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4-2019

## Building the green movement

Singapore Management University

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#### Citation

Singapore Management University. Building the green movement. (2019). Available at: https://ink.library.smu.edu.sg/pers/489

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# **Building the green movement**

30 Apr 2019

Changing hearts and minds on plastics is key to a green future. Businesses can take the lead

According to a December 2018 UN report on worldwide use of single-use plastics, 127 countries have "adopted some type of legislation to regulate plastic bags". These include the 28 member states of the European Union, who last month voted to ban single-use plastic cutlery, straws, and cups by 2021.

In Singapore, however, shops still give out plastic bags free of charge. Despite repeated calls for a total ban or some form of "sin tax" on plastic bags, like those levied on tobacco and alcohol, authorities insist public education is the better approach. "Legislation and imposing plastic bag charges," <u>said Amy Khor, Senior Minister of State for the Environment and Water Resources</u>, "are not always the most effective or sustainable ways to convince people of the need to change."

"Most people in Europe bring their own cloth bags, so [legislation] is useful and can be done," points out **Shantanu Bhattacharya**, Professor of Operations Management at SMU. "But I think that there are unintended consequences. If you have plastic bags that are biodegradable, you [could] to hurt [their adoption] as well.

"You don't want to sort of cut down industry profits by sin taxes, so it's a thin line that you want to walk. To some extent, a minimal tax would be useful."

"I think the challenge with the sin tax is that from a customer's perspective, if he knows it is [implemented by] the government, he'll thinks it's the business trying to make money," relates **Laura Kantor**, Head of Marketing and Sustainability of food delivery firm foodpanda.

"We've worked with some restaurant partners who actually are trying to reduce use of plastic bags and they charge for them and they had this uproar from their customers, saying 'You're just trying to make more money' even though they were taking the profits and sending them to an NGO. So I think it's also important how that message is communicated."

## A GREEN BUSINESS?

Bhattacharya and Kantor made those comments as panel members for a discussion titled "Going Beyond Green: How can we be truly sustainable?" for Singapore-based station CNA's Perspectives programme. Going beyond the issue of single-use plastics, the benefits of operating a green company can often be dismissed as paltry when placed next to the costs of being environmentally friendly. But what does it mean to be a 'green' company?

"I would actually challenge the phrase 'truly green'," says Kantor, "because I think as organisations, our priority is to make money and to grow our business. So I do think if a business portrays itself as truly green and it's not an NGO, then it probably is a bit of PR.

"But customers really should be proactive in educating themselves, challenging businesses as well, if they don't think what a business is saying is right, they should really call them up on that."

**Genevieve Chua**, Managing Director of paper products firm Spicers Paper Asia, described the journey in introducing papers that come from sustainable resources. Getting certified for sustainable sourcing cost money but more money had to be spent to publicise that fact.

"We had to also create awareness because people don't know what they don't know, and if it's something that's not even in the mindset of people, you've got to actually create the awareness of why you would want to get into sustainable papers for example, so it was something that we had to.

"I would like to look at it as an investment, rather than a cost. It was that, but eventually over the last 10 years, our sales in that area has gone up by more than 10 times."

Even so, general awareness of an ailing planet Earth had been building for over three decades. From the Montreal Protocol in 1987 to COP 21 in Paris, governments have been trying to set in place frameworks to address environmental and sustainability issues. The latter's emphasis on voluntary targets, as opposed to the legal ones imposed by the Kyoto Protocol, meant no real penalties are levied. Most of the biggest polluting countries failed to meet their own declared goals for cutting greenhouse gas emission but nothing much changes.

"The primary contract that almost all countries use is the cap and trade contract," Shantanu explains. "The trouble with these mechanisms is that there is no enforceability. What can you do? Without the enforceability, these legal documents are primarily statements of intent."

He adds: "The one thing that the government cannot do is drive away business. The minute you start making the environmental laws extremely strict, you end up hurting business and no country can afford that."

**Matt Gray**, Commercial Director Asia Pacific at DSM Engineering Plastics, calls out businesses for not being green enough.

"I think businesses have to take a level of responsibility," he insists. "And that is not only to the shareholders, but it's also to the planet as well. You can do good and you can do well and you can be profitable at the same time.

"It's not going to kill you. I think with COP 21, a number of country signed up to the agreement, if you want to participate in that country, in that geography, then you have to abide by those rules and you have to do your part and play your role to reduce the greenhouse emissions."

## **MAKING A DIFFERENCE**

With regard to greenhouse emissions, Gray mentioned DSM's development of an additive to cow's feed that reduces the methane emission by 30 percent. Kantor, meanwhile, urges the reduction of red meat consumption as an example of what individuals can do to help protect the environment.

"It's quite hard, I tried it before," Kantor concedes. "But I think there's a huge movement in that direction as well, so there are lots of things that you can do. I think also just being a conscious consumer, so it's not just looking at food waste or packaging, but also what's in your wardrobe. What are you buying? Are you purchasing things you don't need, and that being thrown away anyway?"

What about choosing electric cars over fossil fuel-driven cars?

"Did you know that electric cars are not much better than fossil fuel cars?" Bhattacharya quipped in reply to a question from the audience. "A simple reason why electric car does not have less emission is because most electricity is generated by fossil fuel, and electricity generation is the largest source of greenhouse gas emissions.

"Don't look at the product only but look at how that product was created, how that product was transported etc. The entire footprint then will you give an answer of whether that product is doing well or not."

Shantanu Bhattacharya, Laura Kantor, Matt Gray and Genevieve Chua were part of a discussion panel, "Going Beyond Green: How can we be truly sustainable?" for the SMU-CNA programme Perspectives that was recorded at the Singapore Management University School of Law.

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