

**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 previously submitted a request for the following for its greening programme which was considered by the ECF Committee at its meeting on 3 October 2012:</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>The ECF Committee generally had no objection to the proposed extension of the greening programme. However, the Committee considered that TWGH should provide full justifications for the continued engagement of the environmental consultant [i.e. BMT Asia Pacific Limited (BMT)] for another two years, elaborating particularly the tasks that would require BMT's support, and providing a breakdown of the additional consultant fee arising from project slippage and the additional tasks to be handled respectively.</p> <p>In response to the Members' comments, TWGH submitted additional information in their letter at <u>Annex</u>, a brief</p>

summary of which is provided below:

(a). Prolongation of project duration

Because of the unforeseeable circumstances beyond the control of TWGH / BMT such as prolonged vetting / approval of submissions by various government departments, some of TWGH's projects could not be completed according to the schedule. Consequently, the consultant's tasks for evaluating and benchmarking the results of the greening programme and deriving future objectives have to be deferred.

(b). Additional service arising from prolongation of project duration

As a result of project delays arising from the time taken to complete statutory / approval process, the continued support of the consultant in arranging more liaison meetings and provision of professional advice is necessary.

(c). Additional professional service arising from the change in scope of service

In response to the additional requirements set out in the ECF's Evaluation Framework for Green NGO programme introduced in March 2011 and the new requirements for energy-cum-carbon audit and energy improvement works, TWGH needs additional services from the consultant for future planning arrangements and analysis on the results of the greening programme, and support for programme management and coordination with relevant parties for the energy projects. Such services are not covered under the original scope of work of the consultancy agreement.

As explained by TWGH, apart from the management and monitoring of green projects under the greening programme, the extended engagement of the consultant services also facilitates the continued transfer of skills and knowledge to TWGH staff for sustaining TWGH's green mission in the long run. TWGH supplements that in the course of implementing the greening programme, TWGH has already acquired the skills and knowledge from BMT to develop its green governance and incorporate green elements in their

	<p>medical, education and community services with a view to disseminating green message to staff and public through special events and charity functions. While the organization is committed to continuing to explore green opportunities in the future, the continued engagement of the consultant during the programme's extended duration to assist TWGH in deriving targets for continuous improvement in moving towards a green organization and in developing long-term capacity building in environmental protection is essential.</p>
Assessments / Remarks	<p>To facilitate the ECF Committee's consideration of its request for additional funding for the continued employment of the consultant, TWGH has provided a breakdown of the additional consultancy fee of \$480,000 in relation to the additional tasks mentioned above. According to TWGH, BMT originally requested for additional consultant fee amounting to \$584,000, comprising \$52,712 for outstanding project works and \$531,245 for additional services provided. After rounds of negotiation, BMT agreed to reduce the fee to \$480,000 (i.e. about 18% lower than the initial quoted fee). TWGH considers that the fee quoted by the consultant is reasonable, taking into account the situation that the prolonged vetting / approval of submissions by various government departments was beyond the control of BMT.</p>
Advice Sought	<p>Members are invited to advise whether TWGH's requests for extension of the greening programme for two years and for additional funding of \$480,000 for the extended consultancy services should be approved.</p>

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