

Why Sustainable Consumption and Production is good business?

What UNEP as an UN specialized agency has been doing to promote SCP?



UNEP in brief

Sto**ckholm 1972** – United Nations Conference on the Human Environment

To inspire and guide the peoples of the world in the preservation and enhancement of the human environment

Rio De Janiro 1992 - United Nations Conference on Environment and Development To establish a new and equitable global partnership through the creation of new levels of cooperation among States, key sectors of societies and people

Rio De Janiro 2012 – United Nations Conference on Sustainable Development: Inclusive Green economy given by Heads of state "Adoption of 10 YFP on SCP"



How UNEP works Bridge Science and Policy

- Develop tools, methodologies, systems and policies to ensure sustainability
- Produce scientific assessments to look at impacts from economic growth and development onto environment (vice versa)
- Adopt a multi-stakeholder approach in generating sustainable solutions
- Facilitate and create policy dialogues



The Future We Want



Green Economy

A Green Economy is one that results in increased human well-being & social equity, while significantly reducing environmental risks & ecological scarcities.



A Green Economy is one whose growth of income and jobs is driven by investments that reduce carbon emissions and pollution, enhance efficiency and sustain biodiversity and ecosystem services.



Resource Efficiency: Focal Areas

- Resource management: Particular focus on water, energy, waste and minerals
- <u>Cleaner production:</u> work in various sectors in order to decrease the environmental footprint of the Industry. Life cycle approach.
 Sustainable product design
- <u>Sustainable Consumption:</u> Eco-labels, accreditation and certification schemes, campaigns. **Sustainable public** procurement
- <u>Sustainable urban development:</u> Sustainable Buildings and Climate Initiative, Green architecture
- Policies for resource Efficiency: Green Economy Initiative,
 International Panel on resource management



Resource efficiency

- Stimulate demand for sustainable products and services
- Create an enabling policy environment for RE and SCP in the National level and Integrate RE and SCP issues in the regional and national policy agendas
- Facilitate a shift of investments towards a Green Economy in key countries
- Create a portfolio of best practices on RE/SCP on the basis of regional/national experiences

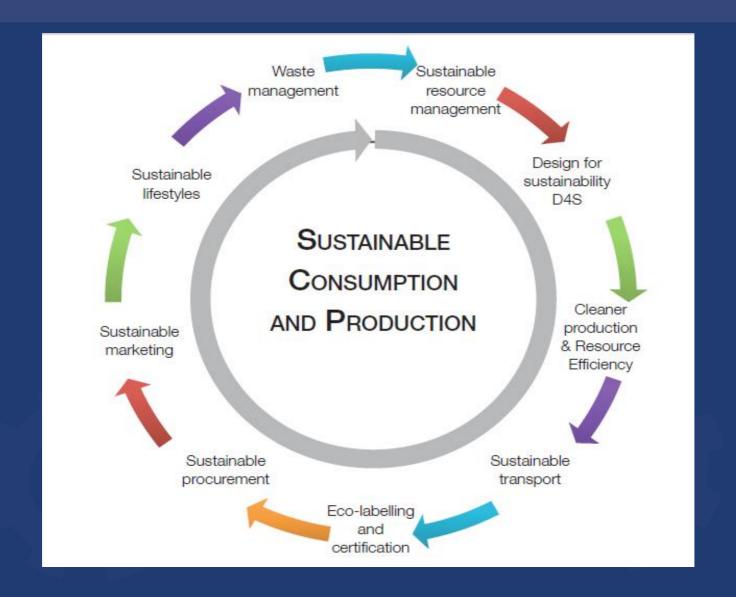


Sustainable Consumption and Production - SCP

The creation and use of services and related products, which respond to basic needs and bring a better quality of life while minimising the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardise the needs of future generation



SCP holistic approach





What UNEP is doing on SCP



10-year Framework of Programmes

(10 YFP on Sustainable Consumption and Production)

possible areas of programme development: Implications to Business Sector

- Consumer information
- Sustainable lifestyles and education
- Sustainable public procurement
- Sustainable buildings and constructions
- Sustainable tourism including ecotoursim



The ability to use and comply with these standards will create a competitive advantage

business opportunity



What UNEP is doing - Implications to the Asia and the Pacific region

Regional

Asia Pacific Roundtable on Sustainable Consumption and Production (http://www.the10thaprscp.com/)

- Born in 1997
- a forum to discuss and take forward the ideas of Cleaner
 Production and share results regionally would speed up the process of getting the new concept accepted.
- More than 400+ participants from various sectors to discuss the latest issues and trends.

Along the way, Cleaner Production has changed into the more challenging topic of Sustainable Production and Consumption.



SWITCH-Asia Policy support Component

SWITCH projects

What is it:

A 5.5 year project that supports those who want to make a "switch" to SCP in Asia.

- •It's objectives are to:
- (1) Create an enabling environment to strengthen or initiate policies helping to mainstream SCP and RE in regional sub-regional and national development programmes.
- (2) Assist stakeholders in the project countries (government, private sector, civil society), in designing and implementing specific policy-oriented activities to shift towards Sustainable Consumption and Production.



SWITCH-Asia Policy support Component (2)

- Our next event: a workshop to frame sustainable consumption in Asia and identify policy options (June 2013, Kathmandu).
- Other topics identified by governments: SCP indicators, access to financing for SCP, 'greening' finance
- More information: http://www.switch-asia.eu/switchpolicy.html (switch.psc@unep.org)



In Thailand

Works with/through MoNRE

Encourages potential factories/manufacturers in these three following sectors: food procressing, building material and production, and automotive parts industry.

The target is to work with 10 factories to achieve the Green Industry Mark standard. (www.scp-thailand.info)



In Thailand

Policy Updates:

The target was to have around 90% of the total procurement to be green within 5 years for 3 main bodies:

- (1)170 government departmental level agencies,
- (2) 50% of local municipalities and
- (3) 100% of academic sectors.

And the government will have to adjust its bidding process to facilitate the green product procurement.



In Thailand

- Only 1.21% of afactories registered, are purely green industry ie. waste recycling, energyrelated.
- what is lacking in the whole systems is M&E component.



The Business Case for the Green Economy at a glance

Green Economy benefits to business include:

- More resilient supply chains
- New investment opportunities
- Increased consumer demand for sustainable goods and services
- Sales growth and duration of sales
- Training and job creation
- Reduced dependency on natural resources
- Mitigation against the negative financial risk from environmental impact



Green Business Case Model

Taking Action

Education and training
Eco-innovation
Design for sustainability
Risk management
Resource efficiency
Clean technologies
Supply chain management
Sustainable goods and services
Engagement and reporting

Leading Indicators

License to operate
Risk profile
Securing investment
Productivity (including human
capital)
Attracting customers

Brand value and reputation

Financial Value Drivers

Bran

ability

Sales growth and duration
Reduced capital expenditure and
Improved profit margin
Preferable taxation and reduced
cost of capital



Business cases

General Motors
saved more than US\$
30 million in 6 years
through their resource
productivity programme,
they also reduced waste
volume by 40 per cent.

In the offshore wind turbines (power plant) alone, employment in Europe is projected to grow to 150,000 by 2020 and to over 200,000 by 2030.

in Mexico saved
approximately US\$
700,000 and 338,400
m3 of water in 3 years
through its water
reduction programme.

Through a Sustainability Framework and Ethical Model Factories, Marks & Spencer has worked with factories to improve process efficiency as a means to increase wages, reduce working hours and protect the quality of products. Productivity in its Bangladeshi Ethical Model Factories increased by 42 per cent; staff turnover dropped from 10 per cent to 2.5 percent; and absenteeism from 10 per cent to 1.5 per cent.



Case: Sompo Japan Insurance Inc. (2010)

 Public private partnerships can provide the enabling conditions and help manage risk in the transition to a Green Economy.

Case: AVIVA UK (2011)

•Insurance solutions for sustainable goods and services represent a new market opportunity that has the potential to incentivize green businesses and effective risk management.

Case: Federacion Nacional de cafetaros, Colombia (2009)

Sustainable supply chains allow SMEs to rap the benefits of the GE transition



Case: SEKEM Group (2007)

 Adding value to a resource stream not only protects the environment, it also creates new employment opportunities and generates revenues from new markets.

Case: Unilever Sustainable Living Plan (2007)

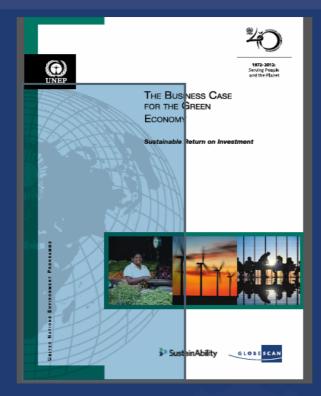
 Integrating sustainability into business models responds to increasing consumer demand, encourages innovation and drives cost efficiencies.

Case: PUMA Environmental Profit and Loss Account (2010)

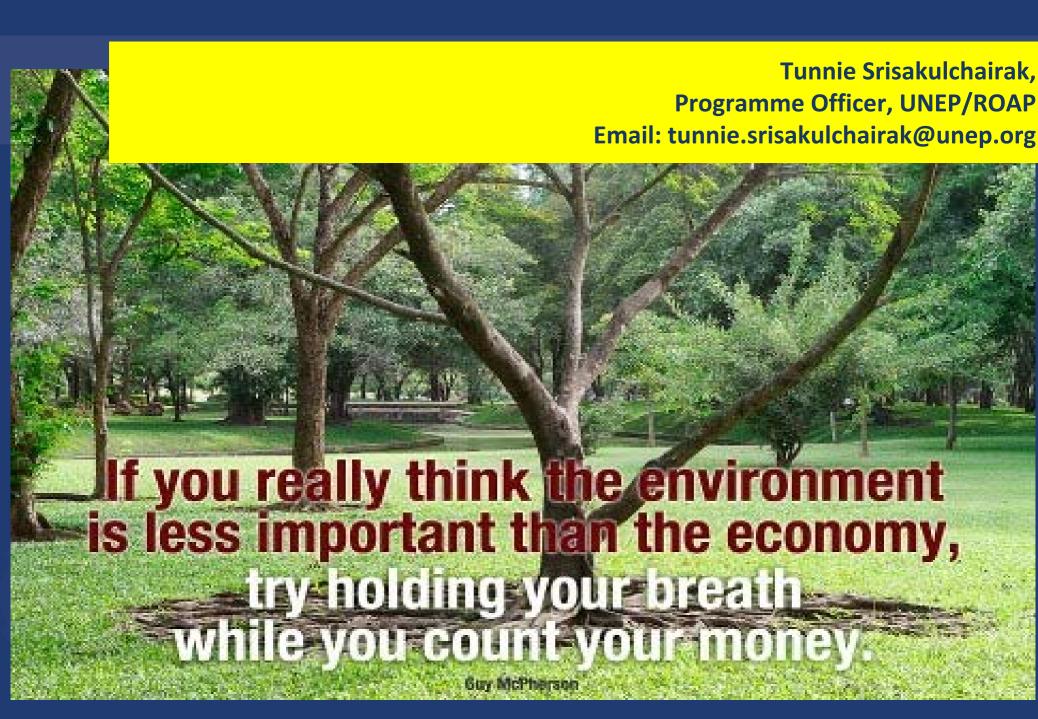
 Recognizing the value of ecosystems allows quantification of the economic risk from environmental impact along supply chains, therefore reducing potential losses, and strengthening operating margins.



The Business Case for the Green Economy



 http://www.unep.org/greeneconomy/Portals/88/d ocuments/partnerships/UNEP%20BCGE%20A4.pdf



Thank you

