

Environment and Conservation Fund

Trustee Report 2004-2005

For Presentation to the Legislative Council

on 19 October 2005

**(Revised version)**

---

## CONTENTS

|                                                                               |       |
|-------------------------------------------------------------------------------|-------|
| Report by the Trustee Covering the Period 1 April 2004 to 31 March 2005 ..... | 2-5   |
| Membership List of the Environment and Conservation Fund Committee .....      | 6     |
| Membership List of the Research Projects Vetting Sub-committee .....          | 7     |
| Membership List of the Waste Recovery Projects Vetting Sub-committee .....    | 8     |
| Membership List of the Environmental Campaign Committee.....                  | 9     |
| List of Approved Projects.....                                                | 10-22 |
| Report of the Director of Audit to the Legislative Council.....               | 23    |
| Balance Sheet .....                                                           | 24    |
| Income and Expenditure Account .....                                          | 25    |
| Statement of Changes in Equity .....                                          | 26    |
| Notes to the Accounts .....                                                   | 27-28 |

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

This report covers the financial year ending 31 March 2005.

### **Environment and Conservation Fund (ECF)**

2. In the 1993 Policy Address to the Legislative Council, the then 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 then approved by the Finance Committee. The ECF came into operation in August 1994. In 1998 and 2002, the Finance Committee further approved \$50 million and \$100 million respectively.

### **Trustee**

4. Section 5 of the Ordinance provides for the Secretary for the Environment, Transport and Works 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 Chief Executive for a term of two years and four ex-officio members. The membership list is on page 6.

6. The ECF Committee has established a Research Projects Vetting Sub-committee to consider research and technology demonstration projects. The Sub-committee comprises ECF Committee members and co-opted members. The membership list of the Research Projects Vetting Sub-committee is on page 7.

7. The ECF Committee has also established a Waste Recovery Projects Vetting Sub-committee to vet community waste recovery project proposals that cost \$500,000 or less.

For projects costing over \$500,000, the recommendations of the Sub-committee will have to be approved by ECF Committee. The Sub-committee comprises members of the ECF Committee, members of the Environmental Campaign Committee (ECC), members of the Waste Subcommittee of the Advisory Council on the Environment and co-opted members. The membership list of the Waste Recovery Projects Vetting Sub-committee is on page 8.

8. The ECF Committee has entrusted the vetting of educational projects to the ECC. The reason for this arrangement is that the ECF Committee considers that the ECC has developed the expertise for considering such projects. The membership list of the ECC is on page 9.

9. Both the Research Projects Vetting Sub-committee and ECC can approve grants up to \$150,000 for a project. For applications exceeding this limit, the recommendations of the Research Projects Vetting Sub-committee or ECC will have to be endorsed by the ECF Committee.

10. The Environment, Transport and Works Bureau (ETWB) provides secretariat service to the ECF Committee and Research Projects Vetting Sub-committee, whereas the Environmental Protection Department (EPD) provides the secretariat service to the ECC and Waste Recovery Projects Vetting Sub-committee.

11. Applications can be submitted any time using the prescribed application forms, which are available in all district offices, the ETWB, the EPD and its Environmental Resource Centres, the Agriculture, Fisheries and Conservation Department and the Wheelock and Company Limited. The Research Projects Vetting Sub-committee usually meets once every two months to vet applications, whereas the ECC and the Waste Recovery Projects Vetting Sub-committee meets quarterly. The ECF Committee normally meets quarterly to consider the recommendations of the Sub-committees and ECC.

### **Criteria for vetting applications**

12. Applications from non-profit making organisations and community groups will be considered for funding support. Local incorporated companies may apply funding for technology demonstration projects. The following broad criteria are used in assessing the merits of individual applications:

- (1) Projects must contribute to the overall environment of Hong Kong, to raise environmental awareness of the local community, or mobilise the community to take action to improve the environment. For community waste recovery

projects, they must contribute to promoting waste prevention and recovery in Hong Kong, raise awareness of the local community, or mobilise the community to take action in waste reduction, separation and recovery.

- (2) The benefits must accrue to the local community as a whole, and not just to individuals, a single private organisation or a consortium of private companies.
  - (3) Projects must 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 local community. For community waste recovery projects, due consideration will be given to the benefits that it will bring to the efforts in promoting waste reduction, separation and recovery in local communities, or the extent to which it will enhance the awareness and mobilise the public to participate in waste separation and recovery;
    - (b) whether there is a demonstrable need for the proposed project;
    - (c) the technical and project management capability of the applicant, as well as the past performance of the applicant, including the effectiveness of past projects, and the applicant's ability to comply with the funding conditions;
    - (d) whether the proposed project's schedule of implementation is well-planned and practicable, and the duration is reasonable;
    - (e) whether the proposed budget is prudent, realistic and cost-effective, with full justification for every expenditure item;
    - (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.

13. Applicants may download application forms and other information, e.g. a list of projects approved under ECF, from the ECF and ECC homepage on the Internet.

#### **Approved applications**

14. From 1 April 2004 to 31 March 2005, a total of 181 applications for funding support were considered. Their vetting results are as follows:

|                                          |     |
|------------------------------------------|-----|
| (a) applications approved                | 118 |
| (b) applications being processed         | 20  |
| (c) applications rejected                | 37  |
| (d) applications withdrawn by applicants | 6   |
| Total :                                  | 181 |

15. Of the 118 approved applications, 117 were funded by the ECF with a total funding committed grant of about \$15.28 million, whereas one was jointly funded by the ECF and the Woo Wheelock Green Fund with a grant of \$184,672.

16. A list of the approved projects is on pages 10 to 22.

#### **Accounts**

17. The auditor's report, the balance sheet, the income and expenditure account and the statement of changes in equity for the period between 1 April 2004 and 31 March 2005 are on pages 23 to 28.



(Sarah Liao)

Secretary for the Environment, Transport and Works  
Trustee of the Environment and Conservation Fund

13 October 2005

## **Environment and Conservation Fund Committee**

### **Membership List**

**(1 April 2004 - 31 March 2005)**

Mr. Peter WOO Kwong-ching, GBS, JP (Chairman) (up to 31 July 2004)  
Professor LUNG Ping-ye, David, SBS, JP (Chairman) (from 16 October 2004 onwards)  
Professor CHAN Chi-ming  
Ms CHOY So-yuk  
Mr. Paul FAN Chor-ho, JP (up to 31 July 2004)  
Mr. Edwin LAU Chi-kit  
Ms LAU Ka-shi (from 16 October 2004 onwards)  
Mr. Joseph LEE, BBS, JP (from 16 October 2004 onwards)  
Mr. MAN Mo-leung (from 16 October 2004 onwards)  
Dr. John TSE Wing-ling (up to 31 July 2004)  
Dr. TSO WONG Man-yin, BBS  
Mr. Ronnie WONG Man-chiu, JP (up to 31 July 2004)  
Secretary for the Environment, Transport and Works, or his representative  
Permanent Secretary for Education and Manpower, or his representative  
Director of Agriculture, Fisheries and Conservation, or his representative  
Director of Environmental Protection, or his representative

**Environment and Conservation Fund Committee**  
**Research Projects Vetting Sub-committee**

**Membership List**  
**(1 April 2004 - 31 March 2005)**

Mr. Paul FAN Chor-ho, JP (Chairman) (up to 31 July 2004)  
Mr. Joseph LEE Chung-tak, BBS, JP (Chairman) (from 16 October 2004 onwards)  
Professor CHAN Chi-ming  
Professor CHAN Chak-keung (from 16 October 2004 onwards)  
Dr. CHAN King-ming (up to 31 July 2004)  
Ms Yvette CHAN Yuk-lin (up to 31 July 2004)  
Dr. CHEUNG Yun-hing (from 16 October 2004 onwards)  
Dr. CHIU Sein-tuck (up to 31 July 2004)  
Ms CHOY So-yuk (up to 31 July 2004)  
Professor CHU Lee-man (from 16 October 2004 onwards)  
Mr. Kenneth KAN Cho-yau (up to 31 July 2004)  
Ms LAU Ka-shi (from 16 October 2004 onwards)  
Mr. Richard W LEE (from 16 October 2004 onwards)  
Dr. John LEUNG Kon-chong  
Ms Emba WM LEUNG (from 16 October 2004 onwards)  
Mr. LIN Chaan-ming (up to 31 July 2004)  
Mr. MAN Mo-leung (from 16 October 2004 onwards)  
Professor Brian Sydney MORTON, JP (up to 31 July 2004)  
Ms NGAN Man-ling, Edith (from 16 October 2004 onwards)  
Professor Nora TAM Fung-yee (up to 31 July 2004)  
Dr. Andrew THOMSON (up to 31 July 2004)  
Dr. Eric TSANG Po-keung (up to 31 July 2004)  
Dr. Jonathan WONG Woon-chung  
Mr. Frankie YICK Chi-ming  
Representative from Environment, Transport and Works Bureau  
Representative from Agriculture, Fisheries and Conservation Department  
Representative from Environmental Protection Department

---

**Environment and Conservation Fund Committee**

**Waste Recovery Projects Vetting Sub-committee**

**Membership List**

**(1 April 2004 - 31 March 2005)**

Mr. Ronnie WONG Man-chiu, JP (Chairman) (up to 31 July 2004)

Ms CHOY So-yuk (up to 31 July 2004)

Mr. Paul FAN Chor-ho, JP (up to 31 July 2004)

Dr. Alice KWAN Ka-lee (up to 31 July 2004)

Dr. MAN Chi-sum (up to 31 July 2004)

Mr. Thomas PANG Cheung-wai, JP (up to 31 July 2004)

Dr. TSO WONG Man-yin, BBS (up to 31 July 2004)

Representative from Environment, Transport and Works Bureau

Representative from Environmental Protection Department

## **Environmental Campaign Committee**

### **Membership List**

**(1 April 2004 - 31 March 2005)**

Mr. Joseph LEE Chung-tak, BBS, JP (Chairman)  
Mrs. NG Fong Siu-mei, BBS (Vice-chairman)  
Mr. Stephen CHAN Chit-kwai, JP  
Mr. Benny CHAN Sai-biu  
Mr. CHAN Tak-chor, MH, JP  
Ms CHAU Chuen-hueng, MH, JP  
Ms Maggie KOONG May-kay  
Ms Goretti LAU Wai-kuen  
Dr. LAW Chi-kwong, JP  
Ms Elizabeth LAW Kwan-mei  
Mr. George TAM Siu-ping  
Dr. Eric TSANG Po-keung  
Professor Shane ZEE Sze-yong, SBS  
Secretary for the Environment, Transport and Works, or his representative  
Secretary for Education and Manpower, or his representative  
Secretary for Home Affairs, 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 2004 - 31 March 2005)**

**Environmental Research and Technology Demonstration Projects**

|    | <b>Applicant</b>                            | <b>Project Title</b>                                                                                                                                                                  | <b>Approved Amount</b> |
|----|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1. | The City University of Hong Kong            | Conservation of Horseshoe Crabs in Hong Kong                                                                                                                                          | \$369,344.00*          |
| 2. | The City University of Hong Kong            | Development of a Simple Graphical Approach based on Daylight Coefficient Concept and the CIE 15 Standard Skies for Indoor Daylight Luminance Predication                              | \$128,000.00           |
| 3. | Hong Kong Institute of Vocational Education | Study of Marine Air Pollutant Emission around Kwai Chung Containers Terminal                                                                                                          | \$123,600.00           |
| 4. | The Hong Kong Polytechnic University        | The impact of air pollution on public health – a regional analysis                                                                                                                    | \$110,000.00           |
| 5. | The University of Hong Kong                 | A Public Web-GIS Platform Analysing Visual and Environmental Impacts of Construction Projects in Hong Kong                                                                            | \$149,425.00           |
| 6. | The University of Hong Kong                 | The 4th International Symposium on Environmental Hydraulics and 14th Congress of the Asia and Pacific Division of the International Association of Hydraulic Engineering and Research | \$16,000.00            |
| 7. | The Lantau Buffalo Association Limited      | Population Dynamics and Ecology of Water Buffalo in Pui O, Lantau                                                                                                                     | \$54,960.00            |

|                       | Applicant                                        | Project Title                                                                                                                                                        | Approved Amount       |
|-----------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 8.                    | The Hong Kong Baptist University                 | International Conference on Environmental and Public Health Management: Persistent Toxic Substances                                                                  | \$32,000.00           |
| 9.                    | The Hong Kong Baptist University                 | Development of Single Analytical Method for Simultaneously Determining Dioxins and Dioxin-like PCBs in Ambient Air                                                   | \$150,000.00          |
| 10.                   | The Hong Kong Baptist University                 | On-farm Organic Waste Composting Trial for Organic Farmers: Demonstration Project                                                                                    | \$139,100.00          |
| 11.                   | The Hong Kong Baptist University                 | The Use of Biomarkers for Ecotoxicological Assessments of Persistent Organic Pollutants (POPs) and Heavy Metals on Birds at Mai Po Nature Reserve and Other Wetlands | \$588,000.00          |
| 12.                   | The Hong Kong University of Science & Technology | Development of Pre-bloom Fluorimetric Assays for the Monitoring of Harmful Algal Blooms                                                                              | \$960,000.00          |
| <b>Subtotal (I) :</b> |                                                  |                                                                                                                                                                      | <b>\$2,635,757.00</b> |

\* Jointly funded by the Environment and Conservation Fund and Woo Wheelock Green Fund on a 50/50 basis.

**Environmental Education and Community Action Projects**

|     | <b>Applicant</b>                                        | <b>Project Title</b>                                                            | <b>Approved Amount</b> |
|-----|---------------------------------------------------------|---------------------------------------------------------------------------------|------------------------|
| 13. | Tai Po Environmental Association                        | Local Environmental Protection Volunteers                                       | \$33,111.10            |
| 14. | Produce Green Foundation                                | Slow Food in Community                                                          | \$82,492.30            |
| 15. | Produce Green Foundation                                | The World of Wildflowers                                                        | \$106,380.00           |
| 16. | The Conservancy Association                             | Nature Explorer 2004                                                            | \$71,466.60            |
| 17. | The Conservancy Association                             | Green Game Booth Design Competition                                             | \$94,725.30            |
| 18. | The Conservancy Association                             | Explore the Secret of Animal                                                    | \$119,800.00           |
| 19. | The Conservancy Association                             | Tree for Life 2005                                                              | \$59,808.00            |
| 20. | The Conservancy Association                             | Echo Household Waste Reduction in Districts                                     | \$115,260.00           |
| 21. | Friends of the Earth (HK) Charity Limited               | "Green Energy" Exhibition                                                       | \$32,640.00            |
| 22. | The Hong Kong Bird Watching Society Limited             | Hong Kong playing a pivotal role in "Keeping Asia's Spoonbill Airborne"         | \$63,700.00            |
| 23. | Youth Kwun Tong                                         | Create our own garden                                                           | \$24,202.00            |
| 24. | The Boy's Brigade                                       | Waste for Life 2004 (echo World Water Day and Earth Day 2004 - Water for Life)  | \$10,861.60            |
| 25. | HOHCS Ming Tak Day Activity Center and Hostel           | Take Flight with ECO Look                                                       | \$14,757.10            |
| 26. | Hong Kong Youth Power Association                       | Greening countryside campaign 2004                                              | \$6,780.00             |
| 27. | Rotary Club of Shatin Community Services Fund Ltd.      | Information Technology New Era (ITNE) 2004 - Teaching and Learning for All Ages | \$30,000.00            |
| 28. | Jockey Club Wah Ming Lutheran Integrated Service Centre | Create Environmental Protection in Association                                  | \$41,000.00            |
| 29. | C & MA Lei Fook Neighbourhood Elderly Centre            | Environmental Education Group For the Elderly                                   | \$7,684.00             |

|     | Applicant                                                                                               | Project Title                                                                                              | Approved Amount |
|-----|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------|
| 30. | Chinese YMCA of Hong Kong - Tin Shui Wai Centre (Children & Youth Integrated Team)]                     | Amazing Environment Green Series                                                                           | \$8,718.00      |
| 31. | Christian & Missionary Alliance Church Union H.K. Ltd. (C&MA Lam Tin Neighbourhood Elderly Centre)      | Green Leadership                                                                                           | \$5,140.00      |
| 32. | ABWE Shing Yan Christian Social Service Centre                                                          | Earth Salvation by Simple Life                                                                             | \$5,358.00      |
| 33. | Hong Kong Sheng Kung Hui Ma On Shan (North) C & Y Integrated Service Centre                             | There are full of fun                                                                                      | \$6,669.60      |
| 34. | The Society for Aids Care Ltd                                                                           | Promote environmental protection and lead to a healthy life                                                | \$2,664.00      |
| 35. | Chinese YMCA of Hong Kong (Tsuen Wan Integrated Team)                                                   | Wide Environmental Exploration                                                                             | \$19,133.00     |
| 36. | The Incorporated Owners of Park Belvedere, Ma On Shan                                                   | Environmental Carnival cum colour filling competition                                                      | \$1,500.00      |
| 37. | Shatin Women's Association Limited                                                                      | Green Family Campaign- Creative Green Kid Workshop, Family Green Art Competition and Green Family Carnival | \$1,700.00      |
| 38. | F.T.U. Kowloon East District Service Office                                                             | Green Exploration Program                                                                                  | \$5,200.00      |
| 39. | The Hong Kong Federation of Youth Groups(Tin Shui Youth S.P.O.T.)                                       | The Wisdom of Great Nature                                                                                 | \$12,460.00     |
| 40. | The Boys' & Girls' Club Association of Hong Kong (Lok Man Children & Family Integrated Activity Centre) | The Scheme of Eco-Ambassadors                                                                              | \$2,870.00      |
| 41. | Women Service Association                                                                               | Family Mode Environmental Approach (FMEA) of save energy                                                   | \$16,013.00     |

|     | <b>Applicant</b>                                                                                 | <b>Project Title</b>                                                                                                                                                            | <b>Approved Amount</b> |
|-----|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 42. | C&MA Cheung Hang<br>Neighbourhood Elderly<br>Centre                                              | Funny Green Power                                                                                                                                                               | \$24,966.00            |
| 43. | Hong Kong Women<br>Development Association                                                       | Get the Full Mark in the<br>Environment Friendly Generation                                                                                                                     | \$49,523.10            |
| 44. | Hans Andersen Club Outlying<br>Social Service Team -Tai O<br>Center                              | Tai O Natural Studies Scheme                                                                                                                                                    | \$4,558.00             |
| 45. | Hong Chi Oi Tung Hostel                                                                          | Greening Hong Kong                                                                                                                                                              | \$2,340.00             |
| 46. | Evangelize China Fellowship<br>Shatin Canaan Church<br>Limited                                   | 4Rs formal                                                                                                                                                                      | \$11,260.00            |
| 47. | Tuen Mun District Women's<br>Association                                                         | All Dimension Environmental<br>Conservation Project - Mangrove<br>Eco-tour, Beach-litter Collection<br>Environmental Conservation<br>Embassador Program, Sai Kung's<br>Eco-tour | \$4,092.00             |
| 48. | The Church of United<br>Brethren in Christ Yuen Long<br>Social Service Centre                    | Green New Generation<br>Environmental Protection<br>Educational Project                                                                                                         | \$2,930.00             |
| 49. | The Association of<br>Managerial,Clerical and<br>Technical Employee in<br>Manufacturing Industry | Home Conservation, Be Yourself<br>First                                                                                                                                         | \$3,250.00             |
| 50. | Yang Memorial Methodist<br>Social Service                                                        | Plastic-Free Estate                                                                                                                                                             | \$16,845.70            |
| 51. | Chinese YMCA of Hong<br>Kong                                                                     | Green Space                                                                                                                                                                     | \$6,130.00             |
| 52. | Recycling Power                                                                                  | "Sustain Recycle, Insist<br>Environmental Protection"<br>Scheme – Domestic Waste Sorting<br>and Recycling Ambassador Scheme,<br>Green Carnival                                  | \$15,666.70            |

|     | <b>Applicant</b>                                                                                                                        | <b>Project Title</b>                                                               | <b>Approved Amount</b> |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------|
| 53. | Chinese YMCA of Hong Kong Chai Wan Neighbourhood Elderly Centre                                                                         | Eco action for Elderly and Youth                                                   | \$2,680.00             |
| 54. | ELCHK, Chung On Neighbourhood Elderly Centre                                                                                            | Environmental Protection Green Action                                              | \$2,820.00             |
| 55. | Hong Chi Association Hong Chi Home Based Training and Support Service                                                                   | Green Farmers                                                                      | \$2,150.00             |
| 56. | HKSKH Lady MacLehose Centre                                                                                                             | Origin with Green                                                                  | \$16,600.00            |
| 57. | The Society of Rehabilitation and Crime Prevention, Hong Kong                                                                           | Green Hostel                                                                       | \$4,420.00             |
| 58. | Caritas Pui Tak Centre                                                                                                                  | Let's work for a healthy road                                                      | \$3,775.00             |
| 59. | Rotary Club of Shatin                                                                                                                   | Information Technology New Era (ITNE) 2005 - "Save The Beach" e-Action Competition | \$19,384.70            |
| 60. | Zion Social Service                                                                                                                     | Green City ~Community Education and Promotion Activity                             | \$29,275.00            |
| 61. | Yan Chai Hosiptal - Yan Chai Hospital Buddha Light Association of Hong Kong Day Activity Centre cum Hostel for Mentally Handicapped-(1) | Protecting Environment Journey for Mentally Handicapped                            | \$4,090.00             |
| 62. | Sha Tin Junior Chamber Limited                                                                                                          | Love of the Earth 2005                                                             | \$6,414.30             |
| 63. | Hong Kong Youth Women's Christian Association                                                                                           | A flourishing Eco-life Scheme                                                      | \$7,530.00             |
| 64. | Caritas Community Centre – Aberdeen                                                                                                     | "Head for Organic Living" Green Lifestyle Promotion Project                        | \$20,971.40            |
| 65. | Caritas Community Centre -Ngau Tau Kok                                                                                                  | Enjoy the green life                                                               | \$5,050.00             |

|     | <b>Applicant</b>                                                    | <b>Project Title</b>                                                                        | <b>Approved Amount</b> |
|-----|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------|
| 66. | Stewards Limited                                                    | Environmental Protection Shop Scheme                                                        | \$4,363.60             |
| 67. | Hong Kong Housing Authority - Lakeside Garden Management Office     | Hong Kong Environmental One Day Tour                                                        | \$2,700.00             |
| 68. | H.K.S.K.H. Lady MacLehose Center Tsing Yi Estate Community Hall     | Eco-volunteer project                                                                       | \$5,390.00             |
| 69. | SKH Li Fook Hing Secondary School                                   | Green Vision 2004                                                                           | \$4,894.00             |
| 70. | Faith Lutheran School Parent-Teacher Association                    | Environment Conservation Education Camp                                                     | \$8,377.60             |
| 71. | Hong Kong School for the Deaf                                       | School-based Butterfly Ecosphere Project (SBEP)                                             | \$23,480.00            |
| 72. | Ma Kam Ming Charitable Foundation Ma Chau Duen Hey Memorial College | Environmental Protection Carnival 2005                                                      | \$20,305.00            |
| 73. | Sheung Shui Wai Chow Kindergarten (Branch)                          | Green Kids                                                                                  | \$2,372.00             |
| 74. | Ching Chung Wu King Kindergarten                                    | Experience the Power of Green-diet                                                          | \$30,320.00            |
| 75. | Hong Kong Baptist University Biology Society                        | Hong Kong Baptist University Biology Society, the 19th Annual Academic Exhibition & Seminar | \$29,941.10            |
| 76. | CCC Kei Shun Special School cum Resource Centre                     | Our Green Environment ~ Our Elderly, Our Children, Our Future                               | \$3,100.00             |
| 77. | Victoria Nursery and Kindergarten Parent Teacher Association        | We Love Our Precious Nature                                                                 | \$6,000.00             |
| 78. | Tai Po Sam Yuk Secondary School                                     | Germination Project                                                                         | \$9,290.00             |
| 79. | Wong Shiu Chi Secondary School                                      | The Endless Greenland                                                                       | \$5,516.00             |
| 80. | SKH St. Simon's Lui Ming Choi Secondary School                      | Changing Hearts and Minds: Towards a Sustainable Living                                     | \$14,466.70            |

|                        | <b>Applicant</b>                                                 | <b>Project Title</b>                                                  | <b>Approved Amount</b> |
|------------------------|------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|
| 81.                    | Christian Alliance S W Chan Memorial College                     | Towards a Green School III                                            | \$12,450.00            |
| 82.                    | Wai Chow Public School (Sheung Shui) PM                          | The Green campus - The first step to the green school setting         | \$800.00               |
| 83.                    | Pok Oi Hospital Chan Kai Memorial College                        | Green Odyssey                                                         | \$3,900.00             |
| 84.                    | Hong Kong Baptist University (Hong Kong Organic Resource Centre) | Dimensional Organic                                                   | \$69,806.70            |
| 85.                    | Saviour Lutheran School                                          | The Green Action 05                                                   | \$1,775.00             |
| 86.                    | Asbury Methodist Primary School                                  | Learning in Eden                                                      | \$2,700.00             |
| 87.                    | Stewards Pool Tun Secondary School                               | Promotion of Environment Education in Primary Schools of Wong Tai Sin | \$19,198.00            |
| 88.                    | S.K.H. Kei Hlin Primary School (A.M & P.M)                       | Beauty School - Beauty Ocean                                          | \$5,600.00             |
| 89.                    | Shan King Estate Baptist Kindergarten                            | Protect Environment Together                                          | \$600.00               |
| <b>Subtotal (II) :</b> |                                                                  |                                                                       | <b>\$1,556,161.20</b>  |

**Community Waste Recovery Projects**

|      | <b>Applicant</b>                                                 | <b>Project Title</b>                                                        | <b>Approved Amount</b> |
|------|------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|
| 90.  | Hong Kong Eastern District Environmental Advancement Association | Waste Recycling Campaign                                                    | \$232,490.00           |
| 91.  | Women Service Association                                        | Waste Recovery Projects in the Private Housing Areas of Kwai Chung District | \$405,143.00           |
| 92.  | Hong Kong People's Council on Housing Policy                     | Hung Hom Green Community & Economic Project                                 | \$478,080.00           |
| 93.  | Yan Oi Tong                                                      | Environmental friendly Living in Tuen Mun                                   | \$497,900.00           |
| 94.  | Aldrich Garden Estate Owners' Committee                          | Waste Separation and Recycle Programme - Aldrich Garden                     | \$143,600.00           |
| 95.  | Les Saisons Owners' Committee                                    | Les Saisons Waste Recycle Extension Programme                               | \$106,700.00           |
| 96.  | The Owners' Committee of Pacific Palisades                       | Sustainable Environmental Protection Power                                  | \$61,210.00            |
| 97.  | New Jade Garden Owners' Committee                                | Dry and Wet Waste Separation Pilot Programme                                | \$95,220.00            |
| 98.  | The Owners' Committee of Lesommet                                | Recycle for Better Tomorrow                                                 | \$72,430.00            |
| 99.  | Lei King Wan Owners' Representative Committee - Site A           | Lei King Wan Easy Waste Separation Pilot Scheme - Site A                    | \$86,510.00            |
| 100. | Lei King Wan Owners' Representative Committee - Site B           | Lei King Wan Easy Waste Separation Pilot Scheme - Site B                    | \$86,510.00            |
| 101. | Lei King Wan Owners' Representative Committee -                  | Lei King Wan Easy Waste Separation Pilot Scheme - Site C                    | \$86,810.00            |

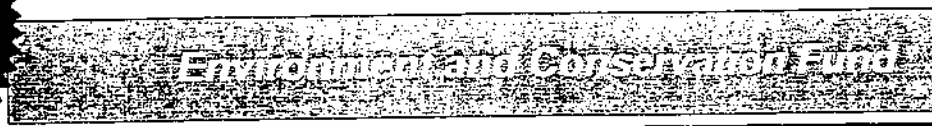
|                        | Applicant                                                | Project Title                                                            | Approved Amount      |
|------------------------|----------------------------------------------------------|--------------------------------------------------------------------------|----------------------|
|                        | Site C                                                   |                                                                          |                      |
| 102.                   | Lei King Wan Owners' Representative Committee - Site D   | Lei King Wan Easy Waste Separation Pilot Scheme - Site D                 | \$87,820.00          |
| 103.                   | Caritas Mutual Aid Centre<br>Single Parent Family Centre | Goods Exchange Mutual Help Project                                       | \$325,501.50         |
| 104.                   | Hong Kong People's Council on Housing Policy             | Pilot Project on Recycling of Plastic Material in Public Housing Estates | \$413,080.00         |
| 105.                   | Hong Kong Housing Society                                | Waste Separation Scheme in Lai Tak Tsuen                                 | \$107,940.00         |
| 106.                   | City Garden Owners' Committee                            | Waste Separation Scheme in City Garden                                   | \$59,650.00          |
| 107.                   | The Incorporated Owners of Newton Harbour View Tower 2   | Super 3R Separation Scheme                                               | \$23,980.00          |
| <b>Subtotal (III):</b> |                                                          |                                                                          | <b>\$3,370,574.5</b> |

**Large-scale Environmental Education and Awareness Projects Coordinated by the  
Environmental Campaign Committee**

|      | <b>Project Title</b>                                                                              | <b>Participating bodies</b>                                                                                                                                                                                                      | <b>Approved Amount</b> |
|------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 108. | Schools Environmental Award Scheme cum Student Environmental Protection Ambassador Scheme 2004/05 | <ul style="list-style-type: none"> <li>• Green groups</li> <li>• Primary and secondary schools</li> <li>• Tertiary institutes</li> <li>• Education and Manpower Bureau</li> <li>• Environmental Protection Department</li> </ul> | \$1,914,319.00         |
| 109. | World Environment Day 2004                                                                        | <ul style="list-style-type: none"> <li>• Community organisations</li> <li>• Green groups</li> <li>• District Councils</li> <li>• Primary and secondary schools</li> <li>• Environmental Protection Department</li> </ul>         | \$796,800.00           |
| 110. | Environmental Protection Festival 2004                                                            | <ul style="list-style-type: none"> <li>• Community organisations</li> <li>• Green groups</li> <li>• District Councils</li> <li>• Primary and secondary schools</li> <li>• Environmental Protection Department</li> </ul>         | \$456,400.00           |
| 111. | Production of ECCO Monthly Bulletin and ECC Website                                               | Distribution to schools, green groups, community organisations, libraries, overseas organisations and the public through District Offices, Estate Management Offices and the Environmental Resource Centres                      | \$349,400.00           |
| 112. | Tree Planting Day 2005 Activities                                                                 | Hong Kong Tree Planting Day Organizing Committee, comprising representatives from District Councils, green groups, Heung Yee Kuk and Government departments                                                                      | \$100,000.00           |

|      | Project Title                                                                                                                                                                                     | Participating bodies                                                                                                                                                                                                                                                                                                                                                                                                           | Approved Amount |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 113. | Waste Recycling Campaign in Housing Estates (Phase VIII)                                                                                                                                          | <ul style="list-style-type: none"> <li>• Community organizations</li> <li>• Green groups</li> <li>• Hong Kong Council of Social Services</li> <li>• Mutual Aid Committees</li> <li>• Owners Incorporations</li> <li>• Property management companies</li> <li>• Hong Kong Housing Authority</li> <li>• Hong Kong Housing Society</li> <li>• Social Welfare Department</li> <li>• Environmental Protection Department</li> </ul> | \$1,291,600.00  |
| 114. | Environmental Protection Ambassador Schemes for Scouts, Guider/Girl Guides, Leo, Junior & Senior Police Call, Rotary/Rotaract/Interact, Zonta Club Members, Boys' Brigade and Property Management | <ul style="list-style-type: none"> <li>• Community Organizations</li> <li>• Property management companies</li> <li>• Schools</li> <li>• Environmental Protection Department</li> </ul>                                                                                                                                                                                                                                         | \$449,800.00    |
| 115. | Hong Kong Eco-Business Awards 2004                                                                                                                                                                | <ul style="list-style-type: none"> <li>• The Chinese General Chamber of Commerce</li> <li>• Hong Kong General Chamber of Commerce</li> <li>• Hong Kong Productivity Council</li> <li>• The Australian Chamber of Commerce in Hong Kong</li> <li>• The British Chamber of Commerce in Hong Kong</li> <li>• Business Environment Council</li> <li>• The Canadian Chamber of Commerce in Hong Kong</li> </ul>                     | \$961,400.00    |

|                             | Project Title                                                           | Participating bodies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Approved Amount |
|-----------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|                             |                                                                         | <ul style="list-style-type: none"> <li>• The Chinese Manufacturers' Association of Hong Kong</li> <li>• Consumer Council</li> <li>• Federation of Hong Kong Machinery and Metal Industries</li> <li>• Hong Kong Apparel Society Limited</li> <li>• The Hong Kong Association of Property Management Companies Limited</li> <li>• HK-BEAM Society</li> <li>• The Hong Kong Chinese Importers' &amp; Exporters' Association</li> <li>• Hong Kong Institute of Certified Public Accountants</li> </ul> |                 |
| 116.                        | Hong Kong Green School Award 2004/2005                                  | <ul style="list-style-type: none"> <li>• Hong Kong Institute of Education</li> <li>• Hong Kong Productivity Council</li> <li>• Vocational Training Council</li> <li>• Primary and secondary schools</li> <li>• Education and Manpower Bureau</li> </ul>                                                                                                                                                                                                                                             | \$420,230.00    |
| 117.                        | Environmental Activities jointly organized with District Councils 04/05 | <ul style="list-style-type: none"> <li>• Community organizations</li> <li>• District Councils</li> <li>• Environmental Protection Department</li> </ul>                                                                                                                                                                                                                                                                                                                                             | \$476,400.00    |
| 118.                        | Publicity and Environmental Survey                                      | <ul style="list-style-type: none"> <li>• Community organizations</li> <li>• Schools</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                      | \$500,000.00    |
| Subtotal (IV) :             |                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$7,716,349.00  |
| Total (I)+(II)+(III)+(IV) : |                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$15,278,841.70 |



## REPORT OF THE DIRECTOR OF AUDIT TO THE LEGISLATIVE COUNCIL

I have audited the attached statement of the accounts which has been prepared in accordance with accounting principles generally accepted in Hong Kong.

I give responsibilities of the Secretary for the Environment, Transport and Works and the Director of Audit

Under section 8(1) of the Environment and Conservation Fund Ordinance (Cap. 450), the Secretary for the Environment, Transport and Works is responsible for the preparation of the statement of the accounts, which statement shall include an income and expenditure account and balance sheet and shall be signed by her. In preparing the statement of the accounts, the Secretary for the Environment, Transport and Works 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 that statement of the accounts and to report my opinion to you.

### Basis of opinion

I certify that I have audited the statement of the accounts referred to above in accordance with 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 statement of the accounts. It also includes an assessment of the significant estimates and judgements made by the Secretary for the Environment, Transport and Works in the preparation of the statement of the accounts, 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 statement of the accounts is free from material misstatement. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the statement of the accounts. I believe that my audit provides a reasonable basis for my opinion.

### Opinion

In my opinion the statement of the accounts gives a true and fair view of the state of affairs of the Environment and Conservation Fund as at 31 March 2005 and of the results of its operations for the year then ended and has been properly prepared in accordance with section 8(1) of the Environment and Conservation Fund Ordinance.

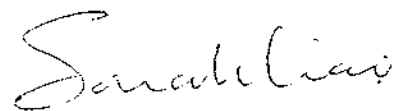
Audit Commission  
Hong Kong  
24 June 2005

*Chan Hui Keung*  
(CHAN Hui-keung)  
Assistant Director of Audit  
for Director of Audit

**Environment and Conservation Fund**  
**Balance Sheet as at 31 March 2005**

|                     | 2005<br>\$        | 2004<br>\$        |
|---------------------|-------------------|-------------------|
| <b>Assets</b>       |                   |                   |
| Interest receivable | 88,200            | 14,685            |
| Bank deposits       | 61,577,115        | 77,965,440        |
| Cash at bank        | 268,206           | 100,504           |
|                     | <u>61,933,521</u> | <u>78,080,629</u> |
| <b>Fund Balance</b> | <u>61,933,521</u> | <u>78,080,629</u> |

The accompanying notes 1 to 5 form part of these accounts.



(Sarah Liao)  
Secretary for the Environment, Transport and Works  
Trustee of the Environment and Conservation Fund

24 June 2005

**Environment and Conservation Fund**  
**Income and Expenditure Account for the year ended 31 March 2005**

|                                                      | <b>Note</b> | <b>2005</b>         | <b>2004</b>         |
|------------------------------------------------------|-------------|---------------------|---------------------|
|                                                      |             | <b>\$</b>           | <b>\$</b>           |
| <b>Income</b>                                        |             |                     |                     |
| Interest                                             |             | 385,190             | 647,120             |
| Refund of grants                                     |             | 15,594              | 281,501             |
|                                                      |             | 400,784             | 928,621             |
| <b>Expenditure</b>                                   |             |                     |                     |
| Grants to Environmental Campaign Committee           | 3           | 14,774,000          | 14,680,000          |
| Grants for environmental research and other projects |             | 1,773,892           | 3,046,927           |
|                                                      |             | 16,547,892          | 17,726,927          |
| <b>Deficit for the year</b>                          |             | <u>(16,147,108)</u> | <u>(16,798,306)</u> |

The accompanying notes 1 to 5 form part of these accounts.

**Environment and Conservation Fund**  
**Statement of Changes in Equity for the year ended 31 March 2005**

|                          | 2005              | 2004              |
|--------------------------|-------------------|-------------------|
|                          | \$                | \$                |
| <b>Fund Balance:</b>     |                   |                   |
| Balance at 1 April 2004  | 78,080,629        | 94,878,935        |
| Deficit for the year     | (16,147,108)      | (16,798,306)      |
| Balance at 31 March 2005 | <u>61,933,521</u> | <u>78,080,629</u> |

The accompanying notes 1 to 5 form part of these accounts.

**Environment and Conservation Fund**  
**Notes to the Accounts**

**1. General**

The statement of the accounts of the Environment and Conservation Fund is 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.

**2. Accounting policies**

(a) Basis for preparation of accounts

The statement of accounts is prepared on an accrual basis and in accordance with accounting principles generally accepted in Hong Kong, and complies with all applicable Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (HKICPA).

(b) Revenue recognition

- (i) Contribution from the Government of the Hong Kong Special Administrative Region is recognised on actual receipt.
- (ii) Interest income from bank deposits is recognised on a time apportioned basis based on the principal amounts outstanding at the applicable interest rates.

(c) Recently issued accounting standards

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new HKFRSs) which are effective for accounting periods beginning on or after 1 January 2005.

The Fund has not early adopted these new HKFRSs in the statement of the accounts for the year ended 31 March 2005. The Fund has considered that these new HKFRSs may not have a significant impact on its results of operations and financial position.

**3. Grants**

Grants to the Environmental Campaign Committee for funding its core activities and projects undertaken by other non-profit making organisations are treated as payments in the Environment and Conservation Fund accounts. As at the balance sheet date, the unspent balances held by the Environmental Campaign Committee are as follows:

|                                | 2005<br>\$         | 2004<br>\$          |
|--------------------------------|--------------------|---------------------|
| Receipts during the year       |                    |                     |
| Grants                         | 14,774,000         | 14,680,000          |
| Interest                       | 797                | 3,548               |
| Sponsorships                   | 73,000             | 280,000             |
|                                | <u>14,847,797</u>  | <u>14,963,548</u>   |
| Less: Payments during the year | <u>(9,735,559)</u> | <u>(17,861,435)</u> |
|                                | 5,112,238          | (2,897,887)         |
| Balance at 1 April 2004        | 106,175            | 3,004,062           |
| Balance at 31 March 2005       | <u>5,218,413</u>   | <u>106,175</u>      |

#### 4. Commitments

As at 31 March 2005, the commitments for approved grants payable to organisations subject to satisfactory progress or completion of the relevant projects were \$2,861,086 (2004: \$2,313,535).

#### 5. Cost of Administration of the Fund

The cost of administration of the Fund, other than the salaries and fees paid under section 6(3) of the Environment and Conservation Fund Ordinance, has been borne by the Government of the Hong Kong Special Administrative Region in accordance with section 9(1) of the Environment and Conservation Fund Ordinance.