Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

EEB(E)033

(Question Serial No. 0545)

Head:	(42) Electrical and Mechanical Services Department
Subhead (No. & title):	(-) Not specified
Programme:	(3) Energy Efficiency and Conservation, and Alternative Energy
Controlling Officer:	Director of Electrical and Mechanical Services (PANG Yiu-hung)
Director of Bureau:	Secretary for Environment and Ecology

Question:

Carbon emission from buildings is one of the major sources of carbon emissions in Hong Kong. The number of certificates issued under the voluntary Energy Efficiency Registration Scheme for Buildings over the past 2 years was 10 and 24 respectively, and it is estimated that about 20 certificates will be issued in 2023, which is far fewer than the number of existing or new buildings in Hong Kong. What are the specific measures of the Department to encourage more existing and new buildings to participate in the scheme, in order to speed up the progress of energy conservation and emission reduction in Hong Kong?

<u>Asked by</u>: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 22) Reply:

The Electrical and Mechanical Services Department (EMSD) launched the voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings (the Scheme) in 1998 to promote the adoption of building energy codes. To further promote energy efficiency in buildings, the Government enacted the Buildings Energy Efficiency Ordinance (BEEO) in 2011, requiring various types of prescribed buildings to comply with the codes of practice concerning energy efficiency and energy audit. The BEEO has been fully implemented since 21 September 2012. As at 28 February 2023, a total of more than 1 900 new buildings, 13 000 major retrofit works in existing buildings and 2 600 energy audit reports complied with the energy efficiency requirements for buildings under the BEEO.

To speed up the progress of energy conservation and emission reduction in Hong Kong, the EMSD reviews the Building Energy Code and the Energy Audit Code under the BEEO in consultation with the trade once every 3 years to continuously enhance building energy efficiency standards. The 2021 edition of the Building Energy Code gazetted by the Government on 31 December 2021 uplifted the energy efficiency standards, with an improvement of more than 15% as compared with the 2015 edition. By 2035, the estimated annual energy saving from buildings in Hong Kong is around 4.7 to 5.3 billion kilowatt-hours (compared with 2015), which will help achieve the target of carbon neutrality before 2050.

To continue to encourage and drive the further enhancement of building energy efficiency, the Scheme serves to certify buildings where energy performance exceeds statutory standards and which have obtained certification from relevant environmental protection institutions (such as the BEAM Plus certification of the Hong Kong Green Building Council). In addition, starting from the year of assessment 2008/09, for buildings certified by the Scheme, tax deduction for the capital expenditure incurred on the procurement of relevant eligible environmental protection installations was provided over a period of 5 years. Starting from the year of assessment 2018/19, the arrangement has been enhanced so that the tax deduction for such capital expenditure could be claimed in full in the first year. The EMSD continues to review and expand the coverage of the Scheme to encourage more owners of existing and new buildings to participate in the Scheme. For example, the EMSD included 2 new green building assessment tools (i.e. BEAM Plus New Data Centres and BEAM Plus Existing Data Centres) as certification criteria of the Scheme in September 2021. The EMSD will keep promoting the Scheme through various publicity activities related to energy efficiency and energy conservation.

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