

**Tung Wah Group of Hospitals – To Move Towards a Green Organization
Requests for Extension of the Three-year Greening Programme
and Additional Funding for the Environmental Consultancy Services**

Applicant Organization	Tung Wah Group of Hospitals (TWGH)
Programme Summary	The objective of this three-year greening programme is to facilitate TWGH to transform itself into a “Green Organization” through the implementation of a series of green initiatives in schools, social services and medical centres under a framework of seven strategies (viz. green governance, green education, green procurement, go green on energy, conservation of resources, pollution reduction and green building). The ECF Committee gave approval-in-principle for funding support for the greening programme on 30 December 2008.
Original Programme Duration	3 years (July 2009 to July 2012)
In-principle Approved Amount	\$19.84 million
Requests for Programme Extension and Additional Funding for Consultancy Services	<p>TWGH has recently requested for:</p> <ul style="list-style-type: none"> (a) an extension of the three-year greening programme by 24 months up to July 2014; and (b) additional funding of \$480,000 for continued employment of its environmental consultant during the extension period to provide support for the programme. <p>Details are set out in its letter dated 14 September 2012 at <u>Annex I</u>, a brief summary of which is provided below:</p> <ul style="list-style-type: none"> (a) <u>Extension of programme</u> <p>TWGH kicked off the greening programme in July 2009 subsequent to the appointment of an environmental consultant, BMT Asia Pacific Limited (BMT). By the scheduled completion date of end July 2012, however, a few of the green initiatives under the programme were not yet completed. TWGH attributed the slippage to, firstly, the time taken for seeking approval for the project works from relevant authorities such as the Chinese Temples Committee and the Buildings Authority, which was longer than it had anticipated. Secondly, as a result of the enhancement of</p>

certain funding guidelines under ECF after TWGH's greening programme was approved, such as the additional requirement for energy-cum-carbon audits to last for at least four years, and new requirement under ECF's Evaluation Framework for TWGH to conduct carbon audit and track carbon emission for the whole organization, more time is required to complete the projects affected.

Altogether, TWGH assesses that an additional 24 months are required for the organization to complete the greening programme (except for the monitoring work of green roofs and the energy-cum-carbon audits). The current position of the various projects under the greening programme, and detailed reasons for the slippage are provided at Appendices 1 & 2 to Annex I, whereas a revised schedule under the extended programme period is at Appendix 3 to Annex I.

(b) Additional funding for the environmental consultancy

Under TWGH's three-year consultancy agreement with BMT, the latter provides support to TWGH for detailed planning of the overall environmental strategies, identifying cost-effective environmental improvement measures and technology applications, providing guidance in the implementation of the initiatives, evaluating and benchmarking the results of the green projects, assisting in organizing green education, publicity and communication programme, assisting in formulating future objectives and targets for continuous improvement in moving towards a green organization at a total consultancy fee of \$1,200,000.

Considering the slippage of various projects, TWGH needs to continue to engage BMT up to July 2014 to provide support for the remaining tasks of the projects such as evaluating and benchmarking the results of the green projects, assisting in deriving future objectives and targets for continuous improvement in moving towards a green organization, and in developing long-term capacity building in environmental protection. BMT initially requested an additional fee of \$930,000 for the extended services. To cut down the cost, TWGH subsequently decided to reduce the required scope of services (e.g. for preparation of monthly reports, half-yearly reports, and year reports) and number of progress meetings with BMT. After rounds of negotiation, TWGH now seeks additional funding of \$480,000 for the continued employment of BMT up to July 2014. TWGH considers that the

	<p>additional fee is fair and reasonable.</p> <p>To facilitate the ECF Committee's consideration of its requests, TWGH has provided a summary of the achievements of the greening programme so far in its letter at <u>Annex I</u>. Notably, to show its commitment to going green, on top of ECF's in-principle approval for funding support at \$19.84 million, TWGH has injected about \$9 million into their green initiatives, such as topping up the shortfall in funding for the paper artifacts furnace project and temple smoke reduction systems, seeking certification of ISO 14001, and employment of a full-time executive to oversee the green projects, etc. TWGH has also pledged that it would explore continuously other means to sustain its achievement in going green.</p>
Assessments / Remarks	<p>At the ECF Committee meeting on 2 August 2012 when TWGH's proposed installation of temple smoke reduction systems was discussed, Members learnt from TWGH representatives that TWGH had planned to seek an extension of the greening programme by two years so as to allow more time for those outstanding projects to be completed. Members had taken the opportunity to re-visit the existing arrangements for the Green NGO Scheme, and re-confirmed, after deliberations, the importance of maintaining frequent communications with TWGH's personnel at different levels, to facilitate regular exchange of views for the successful implementation of the greening programme. In addition, the meeting suggested that when TWGH submitted its request for extension of the three-year greening programme, TWGH should provide an assessment of the achievements and effectiveness of the projects implemented, supported with quantitative indicators, and detailed justifications for the proposed extension. It should also provide the organization's corporate plan for formulating the future roadmap and performance targets with a view to sustaining a culture of environmental protection upon completion of the greening programme.</p> <p>To follow up with the ECF Committee's views, the Secretariat arranged a meeting with TWGH management on 6 September 2012. To facilitate TWGH's conducting a comprehensive review of the results of the greening programme for inclusion in the Completion Report to be submitted to the ECF Committee upon programme completion, the Secretariat has prepared a checklist of items to be assessed based on the</p>

	Evaluation Framework for Green NGOs (<u>Annex II</u>) for their reference and action.
Advice Sought	<p>Members are invited to advise whether TWGH's requests for extension of the greening programme for two years and for an additional funding support amounting to \$480,000 for the extended consultancy services should be approved.</p> <p>In addition, as there are high public expectations on TWGH's greening programme, which is expected to serve as a green role model to encourage other NGOs to follow suit, apart from considering TWGH's present requests, Members may wish to invite TWGH to report on the progress of the greening programme to the ECF Committee on an annual basis until satisfactory programme completion, to enable the exchange of views on further enhancing the achievements of the programme.</p>

**Secretariat, Environment and Conservation Fund Committee
September 2012**