

Council for Sustainable Development

**Sustainable Business for Our Future Conference
on 20 May 2010 at 9:00am
at the Hong Kong Convention and Exhibition Centre**

Address of the Chairman

Mr. Fong, Ir. Cheng, Christine, Dr. Yu, Ladies and Gentlemen,

On behalf of the Council for Sustainable Development, I would like to welcome you to this “Sustainable Business for Our Future” Conference. If you ask me what this Conference is for, obviously I would say it is about doing business in a sustainable way. The difficult part is: what does “sustainable” mean?

Sustainable development (or SD for short) has been around as a concept for decades. It became known internationally around 1987. But what it means in practice is still evolving because as a concept it can cover almost everything in our fast-changing world.

SD’s usual definition is something like: “development which meets the needs of the present without compromising the ability of future generations to meet their own needs”.

A study commissioned by the Hong Kong Government – “Sustainable Development for the 21st Century” – presented a definition for Hong Kong: “SD is development which balances social, economic, environmental and resource needs, both for present and future generations, simultaneously achieving a vibrant economy, social progress and a high quality environment, locally, nationally, and internationally through the efforts of the community and the Government.”

OK, well that’s the academic and theoretical side of it. Now we’ve got to ask ourselves what part we can play in achieving sustainable business. This is the objective of the Conference.

Being a businessman myself, the phrase “a vibrant economy” in

that second definition catches my eyes. Without the business sector, there is no way to achieve “a vibrant economy”. So this is not about sacrificing the business sector to achieve SD. In fact, the whole point is to balance economic, social and environmental interests in such a way as to benefit all of them.

I would like to think that the business sector can be a driving force for SD. And I would like to think that those of you here today feel that way, too. At least you would agree that you can contribute to SD – otherwise, you wouldn’t be here today.

You may already be implementing sustainable business. Or maybe you are exploring ways to improve your business’s sustainability. I hope that at the end of this Conference, you will have something to take back with you.

However, this Conference is not aimed at just telling you things. The Council for Sustainable Development, together with our four co-hosts, want this event to be interactive. We want to stimulate thinking on new ways to achieve sustainable business operations and help forge a partnership between the business sector and the rest of the community.

As I said, SD is about balances of economic, social and environmental developments. It is only natural to explore how business operations can contribute to all three of them in this Conference.

This morning, we will have the benefit of hearing from our co-hosts on four major themes.

We are delighted to have one of our co-hosts, the Hong Kong General Chamber of Commerce share with us their thoughts on “Developing a Circular Economy in Hong Kong and the Pearl River Delta”. The whole idea of a circular economy is about converting one lot of waste into someone else’s raw materials. I believe that this concept has a lot of potential. In a circular economy, one can easily envisage more efficient use of Earth’s limited resources, lesser pollution, and a vibrant supply chain with lower overall costs.

Minimizing waste is tantamount to improving efficiency. And I think we all know that our modern way of life is not efficient. Our use of raw materials to make our cities, homes, offices and lifestyles is very clever. But it is also very wasteful.

The waste may come in different forms. It can be solid, liquid or gas. Improper treatment of these wastes leads to pollution. The carbon emissions from energy used in manufacturing is indirect waste. The circular economy idea may help, but we also have to look at the manufacturing process itself, and how to clean it up.

“Clean manufacturing” is a multi-pronged concept embracing energy-saving initiatives, reduction of resource depletion, waste reduction, and waste treatment throughout the manufacturing process. And that is a theme brought to us this morning by our second co-host, the Federation of Hong Kong Industries.

Another co-host, the Hong Kong Council for Social Service, will concentrate in the social session on what positive social impacts business operations can have on the community. Most people spend more than one-third of their time in the workplace. We need to recognize the huge impact of business operations on the quality of life of employees and their families.

The family is the basic unit of society. Business has to accept that, acknowledge its social impact. A caring business will not only win the dedication of its employees, but also inspire its peers. And it will benefit from a positive corporate image – an increasingly important asset in this age. Consumers are more and more concerned about the social and environmental impacts of businesses. A business not living up to their values can lose market share. The social session will look at this link between sustainable business and the community.

One other session is dedicated to the environmental aspect – including, of course, climate change. The WWF-Hong Kong, as a co-host, has chosen low-carbon manufacturing and the low-carbon office as the environmental theme for this Conference.

As you may know, the Council for Sustainable Development will be reporting to the Government on the 4th public engagement exercise on “Building Design to Foster a Quality and Sustainable Built Environment”, which was launched in June last year. One of things I learned was that buildings in Hong Kong use almost 90% of Hong Kong’s electricity. I wonder how much of that is attributable to commercial, industrial and business operations.

Low-carbon operations would save us energy, therefore costs, and also cut greenhouse gas emissions from electricity generation. With heightened awareness on climate change and more stringent requirements from our trade partners in the EU and USA, businesses and manufacturers need to be prepared.

Ladies and gentlemen, the Council for Sustainable Development was set up in 2003. I have been its Chairman since March last year. We have been conducting public engagement exercises, community and school outreach programmes, and funding creative SD projects with the Sustainable Development Fund. The Council also appreciates the need to join hands with different sectors in the promotion of SD. Without its vigorous business sector, Hong Kong would not be the major international centre it is today. The business sector’s involvement is critical for the promotion of SD here.

On behalf of the Council for Sustainable Development, I would like to take this opportunity to thank the four co-hosts for moderating the four sessions, and the 32 supporting organizations for their efforts in promoting this Conference to their members and in championing SD.

This Conference is just a starting point. We will see some very good sustainable business examples this morning. But I want to stress that these showcases are not meant to be standards to follow. Different strategies will suit different companies. The important thing is that you learn, and share ideas, and after you go back to your company – take action in the days, months and years to come.

Thank you.