





For Immediate Release

HKU Partnership for Sustainability Leadership in Business Hosts Knowledge Primer 4

Reinvent the value chain of the Food and Beverage industry to improve business resilience Transforming the resource circulation model through collaboration to achieve zero-waste operations

(Hong Kong, 21 November 2022) Stepping into the post-COVID era, Governments and businesses around the world are racing to recover their economy as fast as possible, and there is no room for Hong Kong to lag behind in this race. The latest Policy Address not only emphasises competing for talents but also puts focus on developing emerging industries to encourage innovation and technological advancement and maintain Hong Kong's competitiveness.

Among all, the circular economy is an uprising trend across the globe, not only is it a regenerative approach to production and consumption that encourages creative solutions from industries, but many also suggest that it would create economic value. Supported by The Hongkong Bank Foundation, the Partnership for Sustainability Leadership in Business (PSLB) project under the Centre for Civil Society and Governance (CCSG) at The University of Hong Kong organised the 4th Knowledge Primer (KP) on November 17, with the theme **'Collaboration for Driving Circular Economy in the Food & Beverage Industry'** to delve into the potential of circular economy in the F&B industry, which is named one of the most wasteful industries in Hong Kong with respect to the amount of food waste produced and single-use plastic food and drink containers handed out by local F&B businesses every day.

The event gathered more than 120 industry leaders to explore the implementation status quo and shed light on the hurdles encountered by different stakeholders. Instead of working in silos, this KP underscored the importance of the collective effort to drive systemic change and align with the Government's goal of achieving carbon neutrality by 2050.

Thematic speeches on sustainable development facilitate cross-sectoral discussions and expound on academic research and business cases

As keynote speakers, **Dr. Winnie Law, Deputy Director of the Centre for Civil Society and Governance**, and **Ms. Nadine Maurellet, General Manager of Business Diversification and Group General Counsel for The Hongkong and Shanghai Hotels, Limited,** delivered speeches on "*Circularity for Sustainability and Business Resilience*" and "*Leveraging on Strengths and Creating Shared Value with Our Partners: Learnings from The Hongkong and Shanghai Hotels, Limited*" respectively. **Dr. Winnie Law** believed that resource circularity was not confined to waste management. The purpose of the circular economy was envisioned to decouple economic development from the consumption of finite resources. By transforming the current "take-make-use-dispose" model into a regenerative system, waste could be reintroduced into the production process and converted into resources, which is conducive to the restoration and prosperity of nature. In addition, incorporating circularity into business strategies could unleash economic potentials, such as facilitating the development of eco-products, and forging innovative and diverse workforces, etc. – all of which can pave the way to create resource-efficient, inclusive, and climate-resilient economic models.







Proactiveness and collaborative efforts are the driving force for creating internal systemic change

Despite the unprecedented challenges in the past years for the hospitality industry, Ms. Nadine Maurellet, General Manager of Business Diversification and Group General Counsel for The Hongkong and Shanghai Hotels, Limited, shed light on how the global enterprise puts their Sustainable Luxury Vision 2030 in place, by sharing two case studies on upcycling their food waste with the Nature Conservancy's (TNC) Save Our Shells project and Textile Upcycling initiative run within their operation. Through the projects, they were able to reduce environmental impact while creating social value. Three keys to success were highlighted. Sustainability issues are interconnected, it is important to start with one key issue to address and then continue to improve the initial idea by connecting more dots to see the extent to which impact can be scaled. Being able to work out the business plan on costs, financial and sustainability impact early on whilst finding resources from investors, governments and peers can ensure the long-term sustainability of projects. In the end, one needs to take action - piloting the idea with subject matter experts and partners and staying humble to deliver results are important driving forces to create internal and systemic change.

Industry leaders recount the obstacles, all circles must work together to deploy a holistic plan

The F&B industry is essentially a web of interconnectedness between different stakeholders. Complicated as it seems, that also implies many possibilities for collaboration. The dialogue with the industry leaders serves the purpose of breaking the silos by inviting representatives along the F&B industry value chain, from front-line staff and local F&B chain restaurants to large-scale property management and consumer service app.

During the dialogue with industry leaders, Professor Simon Wong, BBS, JP, Chairperson and CEO of LH Group, and Mr. Woody Chan, Senior CSR & Sustainability Manager of foodpanda, made an analysis of the obstacles and pain points in the implementation of resource circularity from their respective experiences. Common hurdles faced by businesses include: companies lack expertise in business model innovation and developing circular strategies; and another difficulty that resonated with the attendees was that the less resourceful small and medium-sized enterprises (SMEs) in the F&B sector often lack the time, trained manpower and financial resources to operationalise circular practices and that more support from the government and the industry is needed."

Mr. Patrick Ho, Deputy Head of Sustainable Development of Swire Properties Limited, and Ms. Anita Cheng, Executive Committee and Honorary Member of Hong Kong Chefs Association, further expressed their views on the importance of driving systemic change in the industry. They believed that formulating clear and actionable circularity goals, increasing R&D investments, incorporating circularity into the menu and kitchen design, adopting smart waste management solutions, and strengthening vocational education (including upskilling and reskilling the workforce skills) were the keys to pushing forward the systemic transformation of the F&B industry to a circular economy. Participants generally agreed that collaboration across the value chains and with different sectors could fuel circular innovation and create synergies



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through unique and novel business models, which help accelerate the process of circular economy transformation.

PSLB commits to planting a sustainable business ecosystem

Since the launch of "Partnership for Sustainability Leadership in Business" (PSLB), the project has always been devoted to fostering collaborations between large enterprises and SME business partners so that they can create a sound ecosystem to bring about sustainable development. The cohort 2022 of the Sustainable Value Chains (SVC) Commitment and SMEs Sustainability Leadership Recognition Scheme under PSLB officially kicked off this September. With the theme of 'Circularity and Resilience' and focus on the Food and Beverage industry, major property developers and F&B conglomerates such as New World Development Company Limited, Sino Group, and Starbucks Asia Pacific are participating in the Schemes along with the SMEs that they nominated to contribute to the design and implementation of a circular economy scheme in their realms. Having hosted capacity-building activities including a series of practical workshops and Idea Jamming sessions, the PSLB project team will continue to work closely with these committed enterprises until June 2023 to bring their innovative ideas of circularity to life.

Professor Wai-Fung Lam, Director of the Centre for Civil Society and Governance (CCSG) and Professor of Politics and Public Administration at the University of Hong Kong, remarked: "More businesses have, encouragingly, set the course for a sustainability transition by formulating longer-term strategies and targets. They have increasingly realised that they are a part of an interconnected system and that stakeholders expect them to take proactive actions in the face of emerging sustainability challenges. In this regard, businesses must go beyond adopting the conventional 4R waste management approach, collaboration is crucial to driving significant changes. This is particularly clear in the case of circularity where different actors in a business's value chain must come together to close the loop."

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For enquiries about the SVC Commitment and SMEs Sustainability Leadership Recognition Scheme, please contact the PSLB team through: Email: pslb@hku.hk

Mr. Woody Cheng (Tel: 3910-2463) Mr. Darwin Leung (Tel.: 3917-4763) Scheme details: https://ccsg.hku.hk/pslb/collaboration/commitment-recognition-schemes/

For Event high-resolution photos, please download from here

Photo 1:



Partnership for Sustainability Leadership in Business 商界永續發展領袖計劃



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Group photo of industry leaders after the dialogue session, from left to right: Mr. Darwin Leung, Assistant Project Manager of the Centre for Civil Society and Governance (CCSG) at the University of Hong Kong; Ms. Anita Cheng, Executive Committee and Honorary Member of Hong Kong Chefs Association; Professor Simon Wong, BBS, JP, Chairperson and CEO of LH Group; Mr. Patrick Ho, Deputy Head of Sustainable Development of Swire Properties Limited and Mr. Woody Chan, Senior CSR & Sustainability Manager of foodpanda

Photo 2:



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From left to right:

Mr. Darwin Leung, Assistant Project Manager of the Centre for Civil Society and Governance (CCSG) at the University of Hong Kong; Professor Wai-Fung Lam, Director of the Centre for Civil Society and Governance (CCSG), and Professor of Politics and Public Administration at the University of Hong Kong; Dr. Winnie Law, Deputy Director of the Centre for Civil Society and Governance; Ms. Anita Cheng, Executive Committee and Honorary Member of Hong Kong Chefs Association; Ms. Nadine Maurellet, General Manager of Business Diversification and Group General Counsel for The Hongkong and Shanghai Hotels, Limited; Professor Simon Wong, BBS, JP, Chairperson and CEO of LH Group; Mr. Patrick Ho, Deputy Head of Sustainable Development of Swire Properties Limited, and Mr. Woody Chan, Senior CSR & Sustainability Manager of foodpanda

For enquiries about the event, please contact the PSLB team through: Ms. Mimi Kan (Tel.: 6701-2172; Email: mimikan@hku.hk)

About the Partnership for Sustainability Leadership in Business:

The "Partnership for Sustainability Leadership in Business" (PSLB) is a four-year (2020~2023) project initiated by the Centre for Civil Society and Governance, HKU, and supported by The Hongkong Bank Foundation. The Project is led by Professor Wai-Fung Lam together with a group of sustainability experts. It is aimed at fostering sustainability leadership and collaboration in the business sector of Hong Kong through knowledge transfer, capacity building, and network development; in particular, the Project strives to foster strong partnerships between big corporations and small and medium-sized enterprises (SMEs) in pursuit of sustainability. The Project aspires to build a collaborative ecosystem which will enhance the







capacity and role of SMEs in Hong Kong and the Greater Bay Area in attaining sustainable development. More details: <u>https://ccsg.hku.hk/pslb</u>

About the Centre for Civil Society and Governance of The University of Hong Kong:

Established in December 2002, the Centre for Civil Society and Governance (the Centre) strives to enhance our knowledge of civil society and its contribution towards good governance, and to facilitate the attainment of a sustainable society through forging community-based, innovative solutions to inform policy deliberation and collective actions. The work of the Centre is organized around three Labs—the Policy for Sustainability Lab (PSL), the Social Entrepreneurship and Civic Action Lab (SECAL), and the Nonprofits and Philanthropy Lab (NPPL); each of them representing a research focus and an area of excellence of the Centre. More details: http://ccsg.hku.hk