

**Minutes of the First Meeting of the  
Environment and Conservation Fund Committee  
held on 20 October 2016 at 10:30 a.m.**

**Present**

Mr Douglas WOO, JP	(Chairman)
Ir Dr CHAN Fuk-cheung	
Ir CHAN Wing-hong, Cary	
Ms FUNG Dun-mi, Amy, MH	
Mr LAM Chiu-ying, SBS	
Ms LI Chun-chau	
Miss NG Yuen-ting, Yolanda, MH	
Ms WONG Wai-man, Rosana	
Mr TSE Chin-wan, JP	DDEP(1), EPD
Dr CHAN Ying-lung, Ellen	CRM, EPD
Mr NG Ka-shing, Joe	Principal Education Officer, EDB
Dr KWOK Pik-wan, Winnie	Senior Conservation Officer / Technical Services, AFCD

**In Attendance**

Ms Anita SW TSUI	CEO(CR)1, EPD (Secretary)
Mr TSOI Kwan-sang, Steve	SEO(CR)1, EPD
Miss WONG Po-wing, Lesley	AS(CR)4, EPD
Mr KAM Ka-lung, Simon	EM(CR), EPD

**Absent with Apologies**

Dr KaChun HUI

**In Attendance for Item 5**

Mr LAI Yiu-kei, Samson	AD(WM), EPD
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**In Attendance for Item 6**

Mr AU Wai-kwong, Elvis, JP	AD(CI), EPD
Ms CHAN Wai-yan, Vivian	SAO(NC), EPD
Mr WONG Kwong-chiu, Alfred	Senior Country Parks Officer (Ranger Services) (Ag.), AFCD



**Opening Remarks**

The Chairman welcomed all Members to the first meeting of the new term of the Environment and Conservation Fund (ECF) Committee from 2016 - 2018.

## **Agenda Item 1: Confirmation of Minutes of the Meeting held on 23.2.2016**

2. The draft minutes of the previous meeting held on 23 February 2016 were circulated to Members on 6 April 2016. The meeting confirmed the draft minutes without amendment.

## **Agenda Item 2: Matters Arising**

### Para. 3 Financial Position of ECF

3. Ms Anita SW TSUI reported that as at 31 August 2016, ECF's balance in bank was \$618.73 million. In addition, ECF had a seed money of \$4,700 million and investment return totalling \$544.66 million for 2013 to 2015 kept at the Hong Kong Monetary Authority (HKMA). Taking into account the amount of \$824.34 million already committed, ECF had an overall uncommitted balance of \$5,039.05 million by end of August 2016.

### Update on the Review of the Performance of ECF

4. Ms Anita SW TSUI reported that with the approval of the Task Force for Review of ECF Performance given in early April 2016, The University of Hong Kong (HKU) formally commenced the study on ECF Performance Review on 6 June 2016. Over the past few months, HKU had met with colleagues of the Secretariat and proceeded to collect relevant information for the study. At the Chairman's invitation, HKU would meet the Chairman and the Secretariat on 3 November 2016 to report on the progress of the study.

## **Agenda Item 3: The Environment and Conservation Fund Committee – Terms of Reference, Standing Orders and Code of Conduct (ECF Paper 28/2016-17)**

5. Ms Anita SW TSUI briefed Members about the background, the terms of reference and the Standing Orders of the ECF Committee as set out in ECF Paper 28/2016-17. The Standing Orders had been adopted since 1994 with revisions from time to time. The quorum for the meeting should be seven members. As government funds were public money, it was imperative for all parties involved, including Members of the ECF Committee and its various Vetting Subcommittees, to commit to ethical practices in the allocation and uses of the funds. In this regard, a Code of Conduct providing the guidelines and standards of integrity of the ECF Committee was set out at Appendix to ECF Paper 28/2016-17 for Members' compliance. Members were invited to register their personal interests by completing the declaration form at the Attachment to ECF Paper 28/2016-17, and returning it to the Secretariat in two weeks' time. Further registering of personal interests had to be made on an annual basis. In addition, if a Member had any

direct personal or pecuniary interest in any matter under consideration by the Committee, he must, as soon as practicable after he had become aware of it, disclose to the Committee prior to the discussion of the item, for consideration of whether he should withdraw from the discussion.

**Agenda Item 4      Procedures for Vetting Funding Applications  
(ECF Paper 29/2016-17)**

6.            Ms Anita SW TSUI briefed Members about the current criteria and procedures for vetting funding applications set out in ECF Paper 29/2016-17. To maintain continuity in the vetting of funding applications for different categories of projects, the following Vetting Subcommittees were set up under the present term of the ECF Committee –

- (a) The Energy Conservation Projects Vetting Subcommittee to vet and approve projects to promote energy efficiency and conservation which sought grants of \$2 million or less;
- (b) The Research Projects Vetting Subcommittee to vet and approve environmental research, technology demonstration and conference projects which sought grants of \$2 million or less;
- (c) The Waste Reduction Projects Vetting Subcommittee to vet and approve community waste reduction projects, on-site meal portioning projects in schools, food waste recycling projects for housing estates, community involvement projects for waste reduction through quantity-based Municipal Solid Waste Charging and applications under the Source Separation of Waste Programme which sought grants of \$2 million or less; and
- (d) Authorising the Environmental Education and Community Action (EE&CA) Projects Vetting Subcommittee under the Environmental Campaign Committee (ECC) to vet and approve educational / promotional and community involvement projects including demonstration projects which sought grants of \$2 million or less.

Projects seeking funds above the limits of the respective Vetting Subcommittee's designated approval ceiling would continue to be vetted by the respective Subcommittees and submitted to the ECF Committee with recommendations for consideration.

7.            Ms Anita SW TSUI further briefed Members on the formation and Chairmanships of the Vetting Subcommittees. The Secretariat had sent an email to invite interested Members to join the Vetting Subcommittees. Based on Members' replies, consolidated membership lists were prepared at the Annexes to ECF Paper 29/2016-17. Members agreed to the following proposed chairmanships of the Vetting Subcommittees:

- (a) Ir Dr CHAN Fuk-cheung to take up the Chairmanships of the Energy Conservation Projects Vetting Subcommittee and the Waste Reduction Projects Vetting Subcommittee; and
- (b) Dr KaChun HUI to take up the Chairmanship of the Research Projects Vetting Subcommittee.

8. After deliberation, the Chairman concluded the meeting's views that the criteria and procedures for vetting funding applications, including the setting up of the various Vetting Subcommittees and their memberships proposed in ECF Paper 29/2016-17 should be endorsed.

#### **Agenda Item 5 Funding Application recommended by the Waste Reduction Projects Vetting Subcommittee**

- (i) **WRP 447 – “Community Waste Reduction – Glass Beverage Bottle Recycling” by World Green Organisation (ECF Paper 29/2016-17)**

9. Dr Ellen CHAN briefed the meeting that the proposal submitted by World Green Organisation (WGO) was a follow-up of a current six-month project with an approved budget of \$299,477 which had engaged nearly 100 stakeholders and would be completed by November 2016. This proposal aimed to engage a wide spectrum of commercial sector in clean recycling of waste glass containers through providing a one-stop-shop service from liaison, engagement, collection, processing to storage. The proposed project also aimed to provide comprehensive data for conducting a cost-effectiveness analysis on glass container recycling with a view to optimizing the logistics arrangement for collection and treatment of the waste glass containers. The Waste Reduction Projects Vetting Subcommittee considered at its meeting held on 21 September 2016 that the proposal was worthy of support, and recommended the approval of the application at a budget of \$6,946,920.

10. Mr Samson LAI further briefed the meeting about the latest development of waste glass containers recycling and the background of the present proposal. In May 2016, the Legislative Council enacted the enabling legislation for the mandatory Producer Responsibility Scheme (PRS) on glass beverage containers under which territory-wide glass container recycling would be implemented with a target of collecting and processing 50,000 tonnes of waste glass containers each year. The Environmental Protection Department (EPD) was currently preparing open tenders for engaging three Glass Management Contractors (GMCs). Mr LAI said that in the current six-month project, WGO reached out to restaurants, bars and shopping malls, encouraging their participation in waste glass containers recycling. Funding being sought in the second phase was intended to be used for procuring the collection and treatment services required. With the actual implementation of the PRS tentatively in 2018, this 18-month project would help bridge the gap in the

recycling of waste glass containers in the interim period.

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24. After deliberation, the Chairman concluded the meeting's views that the proposal set out in ECF Paper 30/2016-17 should be approved.

**Agenda Item 6 Proposed Variations to the Rehabilitation Project for Sai Wan Area Under the Nature Conservation Management Agreement Scheme  
(ECF Paper 31/2016-17)**

25. In response to the Chairman's invitation for declaration of interests, Mr LAM Chiu-ying informed the meeting that he was an advisor to the Hong Kong Countryside Foundation (HKCF), which had rented agricultural land in Lai Chi Wo. HKCF had submitted an application for the conservation of Lai Chi Wo, a country park enclave, under the Nature Conservation Management Agreement (MA) Scheme in the latest round of invitation of applications. The Chairman declared that his organisation possessed agricultural land but which was not located in Sai Wan area. The meeting decided that both the Chairman and Mr LAM Chiu-ying could participate in the discussion on the present Agenda Item.

26. Mr Elvis AU briefed Members that in October 2015, the Sai Kung

District Community Centre (SKDCC) assisted by Heung Yee Kuk (HYK) submitted an MA application titled “Rehabilitation Project for Sai Wan Area” (SWMA) for 36 months. While acknowledging that the proposal would contribute to nature conservation as well as the rehabilitation of indigenous villages and therefore should be supported, the ECF Committee considered that the rent of agricultural land for organic farming purpose was on the high side. After discussion, the ECF Committee decided to adjust the proposed budget for renting agricultural land (of 50,000 sq. ft.) downwards from \$810,000 (i.e. at about \$0.45/sq. ft. per month) to \$300,000 (i.e. at about \$0.17/sq. ft. per month). The application was approved with a budget of \$9,457,730. SKDCC was informed of the decision of the ECF Committee on 21 March 2016.

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33. After deliberation, the Chairman concluded the meeting’s views that the proposed variations submitted by SKDCC regarding the SWMA be endorsed on the understanding that ECF’s share for the rental rate for agricultural land covered by the project would be at the rate of \$0.33/sq. ft. per month (i.e. \$696,400 in total) while the total funding support remained at \$9,457,730.

## **Agenda Item 7: Any Other Business**

### ECF Trustee Report 2015-2016

34. Ms Anita SW TSUI informed the meeting that the Secretariat had recently invited Members’ views on the ECF Trustee Report 2015-2016. The finalised Trustee Report would be tabled at the Legislative Council meeting scheduled for 9 November 2016.

### Progress of Winding-down the Plastic Resources Recycling Centre (PRRC) Operated by Yan Oi Tong (YOT) at EcoPark in Tuen Mun

35. Dr Ellen CHAN reported to the meeting that the winding down of the PRRC had been progressed smoothly. Since early June 2016, the PRRC had stopped receiving waste plastics from the public and its partners. The stock piles were expected to be all cleared by December 2016. About 300 PRRC partners had either engaged private recyclers or been referred to ECF Recycling Centres and the

Material Transfer Centre at Kowloon Bay. On the staff employment, YOT would liaise with other recyclers at EcoPark or elsewhere for providing job opportunities for the staff concerned as far as possible.

### ECF Budget 2017-2018

36. Mr CW TSE informed the meeting that the preparation of the ECF budget for 2017-2018 was underway. The budget allocation, when finalised, would be put forth to the ECF Committee for Members' discussion. In the past few years, the annual allocation had been in the order of around \$200 million, subject to the actual investment return in a specific year. Policy directions and priority themes adopted would be factored in when determining individual budget allocations for different funding schemes.

### **Agenda Item 8: Date of Next Meeting**

37. The next Meeting would be held on 17 January 2017. The Secretariat would inform Members about the details in due course.

38. The meeting ended at 12:15 p.m.

### **Secretariat, Environment and Conservation Fund Committee October 2016**

Note: The paragraph will not be included in the version of notes to be uploaded to the webpage of ECF according to the standing practice of not disclosing the detailed reasons for supporting or rejecting an application. The ECF webpage contains a general disclaimer that "Reasons for supporting/rejecting an application had been made known to the project proponents concerned, and the public could ask the project proponents direct for such information."