

Head 137 — GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU

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

Estimate 2018–19	\$91.8m
Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 46 non-directorate posts as at 31 March 2018 and as at 31 March 2019.	\$32.1m
In addition, there will be an estimated seven directorate posts as at 31 March 2018 and as at 31 March 2019.	
Commitment balance	\$41.0m

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

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	15.8	15.7	16.1 (+2.5%)	17.4 (+8.1%)
				(or +10.8% on 2017–18 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

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	31.1	31.4	34.0 (+8.3%)	40.7 (+19.7%)
				(or +29.6% on 2017–18 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; 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 as well as energy efficiency and conservation.

6 In 2017–18, the Bureau:

- entered into, with the two power companies, the post-2018 Scheme of Control Agreements (SCAs), the terms of which reflect the Government's commitments to reducing energy intensity, combating climate change and meeting the public aspirations expressed during the public consultation on the future development of the electricity market conducted in 2015;
- discussed with the two power companies the implementation details of the various programmes and schemes under the post-2018 SCAs with a view to launching them as soon as practicable when these SCAs come into effect;
- 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;
- continued to implement 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;
- continued to implement the tightened Building Energy Code under the Buildings Energy Efficiency Ordinance (Cap. 610) and enhance 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 wider application of renewable energy and oversee the implementation of renewable energy projects at government buildings and facilities;
- provided support to the inter-departmental steering committee on the promotion of green building in Hong Kong;
- reviewed the scope of the Mandatory Energy Efficiency Labelling Scheme (MEELS) and introduced legislative amendments 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 the release of the technical guidelines on retro-commissioning in mid-2017 and the 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 2017 Campaign including the Energy Saving Charter 2017, 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 conduct of energy audits for major government buildings with comparatively high annual electricity consumption and make use of the \$500 million reserved to implement energy management opportunities, including electricity saving projects.

Matters Requiring Special Attention in 2018–19

7 During 2018–19, the Bureau will:

- publicise and implement the various programmes and schemes under the post-2018 SCAs to promote energy efficiency and conservation and the development of renewable energy;
- 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;

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- continue to oversee the construction and operation of the DCS in the Kai Tak Development and to take forward feasibility studies on implementing DCS projects in other New Development Areas;
- continue to invite signatories and partners to support the Charter on External Lighting and promote the Guidelines on Industry Best Practices for External Lighting Installations;
- conduct a review of the Charter on External Lighting;
- continue to promote building 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 promote energy saving in government infrastructure to achieve saving in the electricity consumption by government infrastructure from 2015–16 to 2019–20, using 2013–14 operating conditions as the baseline;
- continue to encourage the development of renewable energy projects at government buildings and facilities;
- 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 promote the wider application of renewable energy; and
- continue to oversee the expansion of MEELS to cover additional types of products following amendments to the Energy Efficiency (Labelling of Products) Ordinance.

Programme (3): Sustainable Development

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	30.7	33.7	30.6 (–9.2%)	33.7 (+10.1%)
				(or same as 2017–18 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 2018–19

10 During 2018–19, 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

	2016-17 (Actual) (\$m)	2017-18 (Original) (\$m)	2017-18 (Revised) (\$m)	2018-19 (Estimate) (\$m)
Programme				
(1) Director of Bureau's Office	15.8	15.7	16.1	17.4
(2) Power.....	31.1	31.4	34.0	40.7
(3) Sustainable Development.....	30.7	33.7	30.6	33.7
	77.6	80.8	80.7 (-0.1%)	91.8 (+13.8%)
				(or +13.6% on 2017-18 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2018-19 is \$1.3 million (8.1%) higher than the revised estimate for 2017-18. This is mainly due to the increased provision for operating expenses.

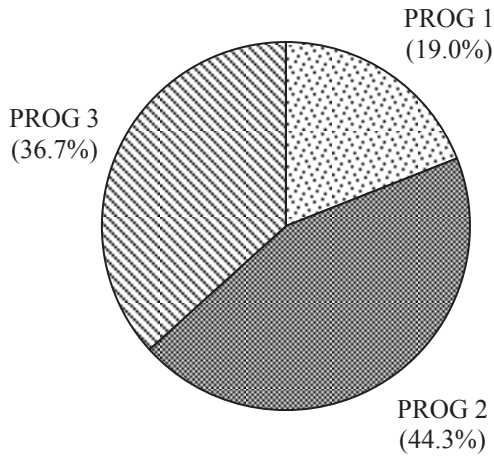
Programme (2)

Provision for 2018-19 is \$6.7 million (19.7%) higher than the revised estimate for 2017-18. This is mainly due to the increased provision for operating expenses.

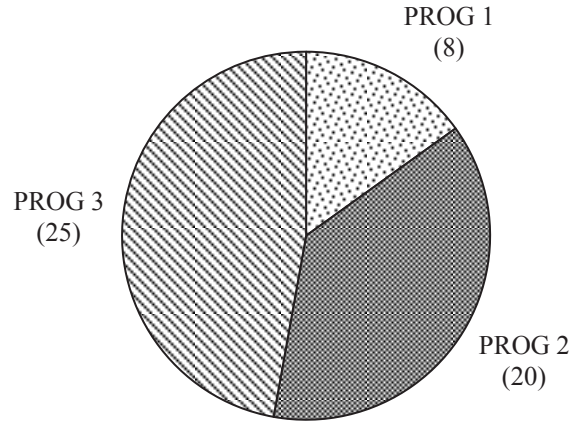
Programme (3)

Provision for 2018-19 is \$3.1 million (10.1%) higher than the revised estimate for 2017-18. This is mainly due to the increased provision for operating expenses.

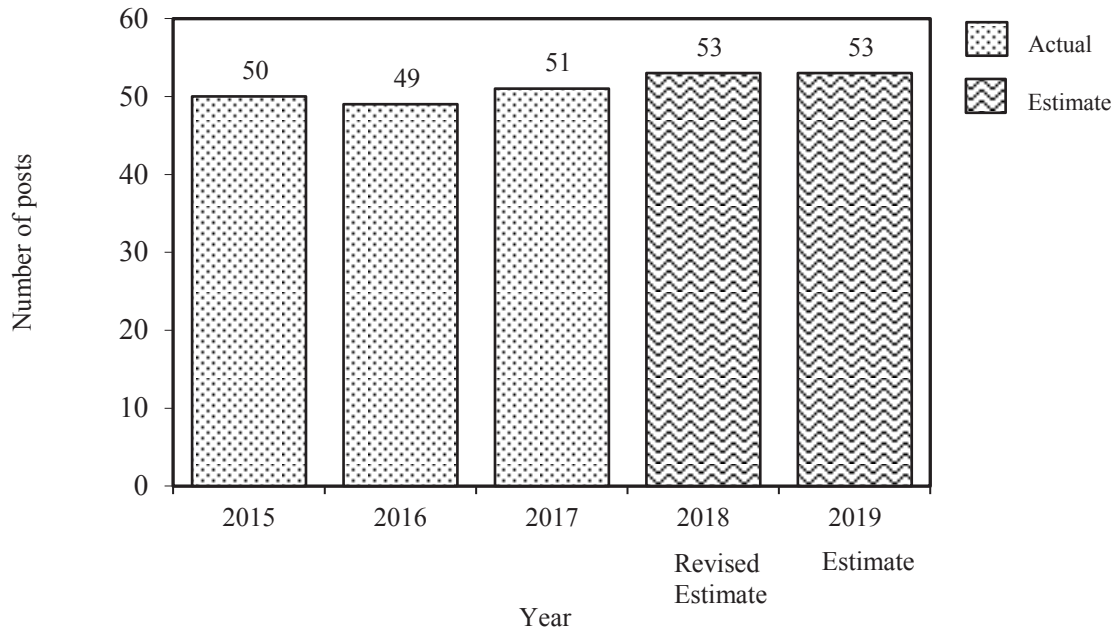
Allocation of provision to programmes (2018-19)



Staff by programme (as at 31 March 2019)



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	72,742	75,845	76,170	87,594
	Total, Recurrent.....	<u>72,742</u>	<u>75,845</u>	<u>76,170</u>	<u>87,594</u>
Non-Recurrent					
700	General non-recurrent	4,884	5,000	4,500	4,200
	Total, Non-Recurrent.....	<u>4,884</u>	<u>5,000</u>	<u>4,500</u>	<u>4,200</u>
	Total, Operating Account	77,626	80,845	80,670	91,794
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	Total Expenditure	<u>77,626</u>	<u>80,845</u>	<u>80,670</u>	<u>91,794</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Environment Bureau is \$91,794,000. This represents an increase of \$11,124,000 over the revised estimate for 2017–18 and \$14,168,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$87,594,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Environment Bureau. This represents an increase of \$11,424,000 (15%) over the revised estimate for 2017–18. This is mainly due to the increased provision for the 5-year Development Plan Review under the Scheme of Control Agreements.

3 The establishment as at 31 March 2018 will be 53 posts including one supernumerary post. No change in establishment is expected 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 \$32,088,000.

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.....	44,816	47,168	47,755	49,009
- Allowances.....	805	812	525	531
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	72	74	59	35
- Civil Service Provident Fund contribution.....	1,550	1,893	1,933	2,272
Departmental Expenses				
- General departmental expenses	25,499	25,896	25,896	35,745
	72,742	75,845	76,170	87,594

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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>				
	052	Sustainable Development Fund.....	100,000	54,537	4,500	40,963
		Total	100,000	54,537	4,500	40,963