

Environment and Conservation Fund

Trustee Report 1996 - 97

Presented to the Provisional Legislative Council on
3 December 1997

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**Report by the Trustee on the Administration of
the Environment and Conservation Fund**

This report covers the financial year ending 31 March 1997.

Environment and Conservation Fund (ECF)

2. In the 1993 Policy Address to the Legislative Council, the Governor proposed to set up the ECF for funding education and research in relation to environmental and conservation matters.

3. The Environment and Conservation Fund Ordinance (the Ordinance), which established the ECF, was enacted in June 1994. An initial capital injection of \$50 million was subsequently approved by the Finance Committee. The ECF came into operation in August 1994.

Trustee

4. Section 5 of the Ordinance provides for the Secretary for Planning, Environment and Lands to act as the trustee of the ECF.

ECF Committee and vetting of applications

5. The ECF Committee, established in accordance with section 7 of the Ordinance, is to advise the trustee on the use of the ECF for the purposes of funding educational, research and other projects and activities in relation to environmental and conservation matters. The Committee consists of a chairman, not more than eight non-official members appointed by the Governor for a term of two years and four ex-officio members. The membership list is on page 4.

6. The ECF Committee has established a vetting sub-committee to consider environmental research and other projects. The sub-committee comprises ECF Committee members and co-opted members from various sectors of the community. The membership list of the ECF Vetting Sub-committee is on page 5.

7. The ECF Committee has entrusted the vetting of educational projects to the Environmental Campaign Committee (ECC). The reason for this arrangement is that the ECC has developed the expertise and administrative framework for considering such projects. The membership list of the ECC is on page 6.

8. Both the ECF Vetting Sub-committee and ECC can approve grants up to \$120,000 for a project. For applications exceeding this limit, the recommendations of the relevant vetting bodies have to be endorsed by the ECF Committee.

9. Secretariat services to the ECF Committee and ECF Vetting Sub-committee are provided by the Planning, Environment and Lands Bureau (PELB), whereas the secretariat services to the ECC are provided by the Environmental Protection Department (EPD).

10. Applications can be submitted any time using the prescribed application forms which are available in all district offices, the EPD and the PELB. Vetting is done every two months at the Sub-committee and ECC level. The ECF Committee meets half yearly to consider the recommendations of the Sub-committee and ECC.

Criteria for vetting applications

11. Only applications from non-profit-making bodies and community groups will be considered for funding support. The following broad criteria are used in assessing the merits of individual applications:

- (1) Projects selected for funding support will be expected to contribute to the overall environment of Hong Kong, to raise environmental awareness of the local community, or to mobilise the community to take action to improve the environment.
- (2) The benefits must accrue to the local community as a whole, and not just an individual, a single private organisation or a consortium of private companies.
- (3) Projects should be non-profit making in nature. Income derived from a project should be used to further the project's aims.
- (4) In considering a project proposal, due consideration will be given to:-
 - (a) the benefits that it will bring to Hong Kong's environment, ecology, flora and fauna etc., or the extent to which it will enhance the environmental awareness of the local community;
 - (b) whether there is a demonstrable need for the proposed project;
 - (c) the technical and project management capability of the applicant;
 - (d) whether the proposed project's schedule of implementation is well-planned and the duration reasonable;
 - (e) whether the proposed budget is reasonable and realistic;
 - (f) whether the proposed project has alternative sources of funding support;
 - (g) whether the proposed project should more appropriately be funded by other sources;
 - (h) whether there is or likely to be a duplication of the work already or currently carried out by other groups; and

- (i) if recurrent expenditure is incurred, whether the proposed project has potential to become self-sufficient after a certain period of time.

12. To improve the operational efficiency of the ECF, the application approval procedure has been streamlined and more frequent meetings or circulation of applications for endorsement could be arranged as necessary. To enhance the transparency of the ECF operation, the minutes of meetings are made available to the public. A review is being conducted with a view to further improving its operation.

Approved applications

13. From 1 April 1996 to 31 March 1997, a total of 117 applications for funding support were considered and their vetting results are as follows:

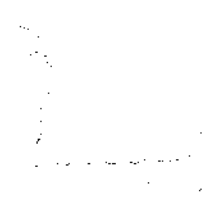
(a)	applications approved	62
(b)	applications being processed	14
(c)	applications rejected	38
(d)	applications withdrawn by applicants	3
	Total	117

14. All 62 approved applications were funded by the ECF with a total committed grant of about \$9.04 million.

15. A list of the approved projects is on pages 7 to 9.

Accounts

16. The balance sheet, the income and expenditure account and the auditor's report for the period between 1 April 1996 and 31 March 1997 are on pages 10 to 14.


(Bowen Leung)

Secretary for Planning, Environment and Lands
Trustee of the Environment and Conservation Fund
November 1997

Environment and Conservation Fund Committee
Membership List

(1 April 1996 - 31 March 1997)

Mr Peter K C Woo, JP (Chairman)

Dr Chan Wai-kwan

Mr Paul Fan Chor-ho, JP

Miss Candy Lai Lai-fong

Professor Brian Sydney Morton

Mr Stephen Ng Chi-wing, JP

Dr Nora Tam Fung-yee

Dr the Hon. John Tse Wing-ling

Mr Ronnie Wong Man-chiu, JP

Secretary for Planning, Environment and Lands, or his representative

Director of Agriculture and Fisheries, or his representative

Director of Education, or his representative

Director of Environmental Protection, or his representative

Environment and Conservation Fund Committee
Vetting Sub-committee

Membership List

(1 April 1996 - 31 March 1997)

Mr Paul Fan Chor-ho, JP (Convenor)
Professor Daniel Chan Kwong-on
Dr Chiu Sein-tuck
Professor Gary Heinke
Dr Hung Wing-tat
Miss Candy Lai Lai-fong
Professor Brian Sydney Morton
Dr Nora Tam Fung-yee
Dr the Hon John Tse Wing-ling
Mr Ronnie Wong Man-chiu, JP
Representative from Planning, Environment and Lands Bureau
Representative from Agriculture & Fisheries Department
Representative from Environmental Protection Department

Environmental Campaign Committee

Membership List

(1 April 1996 - 31 March 1997)

Mr Ronnie Wong Man-chiu, JP (Chairman)
Ms Libby Ancrum
Mr David Armstrong
Mrs Pamela Chan Wong-shui, JP
Dr Simon Chau Sui-cheong
Professor Peter Hills
Ms Betty Ho Siu-fong
Ms Kay³ Ku Yin-kay, JP
Mrs Peggy Lam Pei Yu-dja, JP
Mr Edwin Lau Che-feng
Mr Stanley Lee Yat-on
Mr John Li Lap-kwan
Mr Edwin Tsang Ching-lun
Mr Ray Tse Chee-on
Mr Nigel Watt, OBE, JP
Mr Vincent Wong Po-sum
Mr Yung Ying-cheuk
Secretary for Home Affairs, or his representative
Secretary for Planning, Environment and Lands, or his representative
Director of Education, or his representative
Director of Environmental Protection, or his representative
Director of Health, or his representative
Director of Information Services, or his representative

**Projects approved under
the Environment and Conservation Fund
(1 April 1996 to 31 March 1997)**

	Applicant	Project Title	Amount Approved
1.	The Hong Kong Academy for Performing Arts	Seeds for Green Arts	\$21,671.4
2.	Lutheran Wo Che Youth Centre	Environmental Angels	\$22,533.2
3.	The Hong Kong University of Science and Technology	Promotion of Environmental Protection Awareness (PEPA) in Hong Kong	\$120,000
4.	St Paul's Convent School (Secondary Section)	Environmental Protection Week - Green Trip	\$3,570
5.	YMCA of Hong Kong - Children & Youth Centre	Nature Exploration Camp	\$26,180
6.	St. Simon's Lui Ming Choi Secondary Technical School	Environmental Protection Wall Painting	\$1,200
7.	Chiu Lut Sau Memorial Secondary School	Organic Farming Day Camp	\$2,400
8.	The Council of Young Men's Christian Association of Hong Kong	Publication of the 'Green Games' Booklets	\$59,500
9.	Hong Kong Lutheran Social Service - Pak Tin Children & Youth Centre	Green Action in Life	\$35,860
10.	The Chinese University of Hong Kong - Water Sports Centre	C.U.H.K.W.S.C. Environmental Protection Project	\$9,097.2
11.	The Hong Kong Chinese Women's Club - Fung Yiu King Memorial Secondary School	Campus Greening Programme	\$5,000
12.	Sha Tin District Summer Youth Programme Co-ordinating Committee	Environmental Half-day Camp	\$11,189
13.	The Salvation Army Chuk Yuen Children & Youth Centre	School of Coast Ecology	\$2,247.7
14.	The Salvation Army Chuk Yuen Children's & Youth Centre	Visit to Mai Po	\$2,081.6
15.	Kei Yuen College	Student Environment Camp	\$18,463
16.	SKH Lady Maclehole Centre	Extraordinary Environmental Protection Camp	\$4,720
17.	Zion Children & Youth Centre	Green Wilderness Experience	\$5,282.3
18.	SKH Sheung Shui Social Service Centre	Environmental Pioneers	\$9,880
19.	Friends of the Earth	Green Leaders Training Scheme	\$386,400
20.	The Outward Bound (Alumni) Association of Hong Kong Limited	Respect Nature	\$58,460
21.	SKH Shatin Social Service Centre	Little Christmas Environmental Angels	\$7,820
22.	Tuen Mun Catholic Secondary School	Greening School Campaign	\$25,620
23.	Po Leung Kuk Tang Yuk Tien College	Environmental Studies Scheme	\$18,500
24.	The Conservancy Association	Study of Air Pollution Exposure to Secondary School Students	\$119,752

25.	Hong Kong Lutheran Social Service-Sun Chui Children Centre	Environmental Competition - The Green World	\$26,150
26.	Messengers of Green Consciousness Committee St. Vincent's Parish Wong Tai Sin	The Earth is Our Home	\$23,400
27.	Ming Kee College	Visit to Mai Po	\$1,142.4
28.	Kei Heep Secondary Technical School	Schools Environmental Award Scheme (SEAS)	\$16,000
29.	The Chinese Rhenish Church - HK Synod Choi Wan Children's Centre	Newspaper Recycling Project	\$3,360
30.	Hong Kong Lutheran Social Service - Pak Tin Children & Youth Centre	Young Environmental Ambassadors	\$81,490
31.	Pok Oi Hospital Chan Ping Memorial Social Centre for the Elderly	Senior Citizens Love Environmental Protection	\$6,170
32.	The Hong Kong Marine Conservation Society	First International Symposium on Marine Conservation	\$10,000
33.	City University of Hong Kong	Heritage Islands : A TV Documentary Series on Hong Kong's Outer Island	\$74,880
34.	Christian Oi Hip Fellowship Limited	Environmental Camp	\$8,795
35.	Faith Lutheran Church	Learn to love the Nature	\$5,900
36.	The Mutual Aid Committee of King Min House, King Lam Estate	Sorting and Recycling Programme in King Lam Estate	\$6,600
37.	Amoy Gardens Owners Joint Committee	Environmental Protection Project At Amoy Gardens	\$60,700
38.	Leo Club of the Peak, Hong Kong	Green Life at Our Heart	\$19,400
39.	Lai Tak Evangelical Church Lai Tak Youth Centre	Co-Schools Planting Day	\$3,790
40.	Ming Kei College	Visit to Kadoorie Farm	\$1,000
41.	The Incorporated Owners of Dragon Court	Sort & Recycle Programme in Dragon Court	\$18,000
42.	Produce Green Foundation	The Brave Green New World' Radio Show Series and Newspaper Columns	\$110,515
43.	The Friends of Scouting Shek Wai Kok Children & Youth Centre	Organic Farming	\$13,582
44.	The Hong Kong Marine Conservation Society	HKMCS Turtle Awareness Programme	\$78,600
45.	Tack Ching Girls' Middle School	A Kiss for the Nature	\$5,000
46.	Tsz Wan Shan Zion Children & Youth Centre	'My Taste' Environmental Camp	\$1,232
47.	The Society of Homes for the Handicapped	Tree Planting	\$4,040
48.	Pok Oi Hospital Community Service Dept (Lam Tin District)	Environmental Protection Action	\$5,160
49.	Fong Shu Chuen Children & Youth Centre	Kowloon City District Schools Environmental Games and Computer Software Design Competition	\$15,675
50.	Friends of the Earth	Environmental Attitude Research on "Adopt a Housing Estate"	\$178,120
51.	Environmental Campaign Committee	Tsuen Wan Environmental Resource Centre	\$1,370,000

**Environment and
Conservation Fund**

52.	Environmental Campaign Committee	School Environmental Awards Scheme (SEAS)' 96 and Student Environmental Protection Ambassador Scheme (SEPAS)	\$960,000
53.	Environmental Campaign Committee	Environmental Protection Festival' 96	\$1,650,000
54.	Environmental Campaign Committee	World Environment Day' 97	\$600,000
55.	Environmental Campaign Committee	Publication of 'ECCO' monthly bulletin	\$840,000
56.	Environmental Campaign Committee	Community Environmental Attitude Survey	\$350,000
57.	The Hong Kong University of Science and Technology	A pioneering study of integrated mariculture in Hong Kong: simultaneous cultivation of commercial species of seaweed, shellfish and fish to improve seawater quality and maximise the yield of fish farms	\$1,092,800
58.	The Hong Kong Marine Conservation Society	Marine debris survey	\$118,450
59.	The Hong Kong University of Science and Technology	Source apportionment of particulate pollutants in Hong Kong by receptor modelling	\$112,500
60.	The Conservancy Association	Regional workshop on atmospheric pollution in East Asia	\$35,000
61.	World Wide Fund for Nature Hong Kong	Baseline ecological research to support conservation management of the critically endangered black-faced spoonbill platalea minor at the Mai Po/Inner Deep Bay Ramsar site - Preliminary study	\$43,200
62.	The Hong Kong Bird Watching Society	Checklist of the Birds of Hong Kong	\$110,000
Total :			\$9,038,078.8

Remarks :

(a) Item 53, Environmental Protection Festival 1996, comprises a series of activities lasting from November 1996 to December 1996. These activities include :

- Environmental Protection Festival' 96 Opening Ceremony cum Environmental Concert
- Clean-up the Typhoon Shelters
- Carnival on "Environmental and Health"
- District Activities organized by Green Groups
- District Activities organized by Voluntary Agencies
- Announcement in the public interest on TV and Radios

(b) Item 54, World Environment Day 1997, comprises a series of activities lasting from March 1997 to June 1997. They include :

- Radio & TV Programmes on environmental message and information
- District Activities organized by Green Groups
- Environmental Workshop and Presentation Ceremony
- The X-tra Environmental Award
- Clean-up the Beaches
- Waste Paper Collection Competition in Housing Estates

Environment and Conservation Fund
Balance Sheet as at 31 March 1997

	<u>1997</u> \$	<u>1996</u> \$
<u>Assets</u>		
Bank deposits	32,667,989	41,901,809
Interest receivable	195,297	314,035
Cash at bank	28,359	36,995
	<u>32,891,645</u>	<u>42,252,839</u>

Represented by:

Accumulated fund:

Balance at 1 April 1996	42,252,839	45,418,331
Deficit for the year	<u>(9,361,194)</u>	<u>(3,165,492)</u>
Balance at 31 March 1997	<u>32,891,645</u>	<u>42,252,839</u>

The annexed notes 1 to 4 form part of these accounts.



(Bowen LEUNG)

Secretary for Planning, Environment and Lands
Trustee of the Environment and Conservation Fund

Planning, Environment and Lands Branch
Government Secretariat
HONG KONG
23 June 1997

Environment and Conservation Fund
Income and Expenditure Account for the year ended 31 March 1997

	<u>Note</u>	<u>1997</u> \$	<u>1996</u> \$
<u>Income</u>			
Interest		2,050,395	2,659,558
<u>Less: Expenditure</u>			
Grants to Environmental Campaign Committee	(3)	5,530,000	4,110,000
Grants for environmental research and other projects		5,881,589	1,715,050
		11,411,589	5,825,050
Deficit for the year		(9,361,194)	(3,165,492)

The annexed notes 1 to 4 form part of these accounts.

Environment and Conservation Fund
Notes on the Accounts

1. General

The Environment and Conservation Fund accounts are prepared in accordance with section 8(1) of the Environment and Conservation Fund Ordinance, Cap. 450. The Fund was established for the purposes of funding educational, research and other projects and activities in relation to environmental and conservation matters in accordance with section 4 of the Environment and Conservation Fund Ordinance, Cap. 450.

2. Accounting policy

The accounts are kept on an accrual basis.

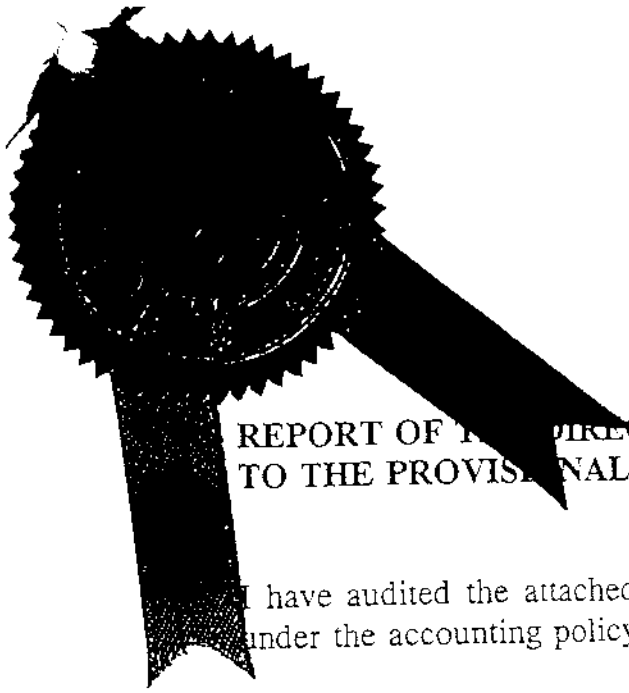
3. Grants

Grants to the Environmental Campaign Committee for funding its core activities and projects undertaken by other non-profit making organizations are treated as payments in the Environment and Conservation Fund accounts. As at 31 March 1997, an unspent balance of \$5,928,698 was held by the Environmental Campaign Committee:

	<u>1997</u> <u>\$</u>	<u>1996</u> <u>\$</u>
Balance at 1 April 1996	5,070,278	4,947,683
Add: Grants made during the year	5,530,000	4,110,000
Interest received during the year	172,447	208,877
	<u>5,702,447</u>	<u>4,318,877</u>
	10,772,725	9,266,560
Less: Payments during the year	<u>4,844,027</u>	<u>4,196,282</u>
Balance at 31 March 1997	<u>5,928,698</u>	<u>5,070,278</u>

4. Contingent liabilities

There is a contingent liability of \$3,175,793 as at 31 March 1997, being the outstanding balance of approved grants payable to organizations subject to satisfactory progress or completion of the relevant projects.



**REPORT OF THE DIRECTOR OF AUDIT
TO THE PROVISIONAL LEGISLATIVE COUNCIL**

I have audited the attached financial statements which have been prepared under the accounting policy set out in note 2 to the accounts.

**Respective responsibilities of the Secretary for
Planning, Environment and Lands and the Director of Audit**

Under the provisions of section 8(1) of the Environment and Conservation Fund Ordinance (Cap. 450), the Secretary for Planning, Environment and Lands is responsible for the preparation of financial statements. In preparing the financial statements, the Secretary for Planning, Environment and Lands has to select appropriate accounting policies and to apply them consistently.

It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of opinion

I certify that I have audited the financial statements referred to above in accordance with the provisions of section 8(2) of the Environment and Conservation Fund Ordinance and the Audit Commission auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Secretary for Planning, Environment and Lands in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Environment and Conservation Fund, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Opinion

In my opinion the financial statements give a true and fair view, in all material respects, of the state of affairs of the Environment and Conservation Fund as at 31 March 1997 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of section 8(1) of the Environment and Conservation Fund Ordinance.

Audit Commission
Hong Kong
8 September 1997

A handwritten signature in black ink, appearing to read 'Dominic Y T Chan', with a long horizontal stroke extending to the right and a small upward tick at the end.

(Dominic Y T Chan)
Director of Audit