

(COER) 2005

Foreword

Since the last report the Land Registry has undergone a major transformation in its business operations. A central registration system has been created, supported by the Integrated Registration Information System which allows public search of our databases over the internet. The value of that change has been mostly in terms of the speed, quality and cost effectiveness of services provided to customers, but there have been environmental benefits as well. Despite both large scale consumption of paper for internal testing of the new system and increased public demand for searches of registers (up by 15% over 2004) and copies of documents (up by 20% over 2004), overall consumption of paper for the year was up by only 0.3%, which indicates a significant delinking of paper consumption from business volumes. Some energy savings were also achieved through downsizing of outlying offices and centralization of all registration staff in our Queensway offices.

Looking ahead, we will continue to search for ways of doing our business that improve the quality of service we provide to Hong Kong while reducing the environmental impact that we have.



K.A.Salkeld
Land Registrar

1. This Report

1.1 This is the eighth Environmental Report of the Land Registrar covering the Year 2005. It provides an overview of the Land Registry's responsibilities and organization, its business and activities, the facilities it manages and the offices it occupies. The report sets out our environmental objectives, policy and targets, the major environmental impacts of our operations, how we manage our business activities and internal operations to minimise the impacts and achieve our environmental objectives and targets, how we have performed in the Year 2005 with reference to the key environmental indicators and measurements.

2. Our Responsibilities and Organisation

2.1 The Land Registry is a trading-fund department established on 1 August 1993. The Land Registrar is the Controlling Officer and General Manager of the Land Registry Trading Fund. Under the trading fund model, the Land Registry governs its own finances and balances its expenditure with the income it earns through serving customers. The Registry has the flexibility to respond to the service needs of customers through capital investment projects. It is our **vision** "to be the best in all that we do" and our **mission** to:

- ensure secure, customer friendly land registration and information services;
- develop our human resources, information technology and service environment so as to ensure improvement in service quality and value to our customers; and
- advocate reform of Hong Kong's land title registration system through introduction of title registration.

We share the same **core values** of "Integrity, Excellence, Respect and Learning" in carrying out our responsibilities.

2.2 The Land Registrar is supported by 7 directorate officers - who in turn supervise a workforce of some 590 professional, technical and general support staff as at the end of 2005.

3. Our Business and Activities

3.1 Our core business covers the registration and safe custody of land documents, the provision of facilities for search of land registers and records, the supply of copies of land records and the certification of copies of such records. We conduct these activities in accordance with the provisions of the Land Registration Ordinance. We also register owners' corporations with reference to the provisions of the Buildings Management Ordinance. Apart from these statutory duties, we maintain a Street Index and NT Lot/Address Cross Reference Table for public reference.

3.2 Key business statistics for 2005 compared with 2004 are set out below. They show substantial increases in all areas, reflecting an increase in property market activity over the year.

| <i>Activity</i> | <i>2005</i> | <i>2004</i> | <i>% change</i> |
|--|---------------|---------------|-----------------|
| Computer Registers maintained | 3.06 million | 2.67 million | + 14.6 |
| Imaged Documents held | 16.77 million | 16.05 million | + 4.48 |
| Documents lodged for registration | 694,299 | 630,795 | + 10 |
| Searches of register | 4.59 million | 3.97 million | + 15.6 |
| Copies of documents provided (plain & certified) | 787,429 | 652,384 | + 20.7 |

4. Our Facilities and Offices

4.1 We centralize land registration service at our Customer Centre located in the Queensway Government Offices, closing down the separate New Territories registration offices. The Customer Centre provides the full range of land registration and search services as well as registration of owners corporations. We have kept small search offices in the New Territories districts. Customers can conduct searches of land registers and place orders for imaged documents for properties anywhere in the territory without geographical barrier across the counter or through self-services terminals installed at all search offices. In addition, we operate a Central Imaging Centre in Shatin for converting paper land documents into digital images for electronic storage and retrieval.

5. Our Stakeholders

5.1 We are fully aware that a business corporation or any other organisation has a social responsibility to its stakeholders apart from business accountability in order to provide the best for the people and environment now and in the future. Our stakeholders are the customers whom we serve everyday including members of the public, their agents and government departments. Our stakeholders are also the business partners and associates with whom we work closely to improve our services. This environmental report is specifically compiled for the benefit of our stakeholders.

6. Environmental Impacts of our Operations

6.1 The major impact of our business activities and internal operations on the environment is the consumption of papers. We accept paper instruments lodged by our customers for registration on a daily basis, with which we create and update our computerized land registers and convert them into imaged records. We provide facilities for our customers to inspect original land records and provide them with copies of the land registers and imaged copies of our land records. We also maintain a public register of building owners' corporations and provide copies of such register to our customers. Arising from the above activities, we consume large volume of papers in our daily operations, which include ordinary white papers, different types of computer papers and other paper products.

6.2 To minimise the impacts, we have over the last decade introduced various electronic systems and green housekeeping measures to reduce paper consumption (to be elaborated in paragraph 9: “Environmental Measures” below). Despite this effort, there remains the need to provide our customers with land records and copies in paper form in order to meet their needs and comply with the requirements of the Land Registration Ordinance. We anticipate the need for paper records to continue until such time when the use of computer has become the everyday life of the masses.

7. Environmental Objectives and Policy

7.1 The activities of the Land Registry are basically office-based. Our **environmental objectives** are directed towards minimizing the consumption of papers, office materials, natural energy and resources in an office setting. To achieve these,

- We exercise the principles of Reduce, Reuse, Recycle and Replace in the consumption of paper and office materials.
- We seek continual improvement in the efficient use of natural resources and energy.
- We create a healthy and pleasant working environment for our staff.
- We promote awareness among staff, our customers and visitors who use our facilities.

7.2 We have formulated an **Environmental Policy** to establish the overall strategic direction for the Land Registry to achieve its environmental goal and set out the key areas for actions. We have placed this environmental policy under regular review. The current environmental policy which has been reviewed in 2005 is as follows:



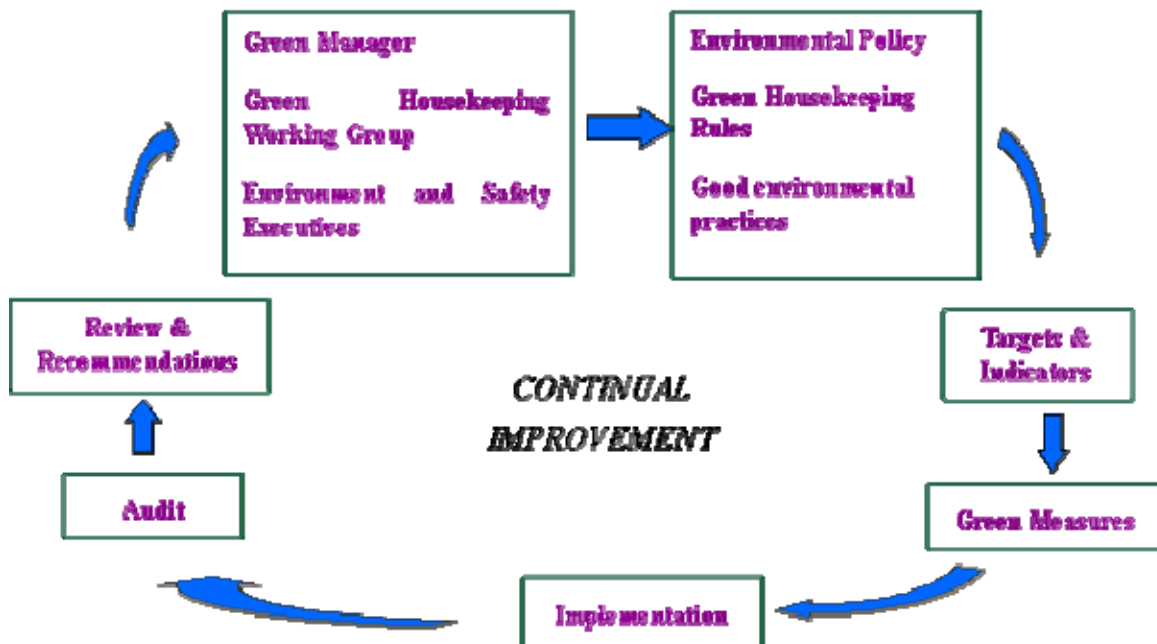
Environmental Policy

- **Reduce, Reuse, Recycle and Replace**– We reduce our daily consumption of papers and envelopes, reuse used materials, recycle our waste papers and replace non-environmentally friendly products as far as possible;
- **Efficient Use of Resources and Energy** –We encourage our staff to use natural resources wisely and to install energy-efficient systems in our offices as far as possible;
- **Compliance** -We maintain a set of green housekeeping rules to reduce any adverse impact from our operations and safeguard the health and welfare of our staff. We seek to ensure compliance with such rules through a three-tier Environmental Management System (EMS);
- **Continual Improvement**-We will seek continual improvement to our environmental performance through regular assessment, and by implementing new measures and practices;
- **Communication** – *We make all staff aware of their environmental responsibility through regular communication. We encourage our staff to participate in environmental activities, attend relevant workshops and seminars, and play a part in auditing the environmental performance of all our offices.*

8. Environmental Management

8.1 To conduct our activities in an environmentally responsible manner, we have put in place a 3-tier Environmental Management System. Under the system, the Registry Manager serves as the Green Manager who oversees the operation of the system and monitors the Registry's environmental performance. At the operational level, a Green Housekeeping Working Group led by the Departmental Secretary and various office representatives is responsible to devise and introduce green measures, manage environmental audit and set targets. In the frontline, 21 Environment and Safety Executives are appointed to check compliance, implement green initiatives, encourage adoption of best practices and raise environmental awareness. The following illustrates how our EMS operates.

The Land Registry **Environmental Management System**



9. Environmental Measures

To address the key environmental impacts of our activities, we have introduced various measures over the years..

(A)

Reducing paper consumption through the introduction of electronic systems

We have for years developed different computer systems which included electronic processing, storage, cataloging and search of land documents. These have significantly reduced our total paper consumption and enhanced our capability to meet customer needs. We introduced the ***Direct Access System*** in September 1994 to enable our customers to make remote search of land registers and records and order copies through their own computers. We also introduced ***Document Imaging System*** in January 1997 to enable digital storage and retrieval of land documents. Under this system, all newly registered land documents are scanned and stored on optical disks for on-line retrieval at our Central Imaging Centre in Shatin.

In February 2005, we further introduced the ***Integrated Registration Information System (IRIS)*** which incorporated the above systems and provided new services over the internet. As of 31 December 2005, there were 550 subscribers to the IRIS Online services and 4,362,854 searches were conducted through this service. In 2005, about 84 % of the searches of land registers and 70 % of the orders of copies of land documents were made through the Online Services. In fact, any person can carry out searches of property

records and obtain copies of documents in digital format or by printing on the computer through the internet. As a result, voluminous paper applications and reports for land records could be saved.

(B)

Reducing paper consumption through production of CD-ROMs to carry the Street Index and the NT Lot/Address Cross Reference Tables

For the urban properties, we have transformed the traditional two-volume Street Index into compact discs in January 1999. This enables our customers to search the required data speedily and conveniently through their personal computers. By the end of 2005, we have produced 37 editions of Street Index. The 37th edition contained 642 amendments, 5 new streets and 59 new lots/sections/subsections. Our customers purchased 270 sets of the Street Index in compact discs in 2005. The transformation of the paper-based Street Index into compact discs has saved a substantial amount of paper.

For the NT properties, we have produced an NT Lot/Address Cross Reference Table in compact discs. The first edition of NT Lot/Address CD was released in April 2000. In 2005, our customers purchased 204 copies. The 6th edition of our Cross Reference Table contains 12 new streets and 1,328 new lots/sections/subsections. Had bulk volume copies and replacement inserts been produced in paper form, 4,017 reams of paper would have been consumed. The production of CDs for sales has achieved substantial paper saving.

(C)

Economising through green housekeeping measures and wider use of the Local Area Network (LAN), Government Office Automation (GOA) and e-Leave systems

We continue to exercise the principles of Reduce, Reuse, Recycle and Replace in our daily operations to reduce paper consumption. Since 1997, we began using LAN for internal and external communication. We encourage our staff to make best use of the network to save paper and enhance efficiency. Over the years, we have expanded the network to cover more officers in the department including all section heads, supervisors and subject users. We anticipate expanding the network further to cover more junior staff in the near future. The implementation of the e-Leave system in mid 2005 and the wider use of GOA in this Registry have further helped eliminate paper records.

(D) Economising the consumption of energy and other resources

We continue to minimize the use of energy and other resources in our offices. We economize by energy-efficient retrofits and management control measures, such as replacing all T-12 florescent tubes in our offices with T-5 tubes, installing occupancy sensors for room lighting and water faucets, maximizing the use of natural lighting and creating openness in designing our new offices. We also achieve savings through observing our green housekeeping rules and adopting good environmental practices. These include encouraging our staff to use staircases instead of the lifts, to reuse and recycle used materials, to switch off

lights, office equipment and electrical appliances when not in use. We also remind our staff to save water and reuse office supplies.

(E) Minimizing office waste and encouraging recycling

We follow our green housekeeping rules in handling office waste. We encourage our staff to retain waste materials for recycling, which include used papers and printer cartridges, and we recover office waste for recycling on a regular basis.

(F) Replacing materials by green procurement

We continue to observe the guidelines of the Government Logistics Department by procuring environmentally friendly materials as far as practicable, which include reusable printer cartridges and various refillable stationeries. We will continue to procure environmentally preferable office supplies, equipment and services as far as possible.

(G) Conducting Environmental Audit

Under our Environmental Management System we have established an audit mechanism to check compliance with our environmental policy and rules. Since 1997, a number of environmental audits have been conducted on our offices. The audit results indicated full compliance with our environmental policy and rules. They also reflected a high level of staff awareness and participation. Past audit recommendations have led to the introduction of a variety of green initiatives.

H) Improving Air quality

To help maintain good air quality, we participated in the Indoor Air Quality (IAQ) Certification Scheme organized by Environmental Protection Department. We employed qualified contractor to conduct indoor air quality measurements in the offices at QGO. The offices are certified to have fully complied with the Good Class of the IAQ Objectives.

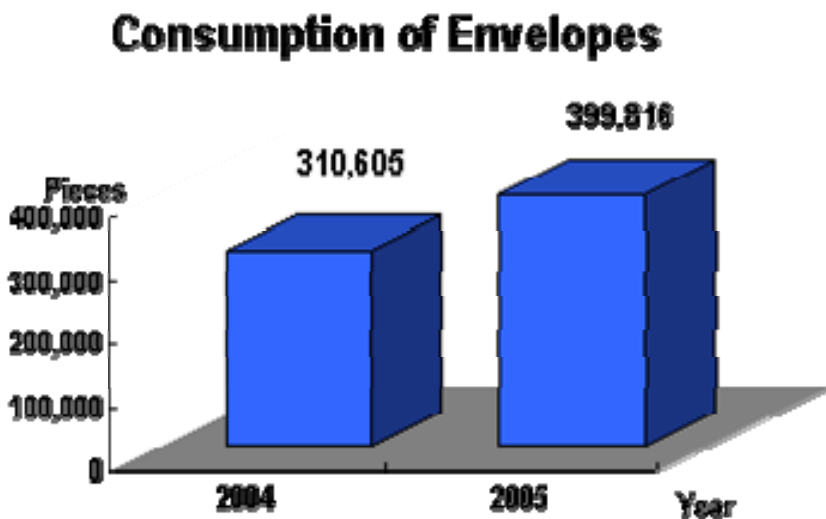
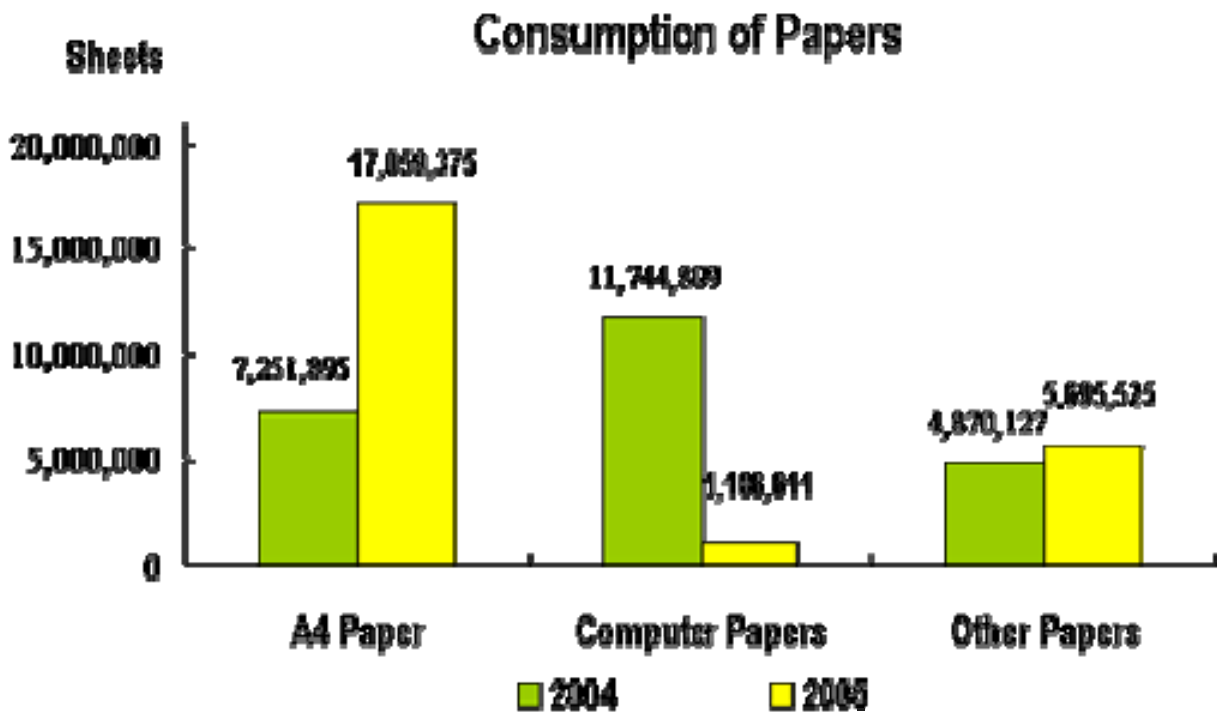
10. Environmental Performance

Paper consumption

10.1 The level of paper consumption is driven in large measure by public demand for our land records. In 2005, paper consumption has increased slightly by 0.3%. This is due mainly to the active transactions in the property market and the extensive testing programme for the implementation of IRIS. We consumed 23,941,511 sheets of papers in the year. They included A4-size papers, computer papers and other paper products used to support our daily operations. Since A4 papers have been used to replace computer papers to print IRIS reports, the year saw a sharp increase in the consumption of A4 papers and a corresponding drop in the consumption of computer paper. We have also consumed 399,816 envelopes in 2005, which is

28.7 % more than the preceding year. This is due to the increased business activities in the year. The bar charts below compare our paper and envelope consumption in 2004 and 2005.

10.2 In our Environmental Report for 2004, we targeted to achieve a 5% reduction in paper consumption in 2005. This target was set having regard to the increasing use of our electronic services by our customers at the time. Benchmarking our performance in 2005 against the set target, we were unable to achieve the desired result owing to the increase in business activities and the exceptionally high demand on the use of paper in the course of development and testing of IRIS. With IRIS running on the right track and the related system testing and development completed, we envisage that paper consumption will gradually decrease.



Energy consumption

10.3 Our offices are mainly accommodated in Queensway Government Offices (QGO), which is a joint-user building with no separate electricity meters for individual floors. Hence, the achievements of our energy saving measures are mainly reflected in the overall energy conservation result of the whole building. In 2005, the QGO achieved a 3% reduction in electricity consumption. This has not only demonstrated the concerted efforts of the user departments in the building to save energy, but also showed that the energy efficiency retrofits and management systems installed in our offices have achieved the desired result. Our Central Imaging Centre and Data Centre in Shatin, which have separate electricity meters, consumed 622,769 kWh. Comparing to their consumption level in 2004, this represents a decrease of 0.4 %. In addition, there was also energy saving with the downsizing of the seven NT Land Registries to seven Search Offices in the year. The average size of an office was reduced from about 500 m² to 70 m². The related electricity consumption, take Tai Po Search Office as an example (Tai Po Search Office has an independent electricity meter while the other 6 search offices do not have), decreased by 85% from 2004 to 2005.

Office Refitting

10.4 The refurbishment of our offices in QGO was completed in 2005. We adopted flexible and open design to reduce materials used in initial work and future re-organization of offices. The open design also enhanced natural lighting and ventilation flow. We used good quality but durable office furniture that last longer. We used approved materials such as non-toxic paints that would not do harm to the environment in fitting-out works.

Resources consumption

10.5 We consumed 2,348 ball pens, which is some 6.6% more than the preceding year. The slight increase in consumption was attributed to the continuous growth in business volume in 2005.

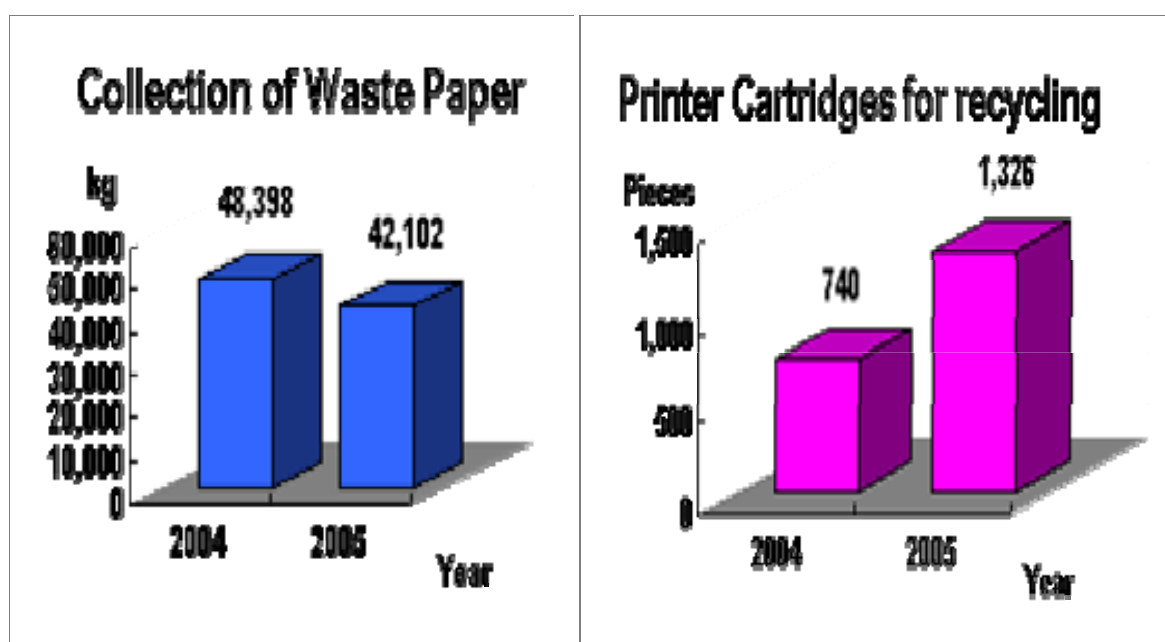
Minimizing travel needs

10.6 We recognize the environmental impacts of urban commuting in terms of fuel consumption and air pollutant emissions. Before 1999, our land registration system did not support cross-district land registration applications and land documents searches. Our customers were required to travel to the Land Registry in the district for which information was requested. In January 1999, we introduced the Cross District Search service in the Central Search Office in Queensway. In October 2000, we further extended the service to our New Territories customers by introducing the New Territories Cross District Search service. With the implementation of the IRIS in February 2005, our customers can conduct land searches as well as place orders for computerized land registers and imaged land documents for properties in the Customer Centre at the QGO, the 7 NT Search Offices and through the internet. This has contributed to a significant reduction in customer trips.

10.7 For our staff, we continue to encourage them to commute through public transport in duty travels. We disposed of our departmental vehicle upon the retirement of the Motor Driver in December 2003 in order to contribute further to a greener environment

Reducing office waste

10.8 In 2005, we collected 42,102 kg. of waste paper and 1,326 printer cartridges for recycling. Comparing to 2004, the volume of waste paper collected has shown a continual decrease of 13%. This was attributed to the wider use of LAN for communication, and our staff exercising the practice of reduce and reuse of paper. The consumption of printer cartridges has increased by 79.2 % and this is the result of the increase in the number of computer terminals employed by the IRIS and also the business volume. The bar charts below carry the data.



11. Efforts made to sustain and achieve continual improvement

Regular Review of Policy and Rules

11.1 We have reviewed our Environmental Policy, Green Housekeeping Rules and Good Environmental Practices with regard to our environmental management approach. It is our conclusion that the current policy, rules and practices remain valid and should continue to be observed. Over the years, we have issued regular reminders of compliance to our staff and will continue doing so in future

Strategic Change Plan and IT renewal

11.2 We have developed a Strategic Change Plan to enhance the quality and scope of our services. In Phase One of the Plan, our core registration services have been centralized in February 2005 and our land

search services made available through the internet. In Phase Two, a title registration system will be introduced to replace the existing deeds registration system 12 years after implementation of the Land Titles Ordinance. In support of the Plan, we have developed a new IT system (IRIS) to revamp our existing systems, viz. the Land Registration System, the Direct Access System, and the Document Imaging System. IRIS enables on-line processing combining data entry and registration, which replaced the previous batch processing system. IRIS also streamlines the registration process to a whole-of-job operation, thereby increasing productivity and simplifying administration. Apart from efficiency improvements, the new system eliminates the need for production of property listings in paper form and reduces the amount of paper reports.

Communication and staff participation

11.3 To strengthen our environmental efforts, we increased the appointment of Environment and Safety Executives from 16 to 21. We have conducted a number of activities in 2005 in order to promote an environmental culture and sustain interest within the organization. These include the participation in the Community Chest Green Day held in June, the attendance of an experience-sharing workshop on energy efficiency and conservation organized by the EMSD in August, and the invitation of officers from EPD to conduct a seminar on environmental protection for our staff in November.

11.4 To sustain interests and raise awareness, we continue to display our Environmental Policy, Green Housekeeping Working Rules and Good Environmental Practices at prominent locations in our offices, putting across our environmental vision and encouraging compliance .

Working with partners

11.5 We are discussing with the Hong Kong Association of Banks and Hong Kong Mortgage Corporation arrangements to allow for mortgage documents to incorporate standard terms by reference to master copies that would be kept in an archive at the Land Registry and open to public search. This could reduce substantially the bulk of documents presented for registration and subsequently requiring copying, bringing cost and environmental savings and business efficiencies to all parties.

12. Environmental Targets for the Year 2006

12.1 The environmental targets we have set for 2006 are:

- To encourage adoption of our good environmental practices through notices and updates on our Green Message Notice boards, issuing reminders and communicating our environmental performance through our quarterly consumption statistics, and, publication in the Staff Magazine.

- To reduce paper consumption by 5%. With IRIS in full function and more paper saving measures put to practise, we hope to hit this target in 2006.
- To continue with our electricity saving efforts with a view to assisting the QGO to save energy to further reduce its energy consumption by 1.5% in 2006.
- To continue exploring practicable green housekeeping practices in economizing the use of resource and minimizing waste.
- To encourage and organize activities/ trainings to promote the awareness of staff in environmental protection.
- To extend the use of LAN for electronic communication to all staff in the department.

13. Information and Suggestions

13.1 We welcome any questions, comments or suggestions. Please send them to our Green Manager or Departmental Secretary by email at ds@landreg.gov.hk or by post to 28th floor, Queensway Government Offices, 66 Queensway, Hong Kong. An electronic copy of this report is posted to the Land Registry Homepage at <http://www.landreg.gov.hk>. To save paper, we do not provide hardcopy unless upon special request.