

**Confirmed Minutes of the First Meeting of the  
Environment and Conservation Fund Committee  
held on 2 November 2004 at 2:30 p.m.**

**Present**

Prof. LUNG Ping-ye, David, S.B.S., J.P.	(Chairman)
Prof. CHAN Chi-ming	
The Hon CHOY So-yuk	
Mr. LAU Chi-kit, Edwin	
Ms LAU Ka-shi	
Mr. Joseph LEE, B.B.S., J.P.	
Mr. MAN Mo-leung	
Dr. TSO WONG Man-yin, B.B.S.	
Mr. Raistlin LAU	PAS(E)1, ETWB
Mr. Anthony POON	PEO(CD), EMB
Ms Mabel MAK	CRO, EPD
Mr. CHAN Ping-kwong, Richard	Sr Nature Conservation Officer, AFCD
Dr. Samuel CHUI	AS(E)1, ETWB (Secretary)
Ms Winifred CHAN	SEO(E), ETWB (Assistant Secretary)

**Absent with Apologies**

Mr. Robert LAW, J.P.	DEP
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**In Attendance for Agenda Item 5:**

Ms Jessie WONG	PAS(E)4, ETWB
Mr. CC LAY	AD(Conservation), AFCD

**Agenda Item 1: Welcome Remarks**

The Chairman welcomed all Members to the first meeting. He invited Mr. Raistlin LAU to introduce Members to each other.

## **Agenda Item 2: The Confirmed Minutes of the Meeting held on 19 March 2004**

2. The minutes of the last meeting held on 19 March 2004 have been confirmed by Members of the last term of the Environment and Conservation Fund Committee (ECFC) in April 2004. A copy of the minutes was sent to Members for information.

## **Agenda Item 3: Terms of Reference, Standing Orders and Guidelines on Declaration of Interests (ECF Paper 21/2004)**

3. Ms Winifred CHAN briefed members on the terms of reference and the standing orders of ECFC stipulated in the ECF Paper 21/2004. She also drew Members' attention to the need to declare any conflict of interest accordingly. Members noted the information paper.

## **Agenda Item 4: Vetting Funding Applications (ECF Paper 22/2004)**

4. Ms Winifred CHAN briefed members on the ECF Paper 22/2004 including the background, the current financial position, the criteria and procedures for vetting funding applications and the operation of the two subcommittees formed according to the Standing Orders of ECFC. The uncommitted balance of the fund as at 8.10.2004 was \$55 million.

5. In vetting funding applications, the ECFC had set up two subcommittees. The Research Projects Vetting Sub-committee, established since 1994, would vet and approve research and technology demonstration projects that cost \$150,000 or less. The Waste Recovery Projects Vetting Sub-committee, established since 2002, would vet and approve community waste recovery project proposals that cost \$500,000 or less. Projects seeking funds above the limits of the respective subcommittees' approval ceiling would be vetted by the relevant subcommittees and then referred to the ECFC with recommendations. According to the Standing Orders of the ECFC, membership of a subcommittee would include Members who have signified interests and any other personalities who had been co-opted by the ECFC. Members were requested to complete the forms tabled by the Secretariat to indicate their interest in joining the two Subcommittees and to nominate suitable candidates as co-opted members to the Subcommittees.

6. Mr. Raistlin LAU supplemented that the ECFC had also authorized the Environmental Campaign Committee (ECC) to vet and approve environmental education and community action projects that cost \$150,000 or less. The ECC had

set up an Environmental Education and Community Action Subcommittee to perform this function. Projects seeking more than \$150,000 had to be approved by the ECFC. All the three subcommittees reported regularly to the ECFC on the number of applications and amount of funds approved.

7. In response to the question from a Member on participation in subcommittees and the sustainability of the ECF in future, Mr. Raistlin LAU said that there was no restriction on Members' participation in subcommittees. In accordance with the historical trend of fund disbursement, the present uncommitted fund balance should be able to support the normal operation of ECF for another 2 to 3 years. The Administration would monitor the fund balance carefully and would initiate new injection whenever necessary.

**Agenda Item 5: Nature Conservation Policy Review – Pilot Conservation Management Agreement Projects (ECF Paper 23/2004)**

8. The Chairman welcomed Ms Jessie WONG and Mr. CC LAY, the project proponents, to the meeting. Ms Jessie WONG briefed Members on the proposed pilot scheme on the management agreement measure including the background, the vetting mechanism and the funding criteria.

9. A Member asked how did the project proponents select the 12 sites listed in Annex A. She pointed out that sustainability of the scheme and variation of management agreement projects would be important factors that the project proponents should consider in the implementation of the scheme. She would like to know if the scheme would continue when the \$5 million allocation has been exhausted. Besides, the project proponents should provide assistance to interested parties including the landowners or local farmers to complete the application forms. It would be preferable to establish an appeal mechanism for the unsuccessful applicants to appeal. The project proponents are also advised to take a proactive approach in inviting the farmers to apply for funds under this scheme to enhance the ecological value of the land.

10. Ms Jessie WONG and Mr. CC LAY said that both ETWB and AFCD would take a proactive approach in implementing the pilot scheme with the objective of building partnership with NGOs and/or landowners in enhancing conservation of the sites concerned. Ms WONG then explained that the sites in Annex A were drawn up by an Expert Group comprising ecologists and major green groups based on an agreed scoring system for assessing the relative ecological importance of different sites. She agreed with the comments by the Hon CHOY So-yuk that different categories of management agreement projects should be selected as far as practicable. Briefing sessions would be arranged for the interested parties to explain details of the pilot scheme and the application

procedures. In processing the funding applications, AFCD would provide advice on the technical aspects. As regards the vetting mechanism, the Advisory Council on the Environment (ACE) would be consulted before the recommendations were submitted to the Committee for endorsement. Sustainability and enforceability of the management agreement concerned would be considered, among others, in vetting the applications. Applicants who were not satisfied with the vetting results could liaise with ETWB/AFCD in due course. This pilot scheme would be reviewed in 2 to 3 years. If management agreements continued to be adopted in the long run, the possibility or merits of getting further funding from ECF or other sources would be examined.

11. In response to the enquiry by a Member, Ms Jessie WONG said that a six-month application period from 1 December 2004 onwards was proposed and the ECFC would be provided with all the applications received, and the advice from ACE when it was consulted on the recommendations from ETWB/AFCD.

12. Members enquired if priority would be given to sites in Annex A with higher scores and whether the scores were related to the Assessment Criteria in paragraph 7 of the paper. Ms Jessie WONG explained that the score of each site set out in Annex A only indicated the relative ecological importance of the sites based on the agreed scoring system that was devised with the objective of identifying priority sites for enhanced conservation by new measures such as management agreements. Only if there were a large number of applications that were worth supporting, the scores would be taken into account when deciding which projects should be selected for implementation under the pilot scheme. In this connection, Members considered that the project proponents might reconsider the presentation of these scores when announcing the pilot scheme.

13. Members were concerned about the funding ceiling of project coordinators/assistants. They opined that the NGOs might prefer some flexibility in this aspect since projects coordinators/assistants might be essential for ensuring completion of the management agreements. Ms Jessie WONG explained that in view of the nature of the possible pilot management agreement projects, they had proposed to raise the funding ceiling of the monthly salary of project coordinators/assistants and the proposed level was comparable to the salary of contract staff employed by AFCD in this field. The requirement that the amount for covering the total cost of project coordinators/assistants should not exceed 25% of the total approved grant or the total actual expenditure, whichever was the less was in fact the condition currently adopted by the waste recovery and environmental education and community action projects funded by ECF. In addition, at most 20% of the approved grant or the total actual expenditure, whichever was the less, could be used for general administrative cost. It would make up a total of 45% of the approved grant. Mr. Raistlin LAU supplemented that the prevailing objective of the ECF was to sponsor project implementation instead of subsidizing the recurrent staff cost of the NGOs. There were guidelines on the funding

reimbursement for different items but the guidelines could be reviewed by Members in the light of changing circumstances.

14. The Chairman thanked Ms Jessie WONG and Mr. CC LAY and concluded that the Committee supported the proposed allocation of \$5 million for implementation of the pilot management agreement projects. The project proponents might consider some refinement on the presentation of the score for individual sites when announcing the pilot scheme.

#### **Agenda Item 6: Date of Next Meeting**

15. Members noted that the next regular meeting of the Committee was proposed to be held on 3 February 2005. The Secretariat would check out the availability of Members and confirm the meeting date nearer the time. Applications/papers that should be endorsed/considered by Members before the next meeting would be issued by means of circulation.

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

16. A Member proposed the Committee to be briefed of the air quality changes in Hong Kong during the past 10 years and the projected trend for the coming 5 years. Information on monitoring air quality in Hong Kong should also be included. The Chairman agreed to the proposal and the Secretariat would invite the relevant Government officers to give the requested presentation at the next meeting.

Secretariat, ECF Committee  
November 2004