

**Programme Areas under
Environment and Conservation Fund – Overview and Way Forward**

Purpose

The Chief Executive announced in the 2010-11 Policy Address that \$500 M would be earmarked for injection into the Environment and Conservation Fund (ECF) as necessary. This paper reviews the key programmes and the performance of the ECF since the last injection of \$1 billion in 2008. It also seeks Members' views on future ECF programmes to be pursued upon injection of \$500 M.

Background

2. The ECF received an injection of \$1 billion in 2008 with a view to enhancing partnership with different stakeholder groups; broadening the spectrum of audience of the green campaigns; and soliciting worthwhile, innovative and larger scale projects that can create a long-term positive impact to the environment. To achieve these objectives, the ECF Committee has identified key programme areas which seek to engage various sectors of the community in environmental protection and conservation, as follows –

- (a) Territory-wide educational and community involvement campaigns;
- (b) Minor works projects to demonstrate and promote energy efficiency and conservation and waste reduction;
- (c) Technology transfer from professional institutions to practitioners to enhance environmental performance of industrial process; and
- (d) Regional and international policy and technology conferences to promote exchanges amongst professional bodies on latest developments and best practices on environment and conservation matters.

3. The ECF, since its establishment in 1994, has set up a robust mechanism of project vetting and monitoring. Following the injection in 2008, the ECF funding guidelines were reviewed to cater for the expanded scope and to allow for greater flexibility for applicant organisations in the use of grant so as to strengthen the capacity of applicant organisations in undertaking larger-scale and longer-term environmental projects. The prudent control on the use of fund continues to be upheld through an established vetting and monitoring mechanism (see brief account of ECF funding schemes at Annex A, and organisation chart at Annex B).

Projects supported by ECF

4. With the expanded funding scope since the injection in 2008, the ECF has supported projects from diversified applicant groups and covered various environmental themes. As at end December 2010, the ECF has approved over 1,400 projects with a total commitment of over \$790 million. The ensuing paragraphs outline the performance under each of the key programme areas identified.

Territory-wide educational and community involvement campaigns

Enhancing community involvement

5. The ECC is a close partner of the ECF in pursuing community-wide environmental programmes. As a standing practice, the ECC Chairman is appointed to sit on the ECF Committee to enhance communication and synergy of the two committees in pursuing educational and promotional programmes. The ECC submits an annual programme plan to the ECF Committee to seek funding to conduct community-wide campaigns to raise public awareness on environmental protection. Over the years, the ECC has worked closely with the ECF Committee to progressively refine the environmental programmes to enhance community involvement to strike for wider and deeper engagement of various key stakeholder groups.

Business sector

6. In 2008, the ECC initiated to synergize government-initiated environmental award schemes and brought together such schemes into the

newly launched Hong Kong Awards for Environmental Excellence (HKAEE). The HKAEE seeks to be an all-round environmental scheme for companies to benchmark their environmental performance and to uphold environmental excellence as an essential element of business excellence and success. The highlight of the HKAEE is the Sectoral Awards, which is an annual competition for companies under the respective sectors to compete for the highest honour under a conscientious and all-round assessment process of the companies' environmental performance, green culture and policy, and influence on their business partners.

7. Other than the competition, the HKAEE also presents labels and certificates to recognise the achievements of companies in waste reduction, energy efficiency, indoor air quality, products with environmental attributes, as well as carbon reduction, and to encourage companies to strive for continuous improvement in such environmental aspects.

8. Since its launching in 2008, the HKAEE is increasingly being recognised as a prestigious environmental scheme for the business sector. The number of participants in the Sectoral Awards has grown from 366 to 468 (or by nearly 30%) from 2008 to 2010, and the number of small and medium enterprises has even more than doubled. The cumulative number of labels and certificates presented has reached over 2,000.

School sector

9. The school sector has all along been an important focus of ECC programmes. At the school management level, the ECC organizes, since 2000, the Hong Kong Green School Awards, to encourage principals and teachers to implement green school management practices and policies and undertake comprehensive and innovative environmental education programmes. Over these years, 165 primary and secondary schools (or about 14% of schools registered in Hong Kong) have attained green school status. At the student level, the ECC provides training to Student Environmental Protection Ambassadors (SEPAAs) and the number has reached over 15,000 in 2010/11 school year. The ECC has recently undertaken a consultancy study on these school programmes to identify room to further enhance engagement in the school sector.

General public

10 In its educational activities and theme-based campaigns, ECF reaches out to the general public through publications, promotional videos, seminars and various competitions to spread green messages. Themes covered in these campaigns include waste recovery, low carbon living and climate change. Depending on the nature of activities and campaigns, the number of participants/audience reached out in each programme may range from several hundreds to tens of thousands. In the past years, the various educational and promotion activities have reached out to over 100,000 participants/audience per year on average.

Broadening partnership with key stakeholders

11 The ECC has proactively reached out and formed partnership with different stakeholder groups to help disseminate green messages and to broaden the spectrum of audience of the green campaigns. Specifically –

- *nurturing green community leaders* – The ECC conducts systemic and on-going campaigns to recognise and encourage green leadership in important stakeholder groups such as the education and business sectors through the Hong Kong Green School Awards, the Student Environmental Ambassadors Scheme, and the Hong Kong Awards for Environmental Excellence (details are at paragraphs 10-13 above). It also encourages collaboration with District Councils in order to leverage on the Councils' district network to further deepen the network. As at end December 2010, the ECF had funded eight DC collaboration projects, with total funding amount over \$17 million;
- *expanding the network of strategic partners to include charities* – The ECF engages charitable bodies as strategic partners to ride on their wide community service networks and to build up role models of green organisations. The Tung Wah Group of Hospitals, Po Leung Kuk and Yan Chai Hospital are first movers engaged by the ECF to introduce green governance and environmental measures to transform their organisations into green NGOs. In addition, they are encouraged to implement

minor works projects at their service centres where possible to demonstrate green technologies and organise education programmes for its stakeholders.

Minor works projects to demonstrate and promote energy efficiency and conservation and waste reduction

At the school and institutional level

12. To raise the general public's awareness towards green technologies, the ECF introduced the “Minor Works” funding category in early 2008 to fund demonstration projects in the community. Schools and NGOs may apply for funding to install facilities such as solar panels, wind turbines, green roofs and energy efficient installations in their premises, such as schools, camp sites, community service buildings, etc. so as to demonstrate the green technologies to the community. The programme aims to raise the awareness and receptiveness of up and coming green facilities and to induce a mindset change that will, in time, affect people's habit and choices. In addition, the ECF launched the Building Energy Efficiency Funding Scheme and On-site Meal Portioning Funding Scheme to target at buildings and schools respectively to encourage them to install energy efficient equipments and to implement meal portioning at school for waste reduction.

13. These “Minor Works” projects are not meant to be one-off in nature and the applicants are required to organise educational activities for students, parents, staff, service recipients, etc. so as to raise awareness on the application of such technologies and to encourage wider receptiveness and application of green technologies in the community. To gauge the performance and enhance understanding of the facilities, schools and NGOs are required to log data, such as the drop in temperature for the room beneath the green roof, the amount of electricity generated by renewable energy facilities, and the amount of electricity saved by energy efficient installations. The following are the key observations since the introduction of the “Minor Works” funding category –

- The Minor Works projects have been well-received, with over 560 applications already approved as of end December 2010 and total funding amount of \$209 million.

- Many schools have made use of the funded installations in delivering talks, exhibitions, planting activities to blend in environmental protection and conservation messages with the school curriculum such as science, physics, geography etc. that have engaged over 120,000 stakeholders including students, teachers and parents.
- For NGOs of varied premises such as community service centres, youth and elderly centres, camp sites, around 15,000 stakeholders from different backgrounds have benefited from educational activities riding on ECF-funded facilities.

14. On waste reduction, to support the initiative of promoting green lunch practice at schools as announced in the 2009-10 Policy Address, the ECF launched the “On-site Meal Portioning Funding Scheme” in December 2009 to provide funding for schools to install the necessary equipment for implementing on-site meal portioning. The benefits are three-fold –

- facilitate students to adjust the meal portion as they need so as to reduce food waste;
- avoid using disposable lunch boxes and cutleries; and
- impress upon students, teachers and parents the green messages of conserving food and avoiding the use of disposable food containers and cutleries.

15. Up to end December 2010, 47 funding applications amounting to about \$60 million have been approved and around 60 applications are being processed. Of these, 35 schools have already completed the works and are implementing on-site meal portioning with the facilities funded. It is estimated that the use of about 32,000 disposable lunch boxes daily would be avoided at the 47 schools when they all start implementing on-site meal portioning.

At the community level

16. The ECF has also spared no effort to reach down to the community level to provide necessary facilities of a green living environment. To reduce waste at source and encourage waste recovery and recycling, the ECC has actively sought to incentivise and facilitate residents' organisations and property management companies to participate in waste separation by

distributing one set of complimentary recycling bins for each building for use in communal areas on application. If the residents' organisations or property management companies would like to enhance penetration of waste separation facilities, the ECF also provides partial funding support for them to procure and set up their source separation facilities on floors of buildings. With the concerted efforts in promoting waste reduction and recycling, 1,637 housing estates/residential buildings and 667 commercial and industrial buildings have signed up to join the Source Separation of Waste (SSW) Programme as at end December 2010. About 80% of the population has waste separation facilities provided in their housing estates.

17. On promoting building energy efficiency, the ECF launched the Building Energy Efficiency Funding Scheme (BEEFS) in April 2009 to partially subsidise building owners to conduct energy and carbon audits and energy efficiency projects. As at end December 2010, we have received over 1,280 applications covering some 8,600 buildings, which accounts for one-fifth of our 41,000 building blocks in Hong Kong. 485 applications for energy efficiency works have been approved, which, when all completed, are estimated to result in a saving in electricity consumption by over 106 million kWh per annum, which is equivalent to a reduction of 74,600 tonnes of carbon dioxide emissions. The scheme has driven home messages on energy efficiency and conservation to property management companies, residents' organisations and households, and has, through ECF's subsidies, catalysed conscious consumer choice in switching to energy efficient installations.

Technology transfer from professional institutions to practitioners

18. With climate change and environmental issues high on the international agenda and a global trend to transform into a low carbon economy, the industrial sectors need to keep abreast of latest green technologies and environmental abatement measures in order to stay competitive. The ECF has continued to develop research capacity and encourage knowledge transfer to the industrial sectors by providing funding to support research projects on environment-related topics. The ECF has also reviewed its positioning and accords priority to research projects or studies whose outcome will have potential for general application in the fields concerning environment and conservation so as to enhance

performance in environmental protection. A list of priority research themes has been introduced since April 2010 so as to focus resources to build up knowledge and talents on areas of priority. In addition, to encourage collaboration between research institutes and the industrial sectors, the ECF encourages applicants to engage the relevant stakeholders (such as potential users or beneficiaries of project results) to solicit input and support for the projects. Among projects supported by the ECF –

- The Hong Kong Productivity Council is developing a retrofit device that would automatically stop the engine when a motor vehicle becomes stationary, and to restart the engine when it has to start moving again. The device will also enable the operation of air-conditioning system by battery when the engine is switched off. While aiming to improve roadside air quality by facilitating switching off of an idling engine, the device also seeks to address the local context, especially in the hot and humid season, by allowing the air-conditioning to continue to run.
- The Hong Kong University of Science and Technology and the Hong Kong Polytechnic University are conducting two complementary and comprehensive studies on air pollution. The studies will measure a wide range of air pollutants and perform data analyses for understanding the sources and key pathways leading to the formation of particulates, visibility impairment and photochemical smog, and will help to pinpoint the causes of these pollution problems in the Pearl River Delta Region for drawing up future control strategy. The two studies have started in mid-2010 and will last for four years.

Regional and international policy and technology conferences

19. To promote regional and international exchanges on environmental agendas, the ECF has introduced a mechanism for funding conferences since August 2009. Academics that are funded for conducting research projects may apply for funding to attend international conferences outside Hong Kong so as to present findings and enhance knowledge dissemination. Institutions or professional bodies may also apply for funding for hosting conference in Hong Kong so as to bring international experts to Hong Kong to facilitate knowledge exchange and build up local capacity. Conferences

funded by the ECF include –

- The Second International Climate Change Conference held in October 2009 was a regional platform with an international audience of more than 300 professionals from government, business and research organisations.
- The C40 Workshop held in Hong Kong in early November 2010 brought expert delegates and government officials from 42 cities to share city strategies for addressing climate change, in particular, through adopting green transport and building technologies.

A summary of the projects supported by ECF are at Annex C.

The Way Forward

20. To sustain the momentum of ECF's programmes, the Government has announced in the 2010-11 Policy Address that a further \$500 million has been earmarked for injection into the ECF as necessary. With over \$790 million of the ECF committed to 1,400 projects as of end December 2010, and taking into account the amount of applications that have been received and under processing, we anticipate that the remaining balance of the ECF would be committed within this year. In this connection, the EPD plans to seek approval from the Finance Committee of the Legislative Council in May 2011 for further injection of \$500 million. While the positive results of ECF projects have shown that the ECF's current mode of operation and key programme areas are in the right direction, the EPD will, in consultation with the ECF Committee, review the operation and the programme areas from time to time in light of the current environmental issues that the community attaches priority to and having regard to the Government's policy initiatives.

Advice sought

21. Members are invited to provide their views on continuing the pursuit of the above ECF programmes upon further funding injection into ECF.

**Secretariat, Environment and Conservation Fund Committee
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