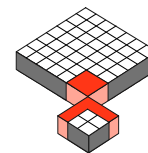


ENVIRONMENTAL REPORT 2006

Government Property Agency



1. Message from the Government Property Administrator

In performing its role as the manager of Government's joint-user office buildings and quarters, the Agency has integrated an environmentally responsible culture in all aspects of its operations.

With the support from an increasingly environmentally-conscious community and the dedicated efforts of staff and our partners, I am delighted to see some encouraging results of our initiatives in energy conservation and waste reduction in our core business areas of property management and procurement. To ensure effectiveness of the green measures adopted, we carried out regular internal environmental and energy audits which help identify areas for improvement.

From the inception of new office buildings and re-provisioning projects on the drawing board to final project delivery, we give due emphasis to conservation and adopt measures to improve our performance as far as practicable. Working in partnership with our works agents and user bureaux and departments, I look forward to realizing further benefits of our environmental initiatives in the years to come.

K K Kwok, JP
Government Property Administrator

2. Vision and Mission

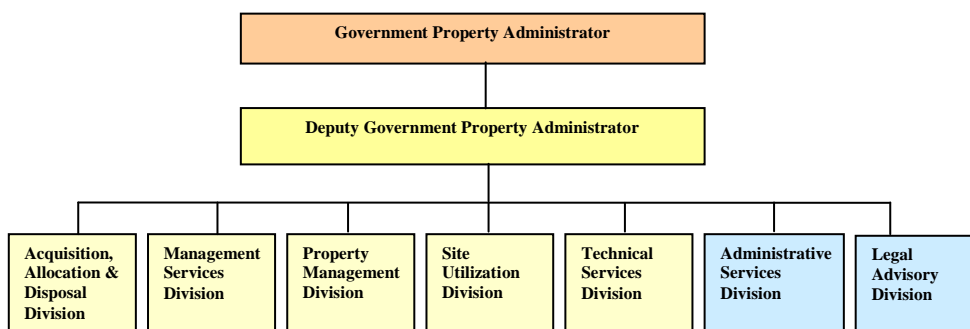


With the vision of providing suitable government accommodation to enable efficient delivery of public services, the Agency's mission is:

- To meet Government's need for accommodation through optimal use of and necessary adjustments to the current stock.
- To provide quality management services for government properties through the most cost-effective means available.
- To modernise government properties to meet changing operational and statutory requirements.
- To optimise the utilization of government sites and properties.

3. Organisation and Functions

Headed by the Government Property Administrator and Deputy Government Property Administrator, the Agency has an establishment of 210. Its operational functions are carried out by five functional Divisions which set strategic plans to align with the Agency's vision and mission. Two support Divisions provide administrative and legal advisory services.

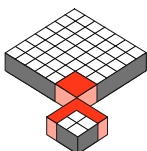


Organization Chart



The main functions and activities of the Agency are:

- To construct, purchase or lease for general use office premises to meet accommodation needs and to ensure their proper utilization.
- To manage government properties under its purview.
- To optimize the use of government, institutional and community sites through reviewing site reservations, seeking release of underutilized government sites and examining proposals for new developments.
- To vet accommodation requirements of bureaux and departments.
- To optimize the use of government-owned premises and de-lease office and accommodation wherever possible.
- To lease out surplus government properties with commercialization potential and implement new commercialization initiatives where appropriate.
- To scrutinize deeds of mutual covenants and execute assignments in respect of government accommodation in private developments.



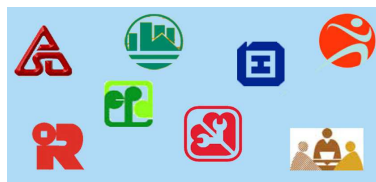
4.0 Environmental Policies



The Agency's Environmental Policies are:

- To contribute to environmental conservation by ensuring that sustainable designs, building materials, installations and processes are adopted in the construction of new government joint-user office buildings (JUBs) and quarters, and in fitting-out and refurbishment projects.
- To ensure that the management of government properties under the Agency's portfolio is carried out in an environmentally responsible manner, for example, by promoting energy saving.
- To implement green office management through effective housekeeping to minimize waste and use of resources; and
- To promote environmental awareness and participation among staff in the continuous improvement of environmental protection, reducing pollution and enhancing energy conservation and efficiency.

5. Working with Partners



Our partners mainly comprise users of government properties under the Agency's purview and agents for works and management. The former include bureaux and departments as government users and tenants including non-governmental organizations (NGOs) and private tenants of surplus premises. Our agents include Architectural Services Department (ArchSD), Electrical and Mechanical Services Department (EMSD), Property Management Agents (PMAs) and real estate agents.

We have been working closely with our partners to implement the Environmental Policies in the following areas:

- In meeting Government's accommodation needs and where justified, the Agency works with its agents to build or refurbish joint-user offices with environmental considerations including design, construction methods and choice of materials.
- In order to make better use of scarce land resources and existing building stock, the Agency coordinates the different accommodation needs of bureaux and departments to optimize the use of government sites and premises.
- In managing government properties, the Agency continues to implement effective housekeeping measures to reduce energy consumption and facilitate collection of waste for recycling where practicable.

6. Green Management Committee and Internal Environmental Audit



A Green Management Committee (GMC) was established in December 2003 to coordinate the Agency's efforts in environmental protection with inputs from all Divisions covering various aspects of the Agency's functions. It comprises representatives from all Divisions and is chaired by the Deputy Government Property Administrator.

The GMC continues to review environmental policies, set performance targets on green measures, review and report on green management measures and arrange green training activities to enhance staff awareness. It has also organized annual Internal Environmental Audits (IEAs) to ensure compliance with the Agency's Environmental Polices and commitments.

The IEA 06 was completed in Jun 07. While all operations generally conformed to the environmental policies and targets of 05/06, paper consumption would require further effort in order to achieve the target saving.

The Agency is a member of the Energy Efficiency and Conservation sub-committee under the Energy Advisory Committee composed of members of various disciplines from the public, private and commercial sectors, contributing views and support to the green policies of Government.

7. Environmental Initiatives in 2006

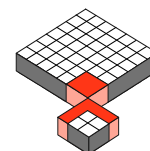
7.1 Rolling Programmes for Energy Saving Retrofit and Renewable Energy Projects



In line with the initiatives promulgated in Environment, Transport and Works Bureau (ETWB) Technical Circular (Works) No. 16/2005, the Agency has been working closely with EMSD and ArchSD to explore further energy saving opportunities to reduce energy consumption in JUBs. Four major energy consumption areas, in respect of air-conditioning, luminaries, electrical installations and lift operation, were identified for focused action. We also implemented energy retrofit projects proposed by EMSD to upgrade the existing installations progressively according to an implementation programme each year.

The programme also included replacement of plant and equipment at the end of their serviceable life with more energy efficient installations, such as replacing existing T8 with T5 fluorescent light fittings, refurbishment of air-conditioning chillers and lifts, installation of LED signs, frequency inverters and automatic tube cleansing systems.... etc.

With the progressive implementation of projects in the current programme, it is estimated that a total saving in the region of \$9.8M in energy cost could be realised over the next five years. However, it is expected that the percentage of energy cost saving in JUBs will not be significant in the coming years as the major savings by housekeeping means have already been realised. Continuous efforts will need to be maintained to explore opportunities for more energy saving retrofit and renewable energy projects.



7.2 Monitoring of Electricity Consumption in Government Joint User Buildings



Electricity used by air-conditioning systems form a major part of the overall energy consumption in JUBs managed by the Agency. Additional energy saving measures have been introduced in all JUBs since summer of 2005, including raising the average room temperature to 25.5°C and shortening the core air-conditioning hours. Other measures including reducing the number of light fittings and minimising lift services after office hours are continuously being enforced. The resultant energy saving was generally on target in accordance with ETWB's guidelines.

To seek further improvement, energy audits for a number of JUBs have been completed and follow-up actions are being implemented. Energy monitoring meters have been installed in a number of JUBs. Monthly statistics on total power consumption of JUBs are recorded and reported to the respective Building Management Committees (BMCs) in order to monitor the electricity consumption throughout the year. Any irregularity will be investigated in conjunction with the Agency's works agents, PMAs and user bureaux/departments with a view to exploring remedial measures.

7.3 Environmental Awareness, Waste Separation and Re-cycling Programme in JUBs and Quarters



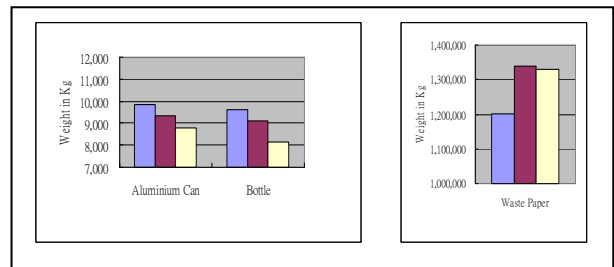
By incorporating suitable provisions in the property management agreements, the Agency implemented environmental awareness programmes and green campaigns through PMAs in JUBs and quarters under the Agency's purview.

Typical examples are the posting of notices, placing recyclable waste collection boxes with proper signage in prominent places and collecting recyclable wastes such as mooncake boxes, electrical appliances, books and clothing.... etc.

At least 2 large-scale environmental activities, such as Recycling of Waste Electronic and Electrical Equipment and collection of recyclable materials for redemption of small gift, were arranged by each PMA in 2006. These activities were reported regularly

during their monthly contract meetings with the Agency.

PMAs are required to implement a waste separation and recycling programme in the 57 JUBs and 61 quarters. Data on quantities of recyclable wastes collected under each category are recorded and reported to the Environmental Protection Department on a monthly basis. Compared with 2005, the total amount of recyclable wastes, including waste paper, aluminum cans and plastic bottles, collected at GPA venues decreased in 2006 by 0.76% or 10,245 kg, mainly due to removal of some quarters from GPA's portfolio.

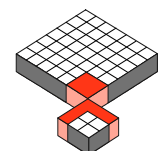


Legend: 2004 (Blue), 2005 (Red), 2006 (Yellow)

Waste collected under Waste Separation and Recycling Programme at GPA venues

7.4 Procurement of Energy-efficient Electrical Appliances

For quarters under its management, the Agency implements the policy of procuring energy-efficient domestic electrical appliances, such as refrigerators, which have obtained Energy Label Grades 1 or 2 under the Energy Efficiency Labeling Scheme operated by EMSD.



7.5 Prohibited use of Non-decomposable Lunch Boxes



Through incorporation of provisions in tenancy agreements, we have prohibited operators in government canteens from using single-use and non-decomposable lunch boxes for take-way services since 2004.

7.6 Environmental Concerns and Initiatives in New JUBs and Reprovisioning Projects



In line with the policy of sustainable development, we have stipulated explicit requirements in the Project Definition Statements of new projects which fall under the Agency's purview, to ensure optimization of site development potential, adoption of sustainable designs to cater for proponent's present and future needs, and adoption of energy-efficient installations to facilitate energy saving and management of the properties in the long run.

7.7 Reuse of Fittings and Fixtures in Deleasing or Newly Leased Properties



For leased-in premises, the Agency has taken the initiative to encourage landlords to retain existing fittings or fixtures for use by either future landlords or potential tenants. For instance, in the deleasing of the Tsuen Wan Smart Identity Card Centre, the landlord waived the reinstatement works of the toilets, fan coil units, chilled water pipes and condensation pipes, which were still in good condition for further use. As a result, the reinstatement cost for Government was reduced and considerable unnecessary construction waste was avoided.

For leased-out surplus quarters, the Agency has adopted a flexible approach in requiring the tenants to fulfill their reinstatement obligations. For existing fittings or fixtures which are still in good condition or considered useful to the incoming potential tenants, the Agency has waived the tenant's reinstatement obligation for those items. Such arrangements not only reduce the construction waste but also improve the marketability of surplus quarters for future leasing.

In new leasing cases, the Agency has taken the initiative to liaise with works agent and landlords to investigate the possibility of retaining existing fittings or fixtures for future use. Consequently, the cost of the fitting-out work can be lowered while construction waste is reduced.

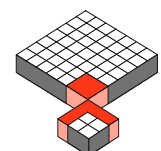
7.8 Reduction of Energy Consumption in Leased Properties



In some of the tenancy agreements for leased-in premises, the upper limit of air-conditioning temperature provided was previously specified by the landlord as 23.5°C. Given that the room temperature for government accommodation is maintained at 25.5°C and to support energy saving, landlords have been encouraged to change the limit to 25.5°C for new leasing or renewal cases.

The Agency has taken the initiative to reduce the energy consumption in leased properties such as the new Lok Ma Chau KCRC Terminal Building which includes Government accommodation of about 23,000m². During pre-occupation period, both KCRC and the user departments were encouraged to reduce the amount of illumination for unoccupied floor space with air-conditioning kept to a minimum.

In line with Government's policy on energy saving, tenants of our premises have been encouraged to follow the Government's standard in setting the air-conditioned temperature for all areas within the building at 25.5°C and frequently checking and adjusting the room temperature to avoid excessive cooling.



7.9 Green House-keeping Measures in GPA's Offices



Electronic mailing is widely used for communication and information dissemination within the office and to outside parties. The Agency has continued to use 100% recycled paper, adopt double-sided printing, collect waste paper for recycling and use recycled toner cartridges for all computer printers provided that the specific brand/models are available.

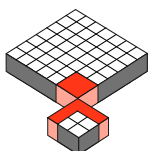
New computer equipment is purchased through Government Logistics Department's bulk purchase contract, while old ones are traded-in when purchasing new computers. Old network printers have been replaced with new ones with double-sided printing functions. This practice is extended to all newly acquired printers in 2007.

Notices on environmental policies and green activities, and circulars for house-keeping measures and energy conservation, are re-circulated to all staff periodically via the intranet to remind them of various green housekeeping measures.

7.10 Clean Air Charter



In line with Commitment 4 of the Clean Air Charter: 'Undertake to adopt energy-efficient measures in their operations', the Agency will continue to adopt energy-efficient measures in all its practices in accordance with the Environmental Policies, in an effort to improve Hong Kong's air quality.



7.11 Green Activities organized by GMC



Activity 1- Visit to Wetland Park

To enhance environmental awareness among staff, a site visit to the Wetland Park (Activity 1) was arranged in Dec 06. A total of 31 colleagues and their family members joined the visit.



The Hong Kong Wetland Park is on a 61 hectare site on the north-eastern edge of Tin Shui Wai, New Territories. It is a prime example of harmony with nature, environmental conservation and sustainable development unique to Hong Kong, seeking to serve equally the varied functions of conservation, tourism, education and recreation. Participants were impressed by the natural setting and the educational exhibits, and their awareness of the need to protect the natural environment was heightened by the visit.



Activity 2- Quiz Game at Xmas Party

At the Agency's Christmas Party 06, a 'green' quiz game (Activity 2) on interesting information and data concerning environmental protection was organised. The game raised the staff awareness of environmental information not normally noticed, such as magnitude of electricity charges that government was paying for JUBs, scale of air pollution index, protected wild life species etc. The games were well received.

8. Environmental Targets for 2007 onwards



The Agency will continue to implement the following measures to promote environmental protection in the coming years:

- 1 In collaboration with works agents, incorporate sustainability considerations and energy saving features in the design and construction of new government office buildings and renovation projects under the Agency's management where practicable.
- 2 Facilitate implementation of energy saving and renewable energy projects proposed by works agents for buildings under the Agency's management.
- 3 Implement greening in the Agency's premises where practicable.
- 4 Monitor and issue electricity consumption statistics to BMCs of JUBs each month to enhance user-departments' awareness of their energy consumption level and assist them in planning and implementing energy-saving measures.
- 5 Carry out energy audits and re-audits in JUBs, and implement action plans for further energy saving measures in conjunction with works and building management agents.
- 6 Continue the policy of setting the indoor air-conditioning temperature for government offices at 25.5°C in summer and shorten the operation hours of chillers as far as possible by rationalizing office hours of bureaux/departments in JUBs.
- 7 Reduce the illumination level of common areas in JUBs during off-peak hours.
- 8 Reduce the number of lifts and escalators in operation in JUBs during off-peak hours to a minimum without adversely affecting normal operation.
- 9 Implement waste separation and recycling programmes for all JUBs and quarters together with monthly records on weights of such waste for review.
- 10 Conduct at least 2 environmental awareness activities annually in each JUB or quarter under our purview.

- 11 Implement the policy of procuring new energy-efficient domestic electrical appliances which have obtained Energy Label Grade 1 or 2 under the Energy Efficiency Labeling Scheme operated by EMSD for quarters under our management.
- 12 Continue to maintain the condition in Tenancy Agreement of Government Canteens requiring the canteen operator not to use single-use and non-decomposable lunch boxes for take-way services.
- 13 Maintain housekeeping measures such as using GPA intranet for distribution of circulars and notices to all staff, reducing paper & electricity consumption, using 100% recycled paper & recycled toner cartridges for all printers subject to specific model availability and recirculating housekeeping rules and reminders to staff on a regular basis.
- 14 Carry out annual Internal Environmental Audit and review the findings to identify necessary improvements.
- 15 Conduct at least 2 environmental awareness activities annually for staff in the Agency.



9. Comments and Suggestions



Comments and/or suggestions regarding the report and/or environmental initiatives relating to the operation of the Agency are most welcome. Please contact Mr. Michael S. C. Mak, Secretary of the Green Management Committee at telephone number 2594-7756 or Mr. Anthony Yu, Departmental Secretary, at telephone number 2594-7605 or e-mail to ds@gpa.gov.hk

