

# ISM-HK

## SUMMER NEWSLETTER

• JUNE •  
2022

### IN THIS EDITION

Message from President

*Page 2-3*

Event Highlights 2022

*Page 4-7*

Upcoming Event Calendar

*Page 8*

CPSM Course

*Page 9*

ISM-HK Friends Membership

*Page 10*

Insight - EV

*Page 11-15*

### CONTACT US:



Institute for Supply  
Management Hong Kong



[ism-hk.org](http://ism-hk.org)



[General@ism-hk.org](mailto:General@ism-hk.org)

June 2022 Edition

# MESSAGE FROM PRESIDENT

---

**Dear ISM-HK members & friends,**

Halfway through 2022, despite the need for social distancing and the 5th wave of COVID-19 outbreak in Hong Kong, ISM-HK had continued to focus on our vision of supporting and developing the Hong Kong supply chain and procurement community and providing members and young professionals a platform for the exchange of ideas, networking and personal career development. Thanks to the staunch support from various parties and individuals, we had made great progress on our work against the challenging situation through the first half of 2022.

In March, we managed to achieve tremendous success in launching the first ISM-HK Student Case Competition, which was co-organised with The Hong Kong Polytechnic University and sponsored by EY and Microsoft. In this competition, we connected more than 350 young professionals from 8 universities in Hong Kong with industry executives, practitioners as well as ISM-HK friends. It was such an inspiring and interactive event where every participant was engaged to analyse the challenges in supply chain management and propose solutions from perspectives of process, people and technology. We were astonished by the innovative ideas and insights that the students brought into their proposal, as well as the exceptional presentation and teamwork during the final presentation. This event has reinforced our commitment to continuous support for the young professionals throughout their career growth and journey of becoming the future leaders of supply chain management.

Riding on the momentum of the Student Case Competition, we have launched the Student Mentorship Program in May. This 6-month program aims to provide the high potential students with opportunities to enhance their skills and knowledge essential for future career development through interaction with professionals, executives and entrepreneurs. At the end of May, we also organized the Summer Networking Drink with the mentors, mentees, winning teams from the Competition and ISM-HK friends. It was a great ice-breaking event for the mentors and mentees in the Mentorship Program and a refreshing re-group for the participants in the Student Case Competition.

WHAT'S NEXT IN  
THIS NEWSLETTER?

*Event Highlights - 4-7*

*Event Calendar - 8*

In addition to the student events, ISM-HK has also completed the enhancement of the official website. The new layouts were introduced to facilitate members' and visitors' browsing of the information on membership, training, and other events. The revamped website will enhance the visibility of ISM-HK contents in search engines and strengthen our bonding with both existing and prospective members.

To mitigate the social distancing impact on The Certified Professional in Supply Management (CPSM) training program, ISM-HK has collaborated with ISM-CN to introduce the online CPSM training program. As a firm promoter of continuous learning and development in supply chain management, ISM-HK is dedicated to helping the business community and the professionals obtain their supply chain professional qualifications and prepare for the future during such difficult times. In addition to the new online training program, we will continue to host the face-to-face CPSM training courses in Hong Kong.

The upcoming half of the year will remain fruitful with the execution of a wide range of initiatives. In the Student Mentorship Programme, we have planned several practical and insightful workshops and seminars regarding CV advice, mock interview practice and career sharing. We will also organize a Company Open Day with Microsoft to provide the students with more exposure to the vision and culture of a leading company, trending technology and the real-world working environment.

In addition to youth development, we will continue to support our members in the advancement of the supply chain & procurement profession. Several Trade and Industrial Organization Support Fund (TSF) seminars and workshops will be held to deliver nowadays essential supply chain-related knowledge such as supply chain resiliency and transformation.

Not limited to the abovementioned initiatives, we are eager to offer more opportunities for our members to grow their professional network extensively and obtain the latest supply management insider insights. So we will establish the ISM-HK Friends Membership Program and attract more professionals to join our community and enhance our visibility and impact in the industries.



**Nelson Chow**  
*President, ISM-HK*

**"ISM-HK - A  
friends  
membership  
with  
international  
influence."**

Lastly, I would like to express my wholehearted gratitude to every member of the ISM-HK Council, the committee and supporting teams in each event, our members and friends, as well as various external parties and companies for their dedication and contribution towards ISM-HK. The long-standing relationships allow us to continuously foster our common vision for advancing supply chain management excellence in Hong Kong. Looking forward, I hope we have learned to embrace the new normal and changes as time passes. I believe ISM-HK and our community will remain resilient more than ever and thrive in the face of adversity and uncertainty.

**Best regards,  
Nelson Chow  
President, ISM-HK**



# ISM-HK x PolyU Student Case Competition 2022

**Strategies - The E'CO Strategy**  
Adapting a climate-smart supply chain system can optimize the sustainable approach for Flash

**Optimising for sustainability**

- Optimising climate-smart supply chain planning
- Cooperating with suppliers to reduce environmental footprint through using recycled materials for packaging of the food and beverages to further promote recycling. Specifically, through a third-party company that will collect recycle materials such as metal, pallet and plastic.

**Current Global Trend**

Reverse supply chain leading to a circular economy

Reverse Supply Chain: Reuse and recycle, Remanufacture and product extraction

Reduce: Product and Process Improvements

**Circular Economy**

- Establish specialized team focusing on the implementing the reverse supply chain
- Shipment sortation of recyclable and disposable wastes
- Quarterly evaluation of circular economy initiative progress

Sequence of Implementation: ANALYSIS, STRATEGIES, IMPLEMENTATION

Student teams were selected to present their case solutions and innovative ideas during the final presentation.

**Champion - Team BCG**

**Problem 1**  
The PR crisis reflects that existing supply chain management violates Flash's ESG vision

Flash's Background	Public Relation Crisis	Short-Term Solution	Challenges ahead
<ul style="list-style-type: none"> <li>Top 20 Most Sustainable Company in U.S.</li> <li>Environmental, Social, and Governance (ESG) initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Major supplier in violation with Flash's vision</li> <li>Child labour, Unethical waste disposal accusation</li> <li>Faces Boycott calls on Internet</li> </ul>	<ul style="list-style-type: none"> <li>Immediate contract termination with SugarTerra</li> <li>Guarantee of sourcing from responsible supplier</li> <li>Compliance officer auditing for future sourcing</li> </ul>	<ul style="list-style-type: none"> <li>Lack of effective supplier management</li> <li>Inability to eliminate public concerns</li> <li>Inadequate auditing data due to lack of traceability</li> </ul>

Sources: Case Materials

Executive Analysis Recommendation Implementation Appendix

**1st Runner up - Team Hermes**

**Solutions: Establishment of Micro Fulfillment Center for flexible delivery**

<b>Micro Fulfillment Center Requirements</b>	<ul style="list-style-type: none"> <li>Smaller size of 5,000 to 20,000 square feet</li> <li>Located in urban areas in closer proximity to consumers, rather than outskirts</li> <li>Allows for wider range of positioning from retail stores to existing warehouses or other facilities</li> </ul>
<b>Standard of location placement and inventory allocation</b>	<ul style="list-style-type: none"> <li>Establishment of Micro Fulfillment Centers across largely populated cities in China</li> <li>Analysis of consumer location data to prioritise placement in higher quantity cities</li> <li>Utilization of predictive analytics for efficient inventory allocation across all Centers</li> </ul>
<b>Expected benefits pertaining to live streaming e-commerce</b>	<ul style="list-style-type: none"> <li>Rapid order preparation and delivery time due to the close proximity to consumers</li> <li>Reduction of last mile delivery and transportation costs, with less rent or construction costs when compared to traditional fulfillment centers</li> </ul>

Order → Confirmation → MFC → Delivery → Consumer

**2nd Runner up - Team MaSters**

# 2022 Summer Networking Drink

May 2022



The ISM-HK's Summer Networking Event was a great evening for students and industry practitioners to connect and get together. It also kickstarted the mentorship program by connecting mentees from various universities and mentors from renowned companies.



# Farewell Dinner with Former ISM-HK President

June 2022



Farewelling Kenith Poon (middle) with ISM-HK President Nelson Chow (right), Vice President C.K. Lee (third right) and Adolphus Lee (third left), and Council Members Alison Hung (left), Felix Lam (second left), and Jeff Hoo (second right).

Kenith Poon has served ISM-HK as the former president. It was an honor to have Kenith who led the council members and committed to the institute's success. We are grateful for his contributions to the institution. Wishing him all the best!

*Thank you*

# Upcoming Event Calendar

In the coming year, we hope to connect with our member and other supply chain professionals in Hong Kong. Take a glimpse of our upcoming event, where we can gather and connect to share successful experience and resources, to build an inclusive platform for all the members and supply chain professionals.

## Q2 2022

- Mentorship Program - CV Clinic
- TSF\* Seminar
- TSF Interactive Discussion Workshop
- TSF Training Workshop



## Q3 2022

- Mentorship Program - Career sharing webinar
- Mentorship Program - Mock interview workshop (TSF Career Workshop)
- Company Visit (Microsoft)
- TSF Interactive Discussion Workshop
- TSF Training Workshop



## Q4 2022

- ISM CPO Survey
- Christmas Networking Drink
- Hiking
- TSF Interactive Discussion Workshop
- TSF Training Workshop

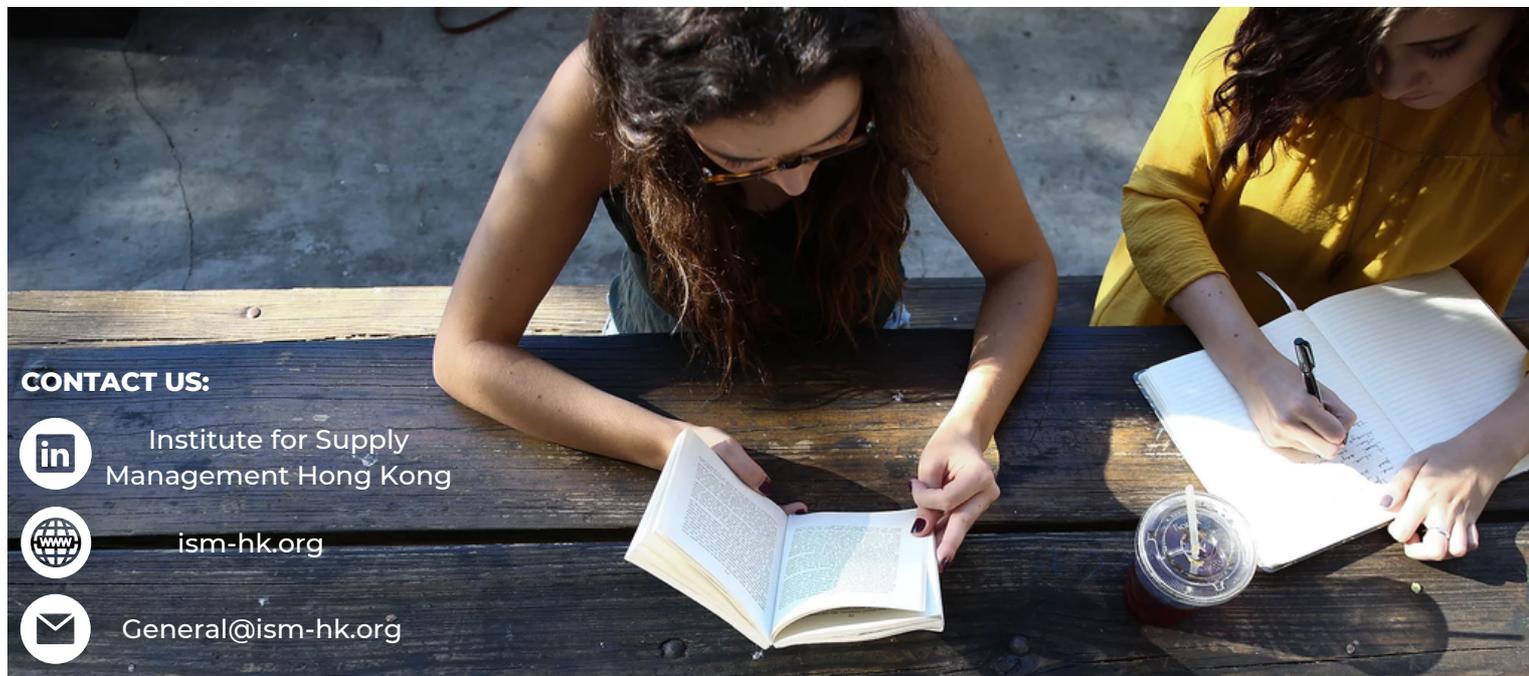


## Q1 2023

- Student Case Competition

**\*Notes:** The Trade and Industrial Organisation Support Fund (TSF) provides financial support to non-profit-distributing organisations to implement projects which aim at enhancing the competitiveness of non-listed Hong Kong enterprises in general or in specific sectors. The TSF is administered by Trade and Industry Department (TID). As one of the fund-supported organizations, ISM-HK has a defined event calendar for industrial seminars and workshops every year.

# Certified Professional in Supply Management (CPSM) Exam Preparatory Course



## CONTACT US:

 Institute for Supply Management Hong Kong

 [ism-hk.org](http://ism-hk.org)

 [General@ism-hk.org](mailto:General@ism-hk.org)

## What is CPSM?

- A professional certification administered by The Institute for Supply Management (ISM)
- CPSM certifies that you have key knowledge and skills in areas such as finance, supplier relationship management, organization global strategy and risk compliance and that you are a leader in the supply chain management profession

*If you are forward-thinking and wish to boost knowledge, skills and career through a greater understanding of all supply chain-related components,*

## REGISTER NOW!



### COURSE SCHEDULE

#### CPSM face-to-face English course

Date: Jul 2022 (Module 3)  
Nov-Dec 2022 (Module 1)  
Mar-Apr 2023 (Module 2)  
(Every Saturday)

Time: 9:00-13:30



[Face-to-face  
English Course  
Registration](#)

#### CPSM online Mandarin course

(This course is conducted by ISM-CN.  
Click [here](#) for the detailed course content)

Date: 1st Jul to 27th Oct 2022  
(Every Tuesday and Thursday)

Time: 20:00-22:00



[Online Mandarin  
Course Registration](#)

# ISM-HK Friends Membership

An ISM-HK Friends Membership is an invaluable career-building tool. It offers exclusive access to the very best in education, research and relationship building.

## ISM Opens Doors Worldwide

Connect with the brightest minds in the supply management and procurement field.

## Certified Professional in Supply Management® (CPSM®)

ISM certifications are among the industry most well respected credentials. They are globally relevant and demonstrate your current skills in strategic supply management.

## Industry Insights

A knowledgeable supply chain professional is a successful supply chain professional. As an ISM member you will have up-to-date industry information at your fingertips.

## WHAT BENEFITS DO THE ISM-HK FRIENDS MEMBERSHIP OFFER?



 Networking events to meet industrial experts from leading companies for free



 Access to our professional publications (white papers, newsletter)



 40% off discount for CPSM® certification preparation course by ISM-HK



 A chance to join ISM Hong Kong as a contributing member to build your CV

## JOIN US NOW!!!



[ISM-HK Membership Application](#)

# Can Electric Vehicle (EV) adoption really make a difference in reducing carbon emissions?

April 27, 2022

Written by Nelson Chow, Arturas Kniuksta, Stuart Hartley, Anna Chlebowska, Jill Li, Angel Yip, Celine Chan, Serina Suzuki and Terence Lim



Carbon neutrality has been a hot topic and became a main point of focus for governments and companies around the globe. According to the Environmental Protection Department (EPD) statistics of Hong Kong SAR Government, approximately 18-20% of carbon emission is contributed by the transport sector. While current targets still aim at achieving carbon neutrality by 2050, the road to achieve it must be gradual and phased. One of the steps that Hong Kong SAR Government is making is to stop new registration of traditional fuel vehicles by 2035. This subsequently leads to the next step to enhance the EV adoption.

## Creating a sustainable EV ecosystem

A comprehensive EV ecosystem contains multiple market value pools, starting from technology related to EV batteries and electrical vehicles themselves, logistics related to fleet transition, infrastructure for public charging, private charging, electricity retail, grid integration, up to market data platform to EV city planning. Taking Hong Kong as an example, it is also obvious that there are other factors that strongly influence the popularization and adoption of EV.

Customer acceptance is in fact influenced by range anxiety, battery and service cost, as

well as the availability of charging network and infrastructure. These factors are surely interconnected, for instance many consumers are hesitant to buy EVs until they know that they will be able to recharge when and where they want, so the level of range anxiety is directly linked to the charging infrastructure. Currently, there are around 4850 public EV charging spaces in Hong Kong (including 2,571 medium chargers in Hong Kong and 857 quick chargers), which translates to the EV to charger ratio of 6:1, but the uneven distribution of EV chargers across 18 districts contributes to an even more pronounced suboptimal concentration of EV chargers in some busy districts, unfortunately contributing to a new charging anxiety as more EV models are available in the market.

It is clear that there are different challenges that EV is facing and that more strategies and measures for the popularization of EVs are needed, especially given a very unique geography and demography of Hong Kong.

Relatively narrow roads make it difficult to organize space for roadside charging facilities and high population density with comparatively fewer parking spaces makes it more difficult for private charging facilities to be installed. The cost of buying a carpark slot in a residential building could easily cost US\$150,000 - US\$400,000. Affordability for owning a private carpark slot in Hong Kong is an issue. Having said that, we observed there are new technologies such as induction charging. Yes, we can actually charge our EVs without a cable.



This can be applied in a static parking slot or the government can consider installing such technology in a specific lane on a highway! Charging when driving on a road could no longer only appear in a science fiction. We also observed that there are portable solar charging panels (just like a foldable carpet) that can charge a EV. So, in short, there may be more solutions than our problems as the EV ecosystem matures.

Referencing to Mainland, China is one of the fastest growing EV markets in the world and it was valued at US\$124.2 billion as of 2021 and is expected to reach US\$799 billion by 2027. This increased adoption rate is due to government policies and incentives. Over the forecast period, China may also witness growth in the adoption of electric buses, as more than 30 Chinese cities have made plans to achieve 100% electrified public transit soon, including Guangzhou, Zhuhai, Dongguan, Foshan, Zhongshan in the Greater Bay Area, along with Nanjing, Hangzhou, Shaanxi, and Shandong.

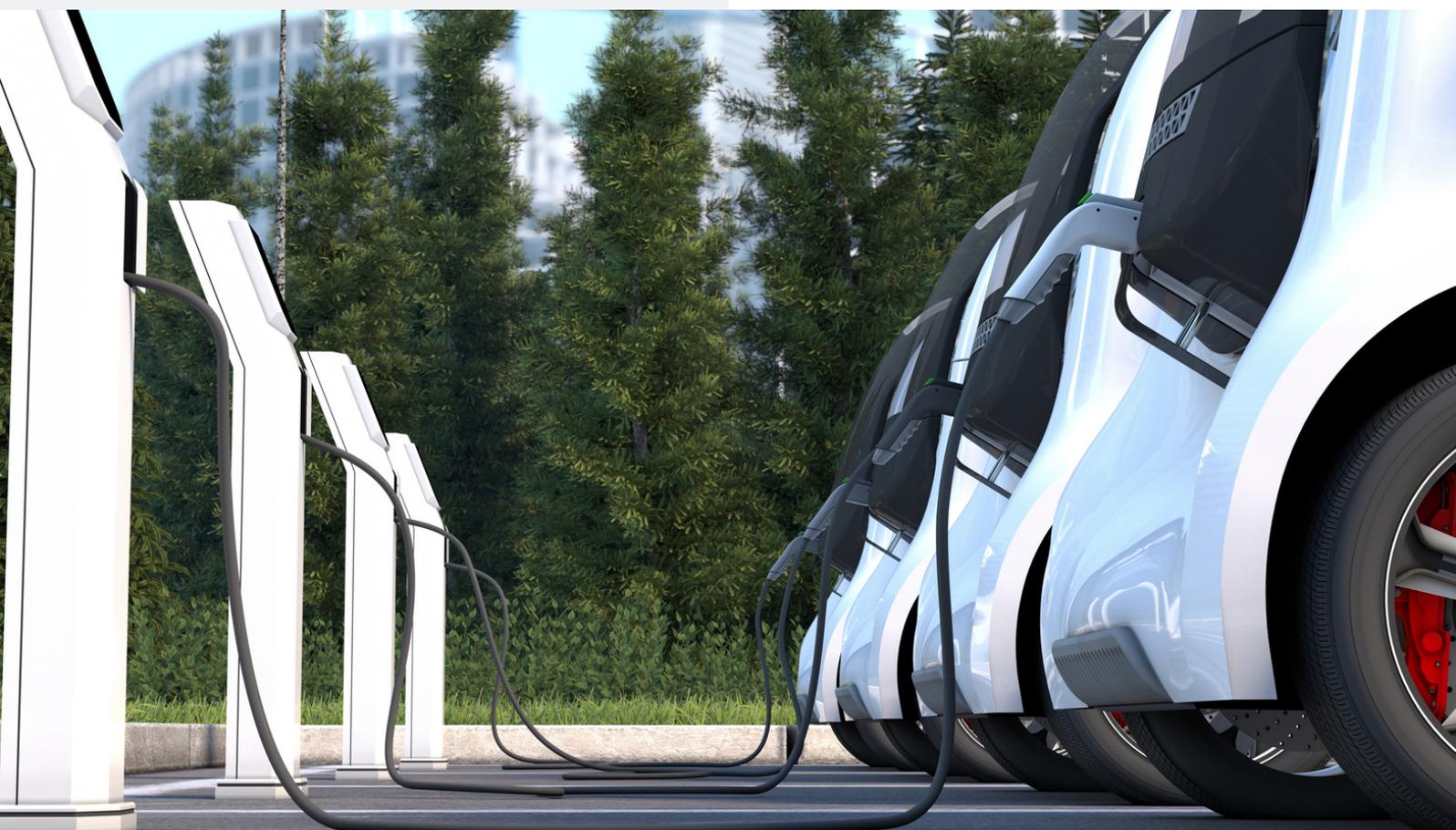
## **Coordinating and developing the EV value chain is a key role of the government**

In recent years, we could see automotive, technology and utility companies around the world are getting serious on sustainability and investing on EV related initiatives, and Hong Kong is no exception. There are plenty of opportunities including establishing EV charging stations, providing fleet electrification services and advice, and even acting as an EV platform operator to orchestrate the EV market data. Many organizations see the huge potential of EV and are exploring new business models, to give just one example the automotive company NIO has developed a new concept of battery as a service, oil giants are turning their traditional gas stations to electric chargers and city planners are architecting new town develop with electrified fleets in mind.

Surely, to commence and pursue EV adoption in a strategically sustainable manner, a high-level coordination is needed for EV value chain establishment. Government should manage the EV ecosystem via long term plans to ensure the goals and expected benefits are sustainable and private sector is incentivized to invest, especially wherever the profitability of such investments is less obvious. Hong Kong Government's Green Tech Fund and New Energy Transport Fund are good examples of initiatives to build up a solid EV value chain and to support the widespread EV adoption.

To support and accelerate the development of EV value chain locally, governments across the globe focus on stimulating both demand, and supply side through different initiatives.

On demand side a common approach is to offer subsidies for EV purchase, as well as



numerous other incentives to stimulate uptake of EVs, by making exploitation costs more affordable e.g., cheaper parking or lower tolls. Moreover, EV can be allowed to use bus lanes or be the only vehicles allowed to enter city centers to make the use of EV more attractive. With governments adopting stringent emissions regulations as well as EV purchase incentives the EV ecosystem is more supportive and customer friendly.

On supply side a convenient and affordable publicly accessible chargers will be increasingly important as EVs scale up. Simultaneously, incentives for EV owners to install charging points at home can offload part of the pressure from public infrastructure. In some places building codes may require new construction or substantial remodeling to include charging points, for example in apartment blocks, airports and retail establishments. New technologies are being developed and tested around the world, e.g., wireless and inductive charging to better remediate to the charging anxiety of EV users and potential buyers. In leading markets, fleet demand can be stimulated by government fleet electrification plans and EV adoption by the public and goods transportation sector.



On supply side a convenient and affordable publicly accessible chargers will be increasingly important as EVs scale up. Simultaneously, incentives for EV owners to install charging points at home can offload part of the pressure from public infrastructure. New construction or substantial remodeling to include charging points, for example in apartment blocks, airports and retail establishments. New technologies are being developed and tested around the world, e.g., wireless and inductive charging to better remediate to the charging anxiety of EV users and potential buyers. In leading markets, fleet demand can be stimulated by government fleet electrification plans and EV adoption by the public and goods transportation sector.

### **EV value chain means more than low emission private cars**

In Hong Kong, by March of 2022 over 31,000 cars were electric, representing nearly 3.5% of the total number of vehicles, while their percentage among all new private cars has grown exponentially from virtually 0 prior to 2010 to 12.4% in 2020. This is surely an impressive result when compared with many other developed markets, although still leaves a huge room for improvement when compared to a leader among countries in EV like Norway, where nearly 90% of all cars sold were EVs.

In the Scandinavian country not only the proportion of EV has already achieved 65% of the overall vehicles in use but they are also on the track to achieve their national goal that all new cars sold by 2025 should be zero-emission. However, EV is more than nice, `silent private electric cars on our roads. The high penetration of electric vehicles on the roads is also about commercial vehicles and public transportation.

In Greater Bay Area of China, Shenzhen is a city leading in high rates of electrification of public transportation, mainly thanks to the Government's implementation of various preferential initiatives and policies to promote EV which allowed the city to introduce over 20,000 electric taxis and 16,000 electric buses already a year ago, becoming a world's first fully electric bus fleet.

EV not only reduces air pollution in the city but also significantly reduces the noise, typical of public transport and heavy vehicles. These advantages can extend to construction vehicles too. In Norway a zero-emissions construction site became a reality, where contractor is using a range of electric excavators and electric trucks to undertake the construction.

### **So, what's next for EV?**

The reduction of carbon emission must be supported by robust and innovative EV ecosystem, especially considering the continuous innovation of new energy vehicle technology, time needed for planning and constructing infrastructure etc. Along with new technology adoption, it is also important for EV value chain not to neglect the need for standardization of EV technologies to allow for interoperability of EV value chain elements to reach a similar level as it is nowadays in traditionally fueled vehicles (e.g., same standards for charging plugs, accessibility of charging stations for EV of different brands etc.).

The concept of self-driving and car-pooling will further redefine our relationship with vehicles and remodel the global new energy vehicle ecosystem and the way we travel. Sustainability-

driven companies will be best placed to respond to the huge demand of EV and opportunities that wide spreading EV bring to charging facilities and a wider infrastructure. Meanwhile, playing part in creating the future EV ecosystem will be an important strategic role for governments, research institutes, technology companies, automotive and power & utilities that aspire to be pioneers in their sectors.

### **Source:**

[https://www.evhomecharging.gov.hk/downloads/ev\\_booklet\\_en.pdf](https://www.evhomecharging.gov.hk/downloads/ev_booklet_en.pdf)  
[https://www.eurelectric.org/media/5704/power\\_sector\\_accelerating\\_e-mobility-2022\\_eyelectric\\_report-2022-030-0059-01-e.pdf](https://www.eurelectric.org/media/5704/power_sector_accelerating_e-mobility-2022_eyelectric_report-2022-030-0059-01-e.pdf)  
[https://www.epd.gov.hk/epd/english/environmentinhk/air/prob\\_solutions/promotion\\_ev.html?msclkid=248b7c02c47c11eca831eb142b6fe7a2](https://www.epd.gov.hk/epd/english/environmentinhk/air/prob_solutions/promotion_ev.html?msclkid=248b7c02c47c11eca831eb142b6fe7a2)  
<https://electrek.co/2018/02/05/tesla-downsize-hong-kong-ev-incentives/?msclkid=17b3bc87c52711eca607be6bc4a6a1e8>  
<https://www.linkedin.com/pulse/ey-norway-exploration-tour-day-1-highlights-cara-graham/?trackingId=>  
<https://www.iea.org/reports/global-ev-outlook-2021/policies-to-promote-electric-vehicle-deployment>  
[https://www.ey.com/en\\_lv/news/2021/11/china-sweden-and-germany-lead-the-way-on-the-ey-electric-vehicle-country-readiness-index](https://www.ey.com/en_lv/news/2021/11/china-sweden-and-germany-lead-the-way-on-the-ey-electric-vehicle-country-readiness-index)  
[https://www.epd.gov.hk/epd/english/environmentinhk/air/prob\\_solutions/promotion\\_ev.html?msclkid=248b7c02c47c11eca831eb142b6fe7a2](https://www.epd.gov.hk/epd/english/environmentinhk/air/prob_solutions/promotion_ev.html?msclkid=248b7c02c47c11eca831eb142b6fe7a2)  
<https://www.linkedin.com/pulse/ey-norway-exploration-tour-day-1-highlights-cara-graham/?trackingId=>  
<https://elbil.no/english/norwegian-ev-policy/?msclkid=6075a522c45a11ecb041f0eee8f7ef2f>  
<https://www.forbes.com/sites/brookecrothers/2021/02/14/this-chinese-city-has-16000-electric-buses-and-22000-electric-taxis/>  
[https://www.epd.gov.hk/epd/english/environmentinhk/air/prob\\_solutions/promotion\\_ev.html?msclkid=6e26c707c62f11ecb1720741fc732e35](https://www.epd.gov.hk/epd/english/environmentinhk/air/prob_solutions/promotion_ev.html?msclkid=6e26c707c62f11ecb1720741fc732e35)  
[https://www.enb.gov.hk/sites/default/files/pdf/EV\\_roadmap\\_eng.pdf](https://www.enb.gov.hk/sites/default/files/pdf/EV_roadmap_eng.pdf)  
[https://www.epd.gov.hk/epd/english/environmentinhk/air/prob\\_solutions/new-energy-transport-fund.html](https://www.epd.gov.hk/epd/english/environmentinhk/air/prob_solutions/new-energy-transport-fund.html)  
<https://www.policyaddress.gov.hk/2021/eng/pdf/publications/Northern/Northern-Metropolis-Development-Strategy-Report.pdf>

