carry out energy-cum-carbon audits (ECA), and another \$300 million has been earmarked to subsidize building owners to conduct energy efficiency projects (EEP). Funds are granted on a matching basis. The funding limit for both ECA and EEP is 50% of the approved total actual expenditure, subject to a cap of HK\$150,000 and HK\$500,000 per building respectively.

Progress Update

3. As at 31 March 2010, a total of 1 078 applications were received (204 for ECA and 874 for EEP), covering a total of 7 600 buildings, i.e. about one in six of the 41 600 buildings in Hong Kong have submitted applications. Of these applications, 44% applications involve single buildings and 56% involve multiple buildings. The bulk of which are residential buildings (67%), followed by commercial buildings (13%), industrial buildings (10%) and composite buildings (10%). Up-to-date, a total grant of \$76 million have been approved in respect of 346 funding applications involving 2 200 buildings. The approved projects will give rise to 15 300 man-month of job opportunities. Progress in processing the applications is set out at the **Annex**.

Energy Efficiency Projects

4. The bulk of the 246 approved EEP applications are from residential buildings (74%), followed by residential-cum-commercial buildings and industrial buildings (both around 9%), as well as commercial buildings (8%). Applications involving single and multiple buildings account for 35% and 65% of the applications respectively. Around 80% of the approved applications sought funding for lighting installations, followed by those which sought funding for lifts and escalators (around 10%). The approved projects will lead to a saving in electricity consumption of 47.3 million kWh per annum, which is equivalent to a reduction of 33 100 tonnes of carbon dioxide emissions.

Energy-cum-carbon Audit Projects

5. The bulk of the 100 approved ECA applications are from residential buildings (67%), followed by commercial buildings (17%), residential-cum-commercial buildings (10%) and industrial buildings (6%). Applications involving single and multiple buildings account for 38% and 62% of the applications respectively.

Promotional Efforts

6. We have been publicizing the Schemes through various channels. Since 2009, over 60 briefings have been conducted for District Councils, property developers, property management companies, property owners, district organisations, engineering professional organisations and the electrical trades. Promotional posters and leaflets have been provided to owners' corporations and owners' committees. Dedicated websites have been set up and announcements of public interests have been broadcast on television and radio. We will continue the relevant publicity efforts to encourage applications.

Advice Sought

7. Members are invited to note progress of implementation of the Schemes as set out above.

Environment Bureau
April 2010

**Buildings Energy Efficiency Funding Schemes
Progress in Processing Applications
(as at 31 March 2010)**

	Energy-cum-carbon Audit Projects	Energy Efficiency Projects	Total
(1) Applications received -	204	874	1 078
<i>Progress of processing applications :-</i>			
(i) <i>Approved</i>	100	246	346
(ii) <i>Rejected (see Note)</i>	23	121	144
(iii) <i>Withdrawn</i>	26	42	68
(iv) <i>To be submitted to the Energy Conservation Projects Vetting Sub-committee for approval</i>	9	50	59
(v) <i>Further information from applicants being sought</i>	46	393	439
(vi) <i>Being processed</i>	0	22	22
(2) Total funding approved -	\$5.73 million	\$70.15 million	\$75.88 million

Note: Applications were rejected on the following grounds –

1. failure to meet the eligibility criteria; or
2. failure to provide adequate information for assessment despite repeated written requests; or
3. breaching other terms in the Guides to Applications, e.g. the proposed projects have already commenced before approval by the Energy Conservation Projects Vetting Sub-committee.