

**立法會**  
**Legislative Council**

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seen by the Administration)

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**Establishment Subcommittee of the Finance Committee**

**Minutes of the 10<sup>th</sup> meeting**  
**held in Conference Room 1 of Legislative Council Complex**  
**on Friday, 22 March 2019, at 8:30 am**

**Members present:**

Hon Holden CHOW Ho-ding (Deputy Chairman)  
Hon James TO Kun-sun  
Hon WONG Ting-kwong, GBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon CHAN Chi-chuen  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung, JP  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, BBS, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, SBS, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Alvin YEUNG  
Hon CHU Hoi-dick  
Hon HO Kai-ming  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon YUNG Hoi-yan  
Dr Hon Pierre CHAN  
Hon CHAN Chun-ying, JP  
Hon Jeremy TAM Man-ho

Hon AU Nok-hin  
Hon Vincent CHENG Wing-shun, MH  
Hon Tony TSE Wai-chuen, BBS

**Members absent:**

Hon Mrs Regina IP LAU Suk-ye, GBS, JP (Chairman)  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon CHUNG Kwok-pan

**Public Officers attending:**

Ms Kinnie WONG Kit-ye	Secretary for Financial Services and the Treasury (Treasury) 1 (Acting)
Mr Brian LO Sai-hung, JP	Deputy Secretary for the Civil Service 1
Mr LAM Sai-hung, JP	Permanent Secretary for Development (Works)
Mr John KWONG Ka-sing	Head of Project Cost Management Office Development Bureau
Mr Joseph LO Kwok-kuen	Chief Assistant Secretary (Works)1 Development Bureau
Mrs Cherry TSE LING Kit-ching, JP	Permanent Secretary for Home Affairs
Mrs Angelina CHEUNG FUNG Wing-ping, JP	Deputy Secretary for Home Affairs (2)
Ms YING Fun-fong, JP	Project Manager (Home Affairs Bureau)
Mr Eric CHENG Siu-fun	Principal Assistant Secretary for Home Affairs (West Kowloon Cultural District)
Ms Alice PANG, JP	Project Manager (South) Civil Engineering and Development Department
Mr Edmund CHAN Ping-wa	Chief Engineer (South 2) Civil Engineering and Development Department
Ms Irene YOUNG Bick-kwan, JP	Deputy Secretary for the Environment
Ms Queenie LEE Lai-kwan	Principal Assistant Secretary for the Environment (Electricity Reviews)
Mr Paul WONG Yan-yin	Principal Assistant Secretary for the Environment (Energy)



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from 1 April 2019 or upon approval of the Finance Committee ("FC") (whichever is later) to lead the new Project Strategy and Governance Office for implementing strategic initiatives and enhancing capabilities in cost surveillance and project governance. He pointed out that discussion of the item was carried over from the meeting on 22 February 2019.

Voting on the item

3. As members raised no further questions on the item, the Deputy Chairman put the item to vote. The Deputy Chairman was of the view that the majority of the members voting were in favour of the item, and he declared that the Subcommittee agreed to recommend the item to FC for approval.

4. Mr Tony TSE requested that the item be voted on separately at the relevant FC meeting.

**EC(2018-19)29      Proposed retention of three supernumerary posts of one Principal Government Engineer (D3) and one Administrative Officer Staff Grade C (D2) in the Home Affairs Bureau; and one Chief Engineer (D1) in the Civil Engineering and Development Department with immediate effect upon approval of the Finance Committee up to 31 March 2023 to provide continual and dedicated support for monitoring and facilitating the implementation of the West Kowloon Cultural District (WKCD) project and to drive the implementation of the integrated basement and government infrastructure projects in WKCD**

5. The Deputy Chairman remarked that the staffing proposal was to retain three supernumerary posts of one Principal Government Engineer (D3) (designated as Project Manager) and one Administrative Officer Staff Grade C (D2) (designated as Principal Assistant Secretary (West Kowloon Cultural District) ("PAS(WKCD)")) in the Home Affairs Bureau ("HAB"); and one Chief Engineer (D1) (designated as Chief Engineer/South 2) in the Civil Engineering and Development Department ("CEDD") with immediate effect upon approval of FC up to 31 March 2023 to monitor and facilitate the implementation of the WKCD project and to drive the implementation of the integrated basement and government infrastructure projects in WKCD.

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6. The Deputy Chairman remarked that the Administration consulted the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") on this proposal on 11 June 2018. The proposal was submitted to the Establishment Subcommittee ("ESC") for consideration on 22 February 2019 and was negatived. The Administration subsequently provided a supplementary information paper (ESC72/18-19(01)) and submitted afresh the proposal to ESC for consideration. The Deputy Chairman said that as the Chairman had already highlighted the main issues discussed by the Joint Subcommittee at the meeting on 22 February 2019, he would not repeat.

7. Mr CHAN Chi-chuen said that while he was not opposed to the staffing proposal, he considered it necessary for the Administration to monitor closely the implementation of the WKCD project. Noting that the three proposed supernumerary posts would expire on 31 March 2019, he asked about the Government's arrangements for these supernumerary posts if the proposal was not approved by FC by 1 April 2019. He also requested a briefing on the new information set out in the present discussion paper.

8. Permanent Secretary for Home Affairs ("PSHA") responded that HAB and CEDD would arrange taking over the duties of the three supernumerary posts through internal deployment according to work priorities if retention of the three supernumerary posts was not approved by FC by 1 April 2019. If necessary, HAB and CEDD would discuss appropriate arrangements with the Civil Service Bureau. As regards the present discussion paper, PSHA pointed out that the Administration had updated some contents and further elaborated on the justifications for retaining the three supernumerary posts. It had also provided supplementary information in response to members' concerns and views.

9. Mr James TO asked whether the Centre of Excellence for Major Project Leaders to be established would facilitate the implementation of the WKCD project. PSHA replied that PAS(WKCD) would monitor the WKCD project from a policy perspective. In addition to reviewing the governance and operation of the West Kowloon Cultural District Authority ("WKCD"), PAS(WKCD) would also coordinate the communication and collaboration among WKCD, other government departments and stakeholders (including the Leisure and Cultural Services Department and institutes providing arts and cultural training).

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Voting on the item

10. The Deputy Chairman put the item EC(2018-19)29 to vote. At the request of Mr CHAN Chi-chuen, the Deputy Chairman ordered a division, and the division bell rang for five minutes. Thirteen members voted for the item, no member voted against it and one member abstained from voting. The Deputy Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

*For*

Mr James TO	Mr WONG Ting-kwong
Mr WONG Kwok-kin	Mr YIU Si-wing
Mr KWOK Wai-keung	Mr Christopher CHEUNG
Mr POON Siu-ping	Dr CHIANG Lai-wan
Mr SHIU Ka-chun	Ms YUNG Hoi-yan
Mr CHAN Chun-ying	Mr Vincent CHENG
Mr Tony TSE	
(13 members)	

*Abstain*

Mr CHAN Chi-chuen  
(1 member)

11. No member requested that the item be voted on separately at the FC meeting.

**EC(2018-19)27      Proposed making permanent of one Administrative Officer Staff Grade C (D2) supernumerary post in the Environment Bureau with effect from 29 April 2019 or with immediate effect upon approval of the Finance Committee, whichever is later, to continue to take forward tasks in relation to the promotion of renewable energy and long term development of the electricity market**

12. The Deputy Chairman remarked that the staffing proposal was to make permanent of one Administrative Officer Staff Grade C (D2) supernumerary post in the Environment Bureau ("ENB") (designated as Principal Assistant Secretary (Electricity Reviews) ("PAS(ER)")) with effect from 29 April 2019 or with immediate effect upon approval of FC, whichever is later, to continue to take forward tasks in relation to the promotion of renewable energy ("RE") and long term development of the

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electricity market.

13. The Deputy Chairman remarked that the Panel on Environmental Affairs was consulted on this proposal on 26 November 2018, and some members expressed strong objection to or reservation about the proposal as they did not consider it necessary to regularize the supernumerary post, while other members generally supported the proposal. The Panel voted on and agreed to the submission of the proposal to ESC. During the discussion, individual Panel members suggested that the Administration should: (a) formulate a comprehensive plan for promotion of the development of RE and set an indicator for evaluating the effectiveness of efforts in taking forward the relevant tasks; and (b) provide more facilitation measures and support, including relaxing the relevant regulatory requirements and streamlining the application procedures, etc., for the installation of solar photovoltaic systems on building rooftops and/or participation in the Feed-in Tariff ("FiT") Scheme by individuals and non-governmental organizations.

The Administration's efforts in combating climate change

14. Mr SHIU Ka-chun, Mr CHAN Chi-chuen and Mr CHU Hoi-dick pointed out that a number of local students had joined the "School Strike 4 Climate" ("the School Strike") held on 15 March 2019, indicating that young people were concerned about the problem of climate change. Expressing disappointment that ENB did not respond to the issue, they urged the Administration to attach importance to the aspirations expressed in the School Strike. They asked about the Administration's response to the School Strike, including whether consideration would be given to setting up a dedicated department in ENB to deal with climate change. Mr SHIU also enquired whether the Steering Committee on Climate Change ("SCCC") had included youth representatives. Mr CHU asked whether ENB would meet with student representatives of the School Strike.

15. Deputy Secretary for the Environment ("DSEN") responded that the Administration had taken note of the School Strike and appreciated the students' aspirations. Currently, ENB did not have any plan to meet with student representatives of the School Strike. She pointed out that the Council for Sustainable Development ("SDC") would launch a public engagement ("PE") exercise on the formulation of Hong Kong's long-term decarbonization strategy in the first half of 2019, during which various stakeholders including students could give views on carbon reduction issues. She advised that SCCC was an inter-departmental committee under the chairmanship of the Chief Secretary for Administration and it had no plan for the time being to include representatives from the public, while on the other hand, SDC had included two youth representatives through the

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Member Self-recommendation Scheme for Youth.

16. As regards the work on combating climate change, DSEN pointed out that the Paris Agreement applied to Hong Kong, and various sectors of the community would also be invited under the PE exercise to express views on the formulation of Hong Kong's long-term decarbonization strategy. She emphasized that the conversion of the proposed post from a supernumerary post into a permanent one as proposed by the Administration demonstrated its determination to combat global climate change. PAS(ER) had been handling issues involving mitigation of climate change, including reviewing the potential of developing RE in Hong Kong, revamping the local fuel mix for electricity generation and implementing measures to encourage the private sector to consider adopting RE, such as the FiT Scheme and Solar Harvest. She stressed that collaboration between public and private sectors was vital to the reduction of carbon emissions. For the public sector, in order to promote small-scale RE installations in government buildings, venues and facilities, the Government had earmarked \$2 billion in total to support the development of related projects by bureaux and departments.

17. Mr SHIU Ka-chun requested the Administration to provide a response to the School Strike.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 12 April 2019 vide LC Paper No. ESC89/18-19(01).)*

Carbon emissions reduction target

18. Mr CHAN Chi-chuen noted that the Administration's carbon reduction target was to reduce Hong Kong's carbon intensity by 65% to 70% by 2030 as compared with the 2005 level. He asked about Hong Kong's current carbon intensity as compared with the 2005 level and whether the Administration was confident in achieving its carbon reduction target. Mr CHU Hoi-dick made similar enquiries.

19. DSEN reiterated that collaboration among various sectors of the community was important in reducing carbon emissions. The Administration had adopted multi-pronged measures to promote carbon reduction, including developing RE, revamping the fuel mix for electricity generation, enhancing energy efficiency for electricity consumption and encouraging different sectors to save electricity. Taking the Administration as an example, its energy saving target was 5% saving in the electricity consumption of government buildings from 2015 to 2020. The Administration had been monitoring its electricity consumption, and

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had successfully reduced the consumption by 4.9% so far. It was expected that the target could be achieved as scheduled. The Administration would review whether a more aggressive energy saving target should be set. It had also been reviewing the implementation of carbon reduction measures and had formulated new measures where appropriate.

20. Mr CHAN Chi-chuen and Mr CHU Hoi-dick requested the Administration to provide information on the actual reduction level in Hong Kong's carbon emissions and Hong Kong's carbon intensity in 2018 as compared with the 2005 level under the Government's carbon reduction target, and whether any medium-term target together with an implementation timetable had been set for carbon reduction.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 12 April 2019 vide LC Paper No. ESC 89/18-19(01).)*

21. Mr Tony TSE took the view that the Administration should set a medium-term carbon reduction target and achieve its energy saving targets by enhancing efficiency of electricity consumption. He suggested that the Administration could make reference to the practices of some private organizations and discuss ways to enhance efficiency of electricity consumption with the two power companies.

22. Mr CHU Hoi-dick said that the Intergovernmental Panel on Climate Change under the United Nations released the Special Report on Global Warming of 1.5°C ("the Special Report") in October 2018. The report suggested that to achieve the target of limiting global warming to 1.5°C, global carbon emissions would need to fall by 45% from 2010 levels by 2030 and net zero carbon emissions should be achieved by 2050. Mr CHU asked whether the Administration would consider achieving the target suggested by the Special Report in fulfilling the requirements under the Paris Agreement, whether a carbon reduction target for 2050 would be set before conducting the PE exercise, when SDC would release the document for the PE exercise, and whether the Administration would take part in the drafting of the document.

23. Mr WU Chi-wai made similar enquiries. Referring to paragraph 5 of the Administration's paper which stated that if the Government was to achieve a more aggressive carbon reduction target beyond 2030, it would need to significantly increase the proportion of zero-carbon energy (including RE) in the overall fuel mix for electricity generation, he requested the Administration to further explain the duties of PAS(ER) in this regard.

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24. DSEN reiterated that the Paris Agreement applied to Hong Kong. Hong Kong would fulfill the requirements under the Paris Agreement and achieve the target of revamping the fuel mix for electricity generation by 2020. She emphasized that combating climate change was a complex subject. The Administration would gauge views from stakeholders through the PE exercise on, among others, whether Hong Kong should set a more aggressive carbon reduction target. SDC had commissioned a consultant to draft the document for the PE exercise.

25. Pointing out that electric vehicles could help reduce carbon emissions, Mr SHIU Ka-chun requested the Administration to provide information on measures to promote the use of electric vehicles, including provision of tax concession.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 12 April 2019 vide LC Paper No. ESC89/18-19(01).)*

Promotion of the development of renewable energy and revamping of the fuel mix for electricity generation

26. Expressing support for the development of RE in Hong Kong, Mr AU Nok-hin enquired ENB about the long-term target of the electricity supply mix of Hong Kong, and requested the Administration to spell out the respective target share of various fuels in the fuel mix for electricity generation. Mr AU was of the view that the Administration should increase the share of RE in the fuel mix for electricity generation and reduce the reliance of Hong Kong on nuclear power and coal-fired power generation. He was also concerned whether the Administration would, in deciding if interconnection with the Mainland should be effected in future, take into account the Mainland's fuel mix for electricity generation by then, including whether nuclear power and fuels that gave off high carbon emissions were still the major fuel sources.

27. DSEN advised that the Administration announced in March 2015 the fuel mix for electricity generation in 2020, where the share of gas generation would be increased to around 50%, while the share of nuclear import would be maintained at around 25%. The Administration would also promote the development of RE so as to further reduce the share of coal-fired power generation, and would request the two power companies to increase the use of natural gas generating units in future to replace the coal-fired generating units which would gradually retire. The Administration would also keep an eye on the Mainland's fuel mix for electricity generation.

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28. Mr Tony TSE pointed out that as the Administration had conducted a consultancy study on the development of RE in 2000, the supernumerary post of PAS(ER) created in 2014 should have already commenced formulating policies on the promotion of RE. He enquired about the details of work of the post holder in promoting RE in the past five years and the need for the proposed regularization of the post.

29. Mr YIU Si-wing also enquired about the work and the effectiveness of PAS(ER) in promoting the development of RE in the past five years, including whether any proposals had been put forward on the planning, budgets and targets for the development of RE, and whether the Administration had adopted such proposals. Mr YIU also considered that upon regularization of the post, PAS(ER) should endeavour to formulate long-term policies on promotion of RE and development of the electricity market, and consider taking up the duties of other directorate officers in ENB.

30. DSEN advised that work in relation to promotion of RE had been previously taken up by the Energy Division of ENB. Taking into account the close relationship between the development of RE and the electricity market, ENB had transferred the relevant tasks to PAS(ER) with effect from mid-2018. As regards the workload of the post, DSEN pointed out that the post had been created as a supernumerary one since February 2014 to head a dedicated team in ENB to undertake a review of the electricity market and conduct a public consultation in 2015 having regard to the review. In April 2016, FC approved the extension of the supernumerary post for a period of three years to take forward the outcome of the public consultation, conduct negotiation with the two power companies in respect of the post-2018 Scheme of Control Agreements ("SCAs"), as well as prepare and implement the new contractual agreements. Upon regularization of the post, its main tasks would include promoting the development of RE and revamping the fuel mix for electricity generation, promoting the future development of the electricity market of Hong Kong, and participating in the interim reviews of SCAs, etc. PAS(ER) would be fully stretched and had no capacity to take up other duties.

31. At the request of Mr Tony TSE, the Administration would provide information on the details of the policy on developing RE in Hong Kong, and the work of PAS(ER) over the past five years in promoting the development of RE.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 12 April 2019 vide LC Paper No. ESC89/18-19(01).)*

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32. Mr Jeremy TAM said that Members belonging to the Civic Party supported the staffing proposal. He asked the Administration about the specific targets in the development of wind power generation. Noting that the two power companies had put forward a number of proposals on natural gas generation including the use of natural gas carriers (instead of pipelines) to import natural gas, he asked whether PAS(ER) would handle such issues.

33. On wind power generation, DSEN advised that the two power companies were conducting feasibility studies on the construction of offshore wind farms near Hong Kong waters. Regarding natural gas generation, as the import of natural gas via pipelines only was not conducive to a stable supply and would also undermine the bargaining power of the two power companies, the two companies had agreed to construct an offshore liquefied natural gas terminal, which was expected to commence operation in 2021. The matter was being handled by a number of colleagues in ENB. She pointed out that PAS(ER) would focus on revamping the fuel mix for electricity generation of the two power companies while other colleagues in ENB would be responsible for the financial oversight of the two companies.

34. Mr WU Chi-wai said that while certain economic costs were inevitable in promoting carbon reduction, the Administration had not given a clear account of the issue in previous consultations. He was of the view that the two power companies should bear some of the costs of carbon reduction, and the Administration should also study whether revamping of the fuel mix for electricity generation would bring about an increase in the capital investments and asset values of the two power companies, thus indirectly causing a substantial rise in electricity tariffs. Mr WU urged the Administration to, in reviewing SCAs with the two power companies in future, examine whether they had shifted the costs of carbon reduction by substantially increasing electricity tariffs. Noting from the Administration's paper that Hong Kong had about 3% to 4% of realizable RE potential arising from wind, solar and waste-to-energy that could be exploited, Mr WU enquired about the costs of developing such RE, as well as the impact on electricity tariffs. Pointing out that the types of RE that could be developed in Hong Kong were limited, Mr WU was concerned that the workload of PAS(ER) in promoting the development of RE might be on the low side.

35. DSEN responded that in promoting the development of RE and revamping the fuel mix for electricity generation, the Administration would take into account the impact of the related measures on electricity tariffs, and whether they could facilitate Hong Kong to fulfill the requirements under the Paris Agreement. She said that different types of RE varied in

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scale and it was difficult to quantify the development costs to be incurred at this stage. As the cost of RE was higher than that of coal-fired power generation, the Administration would ascertain through the PE exercise whether the community was ready to bear the economic costs of carbon reduction.

36. Mr WU Chi-wai did not subscribe to the Administration's response that it was difficult to quantify the development costs of RE. He reiterated that the Administration should assess through various channels (including the FiT Scheme) the impact of developing RE on electricity tariffs. He also asked whether the development of RE in Hong Kong was led by government projects (like turning waste to energy in sewage treatment plants). Mr WU stressed that as the development costs of RE would have a bearing on the views to be expressed by stakeholders during the PE exercise, he called on the Administration to provide the relevant information as soon as possible.

37. DSEN responded that the purpose of implementing the FiT Scheme was to shorten the payback periods of RE systems. Thus, the Scheme could not reflect the development costs of RE, and information on the development costs of RE were not available at this stage. She also advised that promotion of the development of RE relied on the participation of all parties. Hong Kong would develop RE through various approaches (such as waste-to-energy) and the Government was conducting a study on the potential of developing RE on building rooftops in Hong Kong.

38. Ir Dr LO Wai-kwok expressed support for the staffing proposal. Pointing out the views in the community that solar energy devices could be installed on some agricultural lands in the New Territories, he hoped that PAS(ER) would consider the suggestion and, in the course of implementing the measures, coordinate the work of the bureaux/departments concerned.

Implementation of the Feed-in Tariff Scheme

39. Mr AU Nok-hin declared that the housing estate where he lived had participated in the FiT Scheme. He said that while a number of large housing estates had interest in joining the FiT Scheme, the rooftops in some of the estates belonged to the owners of the top-floor flats and hence the consent of the owners concerned would be needed before such estates could participate in the FiT Scheme. He asked what measures were put in place by ENB to encourage owners to participate in the FiT Scheme (including providing financial incentives). Mr AU was also concerned that some companies had carried out illegal fund raising in the name of assisting housing estates to participate in the FiT Scheme. He urged ENB to address the problem and give guidelines to Owners' Committees and

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Owners' Corporations on participation in the FiT Scheme.

40. DSEN and Principal Assistant Secretary for the Environment (Electricity Reviews) pointed out that the FiT Scheme was well received with almost 2 000 applications received so far. As the rooftops of some large housing estates belonged to the owners of the top-floor flats, prior consent of the owners concerned had to be sought before such estates could develop RE on rooftops and participate in the FiT Scheme.

Long-term development of the electricity market

41. The Deputy Chairman noted that in preparation for deciding whether to open up the electricity market of Hong Kong beyond 2033, the Administration would conduct studies on strengthening interconnection and opening up access to power grids. He stressed that in carrying out the studies, the Administration should endeavour to ensure a stable local electricity supply. He also enquired about the timetable of such studies.

42. Mr CHAN Chi-chuen enquired how the Administration would consider the findings of the studies to decide whether Hong Kong would import electricity supply from the Mainland in future, as well as its policy objectives regarding the opening up of the electricity market.

43. DSEN stressed that the Administration attached great importance to ensuring a stable electricity supply. In conducting the studies on opening up Hong Kong's electricity market, the Administration would take into consideration the four energy policy objectives (i.e. safety, reliability, affordability and environmental protection). As regards the timetable of the studies, DSEN advised that these studies were very complicated and the Administration had already commenced the preparatory work. Upon the regularization of the proposed post, the post holder would continue to take up the tasks. She added that as the studies were still in preliminary stage, it was difficult to forecast the outcomes for the time being.

44. Mr AU Nok-hin asked whether the Administration had kept information on the land owned by the two power companies as well as their usage. In his view, such information would facilitate the Administration to monitor the two power companies on their use of assets for electricity generation.

45. DSEN advised that under the post-2018 SCAs, the Administration would monitor the capital investments of the two power companies. Such task was undertaken by the Financial Monitoring Division and the Electricity Team of ENB. Principal Assistant Secretary for the Environment (Electricity Reviews) added that under SCAs, the two power

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companies were required to submit development plans every five years, which should include their capital investments in the coming five years. The Administration would review whether the capital investments of the two power companies were reasonable.

46. Mr WU Chi-wai said that substantial capital investments would be made if Hong Kong was to fulfill the requirements under the Paris Agreement. He was concerned whether the two power companies would increase their asset values in the name of developing low-carbon power generation. He also remarked that in conducting the five-year review on the SCAs, the Administration should examine whether it was appropriate to keep using the asset values of the two power companies as the basis for profit control. Sharing Mr WU's concern, Mr AU Nok-hin sought information on how the Administration had prevented the two power companies under the post-2018 SCAs from increasing their asset values and permitted returns through financial arrangements (such as trading or switch of assets) in the name of developing low-carbon power generation, which would cause a substantial rise in electricity tariffs indirectly.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 12 April 2019 vide LC Paper No. ESC89/18-19(01).)*

A motion proposed by a member under paragraph 31A of the Establishment Subcommittee Procedure

47. At 10:13 am, the Deputy Chairman advised that he received a proposed [motion](#) to be moved by Mr CHU Hoi-dick under paragraph 31A of the Establishment Subcommittee Procedure ("ESC Procedure"). He advised that after studying the proposed motion, he was of the view that the motion was directly related to the agenda item under discussion, and that the proposed motion would be dealt with after members finished raising questions.

*(At 10:30 am, the Deputy Chairman asked if members agreed to extend the meeting by 15 minutes. No Members raised objection.)*

48. At 10:31 am, the Deputy Chairman put to vote the question that Mr CHU Hoi-dick's proposed motion be proceeded. At the request members, the Deputy Chairman ordered a division and the division bell rang for five minutes. The Deputy Chairman declared that the question was [negatived](#). After the Deputy Chairman announced the voting results, Dr CHIANG Lai-wan remarked that her intention was to vote against the question. The Deputy Chairman directed that Dr CHIANG's voting intention be put on record.

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Voting on the item

49. The Deputy Chairman put the item EC(2018-19)27 to vote. At the request of members, the Deputy Chairman ordered a division, and the division bell rang for five minutes. Sixteen members voted for the item and five against it. The Deputy Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

*For*

Mr WONG Ting-kwong	Mr WONG Kwok-kin
Mr Steven HO	Mr YIU Si-wing
Mr KWOK Wai-keung	Mr Christopher CHEUNG
Mr Martin LIAO	Mr POON Siu-ping
Dr CHIANG Lai-wan	Ir Dr LO Wai-kwok
Mr HO Kai-ming	Ms YUNG Hoi-yan
Dr Pierre CHAN	Mr CHAN Chun-ying
Mr Jeremy TAM	Mr Tony TSE
(16 members)	

*Against*

Mr WU Chi-wai	Mr CHAN Chi-chuen
Mr CHU Hoi-dick	Mr SHIU Ka-chun
Mr AU Nok-hin	
(5 members)	

50. Mr CHU Hoi-dick requested that the item be voted on separately at the relevant FC meeting.

51. The meeting ended at 10:42 am.