

**Confirmed Minutes of the Second Meeting of the  
Environment and Conservation Fund Committee  
held on 30 December 2008 at 2:30 p.m.**

**Present**

Prof. LUNG Ping-ye, David, S.B.S., J.P. (Chairman)	
Prof. CHAN Chak-keung	
Prof. CHU Lee-man	
Mr. CHUA Hoi-wai	
Mr. Joseph LEE, S.B.S., J.P.	
Mr. MAN Mo-leung	
Ms NGAN Man-ling, Edith	
Prof. WONG Woon-chung, Jonathan	
Mr. WONG Yiu-kam, Benny, J.P.	DDEP(1), EPD
Ms CHEUNG Miu-han, Betty	P(CR), EPD
Ms WONG Kwan-ying, Alissa	Sr Curriculum Development Officer, EDB
Mr. CHAN Ping-kwong, Richard	Sr Nature Conservation Officer, AFCD

**Absent with Apologies**

Mr. LEUNG Wai-kuen, Edward, J.P.	
Mr. WONG Hon-wai, Francis	S(CR), EPD

**In Attendance**

Ms WONG Sean-ye, Anissa, JP	Director of Environmental Protection
Ms LO Tze-yan, Sonia	E(CR)3, EPD
Ms CHAN Suk-ha, Winifred	SEO(CR&E), EPD

**In Attendance for Discussion Items 3 & 4**

Mr. YAU Tang-wah, Edward, JP	Secretary for the Environment
Ms CHOY Siu-min, Linda	PA/SEN, ENB

**In Attendance for Discussion Item 4**

Mr. Arthur LO	Property Secretary, TWGH
Mr. TAM Po-lam	Senior Architect, TWGH

**In Attendance for Discussion Items 5 & 6**

Ms Katharine CHOI	PAS(Energy), ENB
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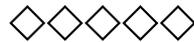
Mr. Kent FUNG  
Mr. Alfred SIT  
Mr. KF CHEUNG  
Mr. Joe HUI

AS(Energy), ENB  
AD(EE), EMSD  
Project Manager, EMSTF  
Engineer, EMSTF

**In Attendance for Discussion Item 8**

Ms KWOK Ying-ying  
Ms YIP Chui-man

Greeners Action  
Greeners Action



**Opening Remarks:**

The Chairman welcomed all Members to the second meeting.

**Discussion Item 1: Confirmation on Minutes of the Meeting held on 3.11.2008**

2. The draft minutes of the last meeting held on 3.11.2008 were sent to members on 4.12.2008. The meeting confirmed the draft minutes without any amendment.

**Discussion Item 2: Matters Arising**

Para. 3 Financial Position of the ECF

3. Ms Winifred CHAN reported that the fund balance as at end of November 2008 was \$1,074 million and the uncommitted balance was \$990 million.

4. The Chairman said that the discussion on the enhancements for vetting mega size integrated projects and the application from the Tung Wah Group of Hospitals (TWGH) would be advanced. It would then be followed

by the discussion on the funding for the energy efficiency schemes and the proposal for engaging professional support from the Electrical & Mechanical Services Trading Fund (EMSTF). The application from the Hong Kong Science & Technology Park (HKSTPC) would be further considered at the next meeting pending on the Secretariat's further clarifications on its alternative sources of funding.

**Discussion Item 3: Enhancements for Vetting Mega Size Integrated Projects Applications for the ECF  
(ECF Paper 47/2008-09)**

5. Ms Betty CHEUNG briefed Members on the proposed vetting and monitoring procedures. Drawing reference to the funding application from TWGH for a composite proposal to promote green culture, she said the Secretariat had proposed to define such projects involving funding exceeding \$5 million as Mega Size Integrated Projects. As regards the proposed procedures, the Secretariat had developed them having regard to the principles of consistency and efficiency. In relation to the latter, she highlighted the recommendation to raise the approval limit of the vetting subcommittees from \$500,000 to \$2 million per project where the project was a composite one dealing with a group of the same or broadly identical items.

6. Ms Anissa WONG indicated support for applications involving comprehensive themes as they would likely create visible impacts for the organizations and could serve as examples for others to follow. Given the scale and nature of such applications, it would be important for the Committee to assess the merits in principle before individual components of the proposals were processed in accordance with the established criteria by the relevant subcommittees to ensure consistency and equity for projects of the same themes. The Chairman supplemented that the Committee would focus on identifying suitable organisation as green partners and work with these organizations on the principles and way forward of becoming green organizations. The vetting subcommittees would focus on vetting the project details to ensure open and fair assessment of every project submission.

7. Members were concerned if the proposed procedures would extend the processing time for these mega size projects because the Committee would be first presented with the overall proposal and the vetting subcommittees would subsequently scrutinise the details of individual items. Moreover, the subcommittees might feel deprived of their ownership for specific projects as the Committee had already given their green light to the application in principle. Some members also considered the current cap of \$500,000 per project under the subcommittees' authority was too low. Ms Betty CHEUNG pointed out that the experience so far in dealing with mega applications was that the applicant was not able to provide detailed budget and implementation plan as the conceptual plan was developed. It would be more pragmatic to expect the applicant to develop and submit details of individual items when the applicant was more assured of the Committee's support in principle. She further explained that the Secretariat would group the components of the mega project according to the following areas, namely waste recovery, energy efficiency, minor works / environmental education, and research or technology demonstration, with the view to submitting them for vetting by the relevant vetting subcommittees. Moreover, for project components that do not fall within the scope of the existing subcommittees, they would be vetted by the ECF Committee.

8. Ms Anissa WONG added that though the Committee would note the ballpark figure for the overall mega project, the exact amount of funding for each group of components or individual item should be decided by the vetting subcommittees according to the prevailing funding guidelines. It would ensure that all proposals in the same themes, irrespective of the amount of funds to be applied for, would be processed on a fair and consistency basis. After going through the cost summary provided by the TWGH, Members generally agreed to the essential role of the vetting subcommittees in examining the detailed budget breakdown of every item of the proposal. Mr. Edward YAU further elaborated on the division of labour that the Committee would identify suitable organizations as green partners and offer the Committee's in-principle approval for the proposals to go ahead upon examination, whereas the vetting subcommittees would ensure open and fair assessment of individual funding items.

9. With regard to the suggestion to raise the approval limit of the vetting subcommittees, Members had different views and some were

concerned about the implication of accelerated expenditure rate for the overall fund size. Mr. Edward YAU remarked that the Administration did not have a pre-set time-frame on when the injected funds should be expended. On the other hand, it would be appropriate for the Committee to decide on the proper limit of the vetting subcommittees' approval having regard to the experience so far such as the likely sizes of funding applied to support projects of specific themes and the processing time involved if further submission to the Committee was required.

10. After further deliberation, the Chairman concluded that -

- (i) The proposed vetting and monitoring procedures for mega-sized projects in ECF Paper 47/2008-09 were endorsed.
- (ii) The approval limit of the subcommittees (including the ECPVSC, RPVSC, WRPVSC and EE&CAPVSC under the Environmental Campaign Committee) would be raised from \$500,000 to \$2 million per application;
- (iii) In order to streamline the vetting process, there would be no approval cap for the subcommittees in approving applications comprising a group of the same or broadly identical items (e.g. installation of green roofs/PV panels in a number of schools).
- (iv) The above changes would take immediate effect and Chairmen of the vetting subcommittees would approve new applications up to the limit of \$2 million per application with immediate effect.
- (v) The Secretariat would update the guidelines and application forms accordingly.

#### **Discussion Item 4: Towards a Green Organisation - TWGH (ECF Paper 49/2008-09)**

11. Ms Sonia LO briefed Members on the ECF Paper 49/2008-09 which stipulated TWGH's work plan and cost summary of implementing the green initiatives as grouped into two phases, each of 18 months. As the Committee had agreed to the vetting procedures for mega sized project, details of the following individual items of TWGH's proposal would be further discussed by relevant subcommittees:

- (i) Items to be vetted by EE&CA Projects Vetting Subcommittee –
  - Item 1 Green Roof;
  - Item 2 Monitoring & Data Evaluation;
  - Item 3 Small Wind Turbines;
  - Item 4 Photovoltaic Panels;
  - Item 5 Solar Water Heating;
  - Item 6 Lighting Retrofit (T5);
  - Item 7 Energy-efficient room coolers;
  - Item 8 LED Exit Signs;
  - Item 9 Motion Sensors/Solar Films;
  - Item 10 Small Composting Machines;
  - Item 13 Eco-coffin & Eco-incense; and
  - Item 18 Green Education, Publicity & Communications Programmes.
- (ii) Item to be vetted by Energy Conservation Projects Vetting Subcommittee –
  - Item 16 Energy-cum-Carbon Audits
- (iii) Item to be vetted by Research Projects Vetting Subcommittee –
  - Item 15 Smoke Reduction System for Paper Artifact Incinerator
- (iv) Item to be vetted by Waste Recovery Projects Vetting Subcommittee –
  - Item 11 Waste Source Separation
- (v) Items to be vetted by the ECF Committee –
  - Item 12 Indoor Air Quality Improvement for TWGH Headquarters;
  - Item 14 Temple Smoke Reduction Scheme; and
  - Environmental Consultancy Service.

12. Members appreciated TWGH's commitment to using its own resources for funding the item 17, i.e. applying for ISO 14001 accreditation. On the other hand, Members had reservation if the proposed greening plan would be able to sustain as TWGH had proposed to engage the consultant for the initial 3 years only and employ only one additional permanent staff for this project. In addition, there was query if the temples proposed for the smoke reduction scheme had met the current requirement on environmental compliance. The representatives of TWGH were then invited to join the

meeting to address members' queries on the application.

13. In reply to Members' enquiry on TWGH's plan to develop and sustain the environmental protection culture, A representative stated that TWGH had already established an Environmental Steering Committee to steer the organization towards environmental protection and formulate future environmental policies. TWGH would communicate its environmental policy to staff, students, services recipients and business partners with a view to achieving a multiplying effect in the community. An Environmental Officer would be recruited with TWGH's own resources to coordinate the project. With funding support from ECF, an environmental consultant would be appointed to assist TWGH in the planning of overall environmental strategies, identifying cost-effective environmental improvement measures and provide guidance in the implementation of initiatives and deriving future objectives. In view of the large scale and technical complexity of the proposal, the proposed engagement of the environmental consultant would be indispensable. Members generally opined that the environmental consultant should also assist TWGH to develop plans to sustain the environmental protection culture after the 3-year period. In addition to the new Environmental Officer, more resources might be required to sustain the environmental protection culture within TWGH.

14. Members also enquired about the reasons of installing the electrostatic precipitators in two temples only, other sources of funding for such installation and whether the other temples had ever been subject to complaints against nuisances. The representative explained that due to resources limitation, the proposed system had been installed in two temples only. He also undertook to provide pollution complaint statistics for the eight proposed temples after the meeting. The two representatives of TWGH left the meeting after discussion. (Post-meeting note: TWGH confirmed that they had not received any pollution abatement notice served by government departments on those temples for environmental compliance and no other funding source would be available from the Chinese Temple Committee or other bodies for installation of the electrostatic precipitators.)

15. Members opined that funding from ECF should assist TWGH to start the greening process and the overall cost estimates of the proposal

amounting to \$19.84 million for the 3-year programme including the proposed appointment of an environmental consultant for a 3-year period at an estimated cost of \$1.2 million was noted in principle. The Chairman advised that the Trustee should sign a letter of approval-in-principle to TWGH to indicate support to its green organization concept, while pointing that funding support for individual components would be assessed and communicated separately. Yet, Members were concerned if TWGH would be able to sustain its environmental protection culture upon completion of the 3-year consultancy service and the greening works at schools and services centres. Mr. Edward YAU suggested and Members agreed that the ECF Committee and the TWGH leadership should get together from time to time to update on the latter's progress in turning itself into a green organization and sustain the green partnership.

**Discussion Item 5: Funding to Support Buildings Energy Efficiency  
Funding Schemes  
(ECF Paper 45/2008-09)**

16. A Member, Chairman of the Energy Conservation Projects Vetting Subcommittee, briefed Members that the proposed funding schemes in the ECF Paper 49/2008-09 had been studied in details at the meeting of the Subcommittee held on 22.12.2008.

17. In response to Members' questions, Ms Katharine CHOI clarified that there was no funding cap for a single application involving more than one building but only 50% of the total actual expenditure (capped at the approval amount) for energy efficiency installations would be reimbursed. The Vetting Subcommittee and the Secretariat would assess the merits of individual applications carefully to ensure cost effectiveness and compliance of the respective Building Energy Codes. Regarding the trial use of any energy efficient items and the timeframe of conducting energy audit in government buildings, Mr. Alfred SIT advised that the recipient organizations should observe the specifications in the Building Energy Code for the proposed installation of energy efficient items. As the Government would have regular planning in conducting energy audit in government buildings, such buildings would therefore not be included in the proposed funding

scheme. In respect of applications from non-profit making organizations, Ms Betty CHEUNG clarified that applications from non-profit making organizations to ECF for such energy audit and/or installation of energy efficiency items would also be submitted to the Energy Conservation Projects Vetting Subcommittee for vetting but worthwhile proposals from these organizations would normally be fully funded, similar to other ECF-funded projects, instead of being limited to 50% of the approved expenditure.

18. The Chairman concluded that the Committee endorsed the proposed allocation of \$450 million to implement the two funding schemes on building energy efficiency and the operational arrangements for approving applications made under the two funding schemes.

**Discussion Item 6: Proposal for Entrusting Electrical and Mechanical Services Trading Fund to Provide Support to the Operation of the Buildings Energy Efficiency Funding Scheme  
(ECF Paper 16/2008-09)**

19. In reply to Members' enquiry on the cost composition of EMSTF professional services, Mr. KF CHEUNG clarified that the accommodation cost in the funding proposal referred to the accommodation for EMSTF staff. The representatives of ENB, EMSD and EMSTF left the meeting after discussion.

20. As the proposal had been discussed in detail at the meeting of the Energy Conservation Projects Vetting Subcommittee held on 22.12.2008, Members endorsed the recommendations from the Subcommittee and would recommend to the Trustee to allocate -

- (i) \$5.075 million for the manpower resources to be provided by EMSTF in 2009 to support the operations of the Building Energy Efficiency Funding Schemes; and
- (ii) a total of \$3 million for publicity purposes and \$1 million for contingency uses for 2009 to 2010.

**Discussion Item 7: Public Education Programme for the Policy Framework  
for the Management of Municipal Solid Waste  
(ECF Paper 50/2008-09)**

21. Ms Winifred CHAN briefed Members on the three funding applications as recommended by the Waste Management Subcommittee of the Advisory Council on the Environment and the EPD. Two representatives from the applicant organizations, Greeners Action, joined the meeting to answer Members' enquiry.

22. With reference to Members' questions on the estimated number of plastic bags to be recycled at different stages of the project, the representative explained that the ultimate objective of the project was to encourage members of public to recycle plastic bags without any rewards. As redemption gifts would only be given out at the initial stage of the programme, the recycling rate of plastic bags would fluctuate at the latter stage of the project. The Chairman reminded that the logo of ECF should be printed on the recycling box to acknowledge funding support from ECF. The two representatives of Greeners Action left the meeting after discussion.

23. The Chairman concluded that the meeting approved funding to the three applications as follows:

<b>Project Title</b>	<b>Organization</b>	<b>Duration</b>	<b>Approved Amount</b>
Hong Kong Plastic Bag 3R Campaign	Greeners Action	12 months	\$487,318
Advanced Recycling Community	Tai Po Environmental Association	13 months	\$498,340
Weekly No Plastic Bag Day at Pharmacies	Greeners Action	12 months	\$335,490
			<b>Total : \$1,321,148</b>

**Discussion Item 8: New Applications Recommended by the Environmental Education & Community Action (EE&CA) Projects Vetting Subcommittee (ECF Paper 51/2008-09)**

24. Ms Sonia LO briefed Members on the objectives and scope of the four applications recommended by the EE&CA Projects Vetting Subcommittee. Comparing with other green roof projects at schools, the project costs of the recommended green roof projects were on the high side because of the relatively larger size of green roofs involved. To facilitate Members' consideration of future cases, the Secretariat would provide information on the unit cost of green roof in future discussion papers accordingly.

25. The Chairman concluded that the meeting endorsed the four applications as recommended by the EE&CA Projects Vetting Subcommittee as follows:

<b>Application No.</b>	<b>Organization</b>	<b>Project Title</b>	<b>Approved Amount</b>
MW0017A	Caritas Lok Kan School	Project ER II	\$810,370
MW0129	Yan Tak Catholic Primary School	The Shinning Garden	\$675,400
MW0153	Yew Chung International School-Secondary	Yew Chung Sustainable Organic Green Roof Environmental Education & Networking	\$550,200
MW0162A	Po Leung Kok Yao Ling Sun College	A project of using polymer-based solar laminates renewable energy system	\$605,000
<b>Total :</b>			<b>\$2,640,970</b>

### **Discussion Item 9: Date of Next Meeting**

26. Members noted that the next meeting was tentatively scheduled for 19 March 2009. The Secretariat would confirm with Members the meeting date nearer the time.

27. There being no other business, the meeting ended at 5:55 p.m.

Secretariat, Environment and Conservation Fund Committee  
February 2009