



## Challenges and Opportunities

### Impact of Sustainability on the Organisation

As an international city, Hong Kong must maintain its economic growth in a fast-paced knowledge economy while at the same time improve the quality of life for its citizens. From a sustainability perspective, this means that organisations such as EMSD must find the most eco-friendly way to conduct its daily activities so that resources are used in an optimal manner with the least possible waste and pollution; while the safety, health and general well-being of its employees, customers and other stakeholders are well taken care of. At the same time, we must also identify and make full use of business opportunities arising from sustainable development.

As the world economy still largely relies on fossil fuels such as oil, surging oil prices as well as global warming and atmospheric pollution have direct impact on EMSD. The impact on our Trading Services is significant. For example, high oil prices have led to escalating material and parts cost, which exacerbated by an inflationary environment, could threaten the viability of our business. Global warming and pollution also create health risks for our employees and the community in general. In response, we have taken prudent cost control measures, stepped up productivity by various means such as increased staff training and better use of information technology, and secured more long-term agreements with client departments to add stability to our business. We have also implemented a comprehensive occupational health and safety programme for staff.

As to opportunities, an obvious area is client departments' increasing demand for our energy management, carbon audit and energy saving and renewable energy project services. This is likely to grow in the long run as client departments become increasingly aware of both the economic and environmental benefits of energy conservation.

The impact of sustainable development on our Regulatory Services is no less significant. Both international bodies and local policy makers call for priority attention to sustainability issues such as emissions control and energy intensity reduction. As a member of the Asia-Pacific Economic Co-operation (APEC), Hong Kong fully supports the APEC Leaders' Declaration on Climate Change, Energy Security and Clean Development adopted in Sydney in 2007, and will seek to reduce at least 25% of energy intensity by 2030, with 2005 as the base year. The Legislative Council is also examining the Energy Efficiency

(Labelling of Products) Bill, and the Government has also conducted public consultation with a view to introducing legislation on mandatory Building Energy Codes.

As a regulatory body, our Regulatory Services must respond with enhanced capabilities in order to effectively implement and enforce the various energy related obligations, as well as to help businesses, trades and the general public develop a higher awareness of energy efficiency. The timely introduction of state-of-the-art energy efficiency technologies into Hong Kong is also important. At the same time, we also see the safety and well-being of the community as important aspects of sustainable development. Indeed our citizens today have high expectations of us as an E&M safety regulating body. This creates opportunities for us to expand both the depth and breadth of our various E&M safety enforcement initiatives and public education programmes.

### Organisation's Impact on Sustainability

EMSD makes an impact on sustainability in several ways. Our Trading Services provide E&M engineering services to government departments and public bodies in Hong Kong, a process which inevitably impacts upon the environment through our office operations and engineering related works. To mitigate such impact, we have adopted an Integrated Management System that combines quality, environmental, occupational health and safety management systems as an overall process framework and to identify non-compliances for improvement. At the same time, we also make a positive impact through providing professional engineering services on energy efficiency to client departments that directly reduced energy consumption. We give technical advice and support to clients in the procurement of eco-friendly vehicles, and provide on-going maintenance service. During 2007/08, we helped the Government procure 193 hybrid vehicles, increasing its total hybrid fleet to 202. A batch of six environment-friendly electric scooters was also procured for the Police.

Our Regulatory Services make a positive impact on sustainability via various schemes, promotional campaigns and awards to promote energy efficiency and the wider use of renewable energy. Notable examples are the Energy Efficiency Labelling Scheme for Electrical Appliances, the Scheme on Wider Use of Fresh Water Cooling Towers for Air-conditioning Systems, the Energy Efficiency Registration Scheme for Buildings and the Hong Kong Energy Efficiency Awards.