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A recycling plant for electronic devices in Switzerland. Photo: AP

## Green practices good for business

Allan Nam

**G**OVERNMENTS, big business and the man on the street are giving increasing consideration to environmental issues, according to the Business Environmental Council (BEC), lead organiser of the Hong Kong Awards for Industry Environmental Performance category.

It warns local manufacturers to take heed of this growing green conscience or risk losing business.

Andrew Long, BEC chairman and chief operating officer at the Hongkong & Shanghai Banking Corp, said the European Union was introducing new green legislation requiring companies to stop using heavy metals and brominated flame retardants in products on the market from July 1, 2006.

A second EU directive puts the onus of recycling waste electrical and electronic equipment on manufacturers rather than consumers – in the hope this will encourage manufacturers to keep the environment and recycling in mind when they design products.

The underlying message for businesses is think green or fall behind, and it is a point being reinforced by consumers whose choices are increasingly being swayed by manufacturers' green credentials.

"What we have seen in recent years is that consumer preferences are more and more focused on green products and goods that are manufactured in an environmentally friendly way," Mr Long said.

"These trends are growing all around the world but especially in Hong Kong's key export markets –

North America, Western Europe and Japan."

Big electronics companies have responded to the pressure not only by developing their own environmental management systems and policies but also by demanding their suppliers do the same.

"So many big corporations, such as Nokia and Sony, are beginning to make requirements of their suppliers as to how they manufacture components. If local manufacturers don't keep up with these requirements, they are going to lose business," Mr Long said.

Nokia suppliers must meet a set of seven requirements proving their commitment to the environment to become a business partner. These include an up-to-date environmental policy, a documented environmental management system that meets international standards, a record of raw materials used and a policy of evaluating their own suppliers.

The not-for-profit BEC was founded in 1989 by leading local companies to champion environmentally responsible business practices. Its philosophy is that environmental sustainability, rather than being a burden on business, is a route to greater competitiveness. Its activities include conferences to promote environmental sustainability and training programmes.

The good news is that local companies are starting to take on board green practices. This is reflected in the number of entries in the Environmental Performance Award category, which doubled to 37 this year from 18 in 2001.

"There's increasing awareness from companies both in Hong Kong and [headquartered here] but with manufacturing operations over the border," Mr Long said.

This year's Environmental Performance Grand Award winner was Hong Kong & China Gas (Towngas), which demonstrated strong management commitment to the environmental cause and initiated "landmark efforts to reduce waste".

Its more notable green initiatives last year were to recover 390 tonnes of scrap metal from retired gas appliances and recycle almost 4 tonnes of polyfoam packaging.

Runner-up Neolite Electronic & Lighting (HK) made great strides with its environmental policy and adopted a certified environmental management system.



Andrew Long