SCP Linkages and Perspectives

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UN CSD Intergovernmental Preparatory Meeting
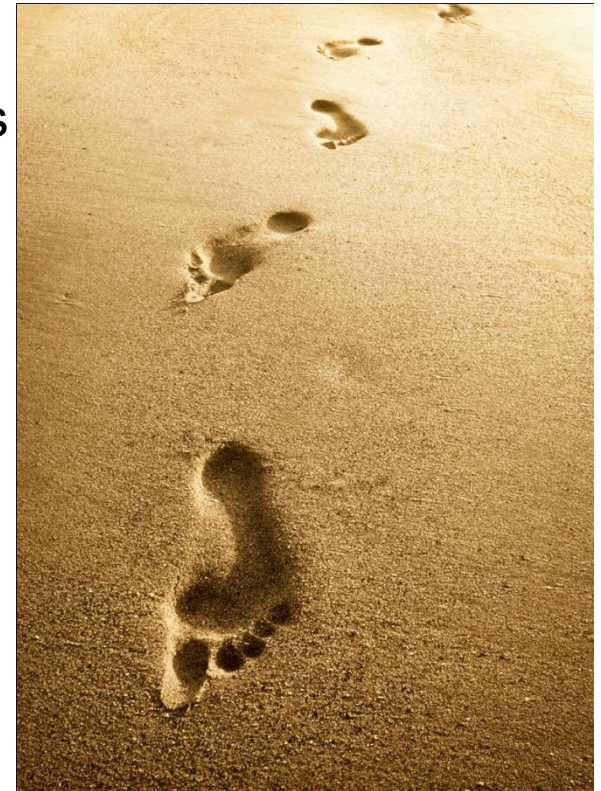
March 3, 2011

Outline -

- Highlights from OECD Global Forum Sustainable Material Management Linkages report (not OECD position)

- Potential areas of collaboration related to SCP identified in report

- My perspective on SCP

Objective - Support the discussions at the OECD Global Forum by exploring the linkages between Sustainable Materials Management (SMM) and **relevant multi-lateral** initiatives including SCP

UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS

Commission on Sustainable Development
Eighteenth session
3-14 May 2010

Paving the Way to Sustainable Consumption and Production

Marrakech Process Progress Report including Elements of a 10-Year Framework of Programmes on Sustainable Consumption and Production

Document prepared by the Marrakech Process (UNDESA) with input from the...

Background paper
CSD18/2010/BP...

Interim Report
Green Growth
Implementation of the commitment to sustainable...

Meeting of the Council at Ministerial Level
27-28 May 2010

Recommendation on Resource Productivity

Meeting of the Environment
Environment and...
28-29 April 2008

Adopted by the OECD...

OECD

G8 Environment Ministers Meeting

We, the G8 Environment Ministers, meeting in Kobe, Japan for the 3R Initiative, 24-26 May 2008,

Recognizing that the increasing... an environmentally sound... pollution worldwide incl... greenhouse gas emissions...

Recognizing, at the same... a result of inefficient... immense,

Noting that the 3Rs, th... materials and waste,... harmonization of the env...

Acknowledging that, by... the 3Rs activities can c... decoupling resource con... with economic activities,

Understanding that, in... increasing resource pro... efficient resource use a... entire product life cycle... production process, con... (sustainable consumptio...

Emphasizing that, in...

Sustainable materials management for a resource efficient Europe
Integrated approaches within reach

Working Paper for the Informal Meeting of the EU Environment Ministers in Ghent
12-13 July 2010

Table 1 – Scope Comparison (Life Cycle Stages Considered in Major Activities/Policy Areas)

Scope Comparison

Social Aspects?

Life Cycle Stages

		Green Growth Strategy	IPP	Resource Prod.	Sust. P&C	3R Action Plan	SMM Initiative
Material Production	↑ Resource Productivity[1]	✓		✓		✓	✓
	↑ Resource Efficiency[2]			✓	✓	✓	✓
	↓ Pollution	✓		✓	✓		✓
Manufacturing/ Construction	↑ Resource Efficiency		✓	✓	✓	✓	✓
	↓ Pollution	✓	✓	✓	✓	✓	✓
	Product/ Technology Innovation	✓	✓	✓	✓	✓	✓
	↓ Packaging		✓			✓	✓
Distribution	↓ GHG Emissions	✓	✓		✓		✓
Use/Reuse	Greener Consumption (↓ cons. & purchase greener goods & services)	✓ (fossil fuel cons.)	✓	✓	✓		✓
End of Life	Material/ Resource Recovery	✓		✓		✓	✓
	Hazardous Waste Mgmt						✓
	Recycle		✓	✓	✓	✓	✓
	↓ Pollution	✓				✓	✓
	↓ illegal trans-boundary movement of waste					✓	✓
	Reuse Materials			✓	✓	✓	✓
	Import waste from developing countries (for treatment/recovery)					✓	✓

Linkages

The analysis shows that almost all of the initiatives have a focus on:

- Enhancing resource efficiency and productivity in materials production,
- Reducing the impacts of manufacturing;
- Reducing the impacts of consumption; and
- Enhancing recycling and reuse of materials.

Other areas of overlap include reducing pollution during materials product and product use and reducing greenhouse gas emissions during distribution of materials/products …

Objectives Comparison

Used Green Growth framework – SMM lens

Table 2 – Comparison of Major Objectives

		Green Growth Strategy	Integrated Product Policy	Resource Productivity	Sustainable P&C	3R Action Plan
Strengthen Collaboration	International Cooperation	✓	✓ (only w/ EU members)	✓	✓	✓
	Knowledge/Information Sharing & Tech Transfer	✓		✓	✓	✓
	Educating Consumers	✓	✓	✓		✓
	Involve stakeholders	✓	✓		✓	✓
	Integrate policies/regulations	✓	✓	✓		
Promote Trajectory Shift	Accelerate Technological Innovation	✓		✓	✓	✓
	Encourage R&D, certification & standards	✓	✓ (LCA)	✓	✓	✓
	Promote SMM in development projects & strategies	✓		✓	✓	✓
Support Transition	Create green jobs	✓				
	Improve worker skills	✓				
	Stimulate demand for green goods/services	✓	✓		✓	
	Provide monetary incentives (subsidies, taxes, price products appropriately)	✓	✓		✓	✓
	Public Green Procurement	✓	✓		✓	✓
	Facilitate international trade of green goods/services	✓	✓			✓
	Facilitate import of waste for recycling, recover, treatment, etc.					✓
	Support development of national/regional strategies		✓		✓ (hosts regional workshops)	
Measure Progress	Develop indicators	✓		✓	✓	
	Measure Impacts & Progress Towards Targets	✓		✓	✓	✓

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Potential Areas for Cooperation

STRENGTHENING COLLABORATION

- Collaboration with stakeholders, communication with consumers, information sharing and technology transfer, as well as cooperation across government departments, are common to most of the programs.

PROMOTING TRAJECTORY SHIFT

- Encouraging R&D, certifications and standards –
- Accelerating sustainable/green technological innovation
- Promoting SMM in development projects and strategies – development agencies (e.g. World Bank, IADB, ADB) are already integrating sustainability - OECD could look at common approach to integrating SMM into funding programs and strategies.
- Better management of natural capital (recovery) in commerce

Potential Areas for Cooperation (2)

SUPPORT TRANSITION / REMOVE BARRIERS

- Public procurement is a key leverage point that could be a very useful collaboration area. However, there are many challenges in fostering cooperation across governments. Provision of monetary incentives (subsidies, taxes, price products appropriately) is another key area of collaboration since it interfaces with trade rules.

MEASURING PROGRESS

- Establishing a means of measuring progress is also common to most initiatives and cooperation here could help reduce the proliferation of different indicators and methodologies for measuring progress.
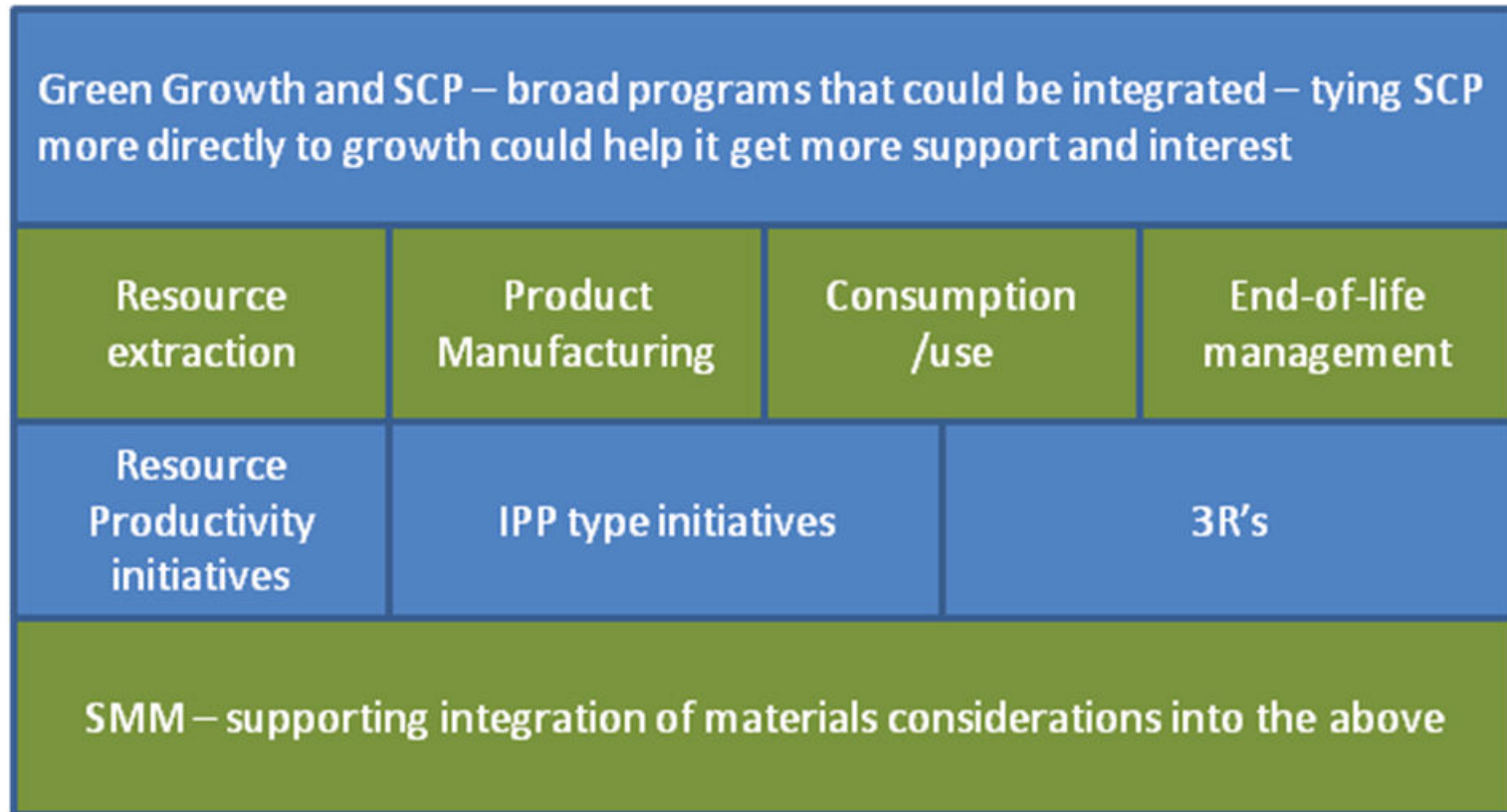
High Level- Observations

- Substantial overlap in scope and objectives of initiatives therefore opportunity exists for greater collaboration and cooperation as well as efficiency gains in terms of resources applied to the initiatives;

- The green growth strategy and SCP framework for action provide comprehensive approaches that are intended to guide government actions.

  - It would be useful to look at improving the integration of these two initiatives, and to map how IPP, 3R, SMM and Resource Productivity activities/initiatives could be more focused to support specific aspects of these framework programs with eye to optimizing collaboration and minimizing overlap; and

Broad Recommendation

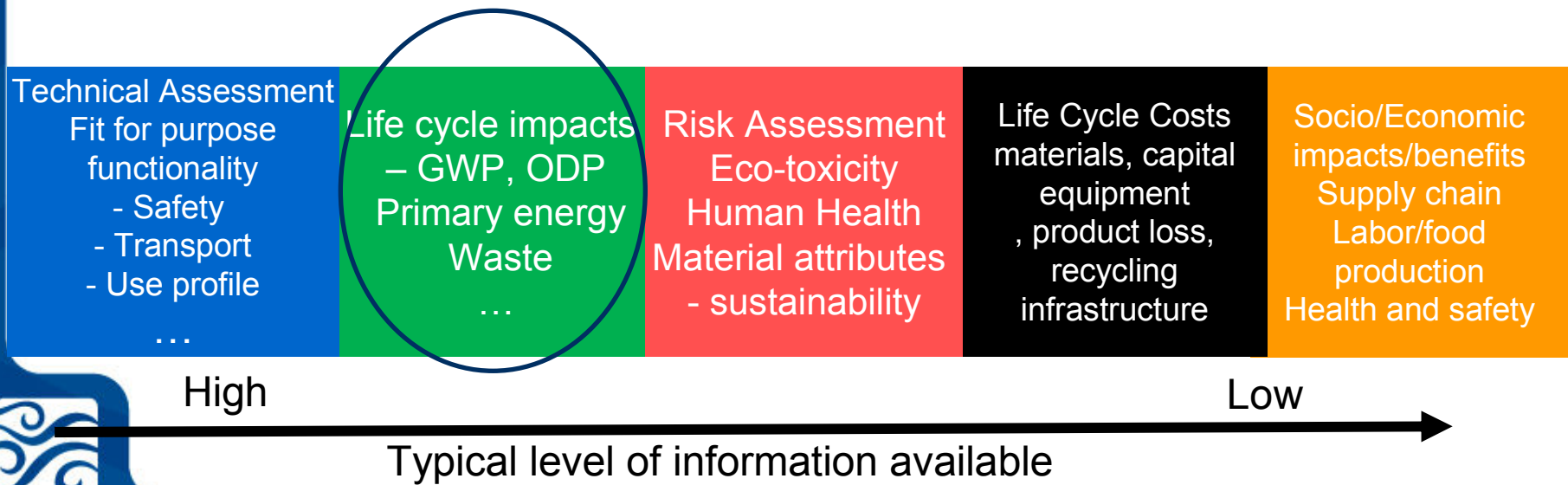| Green Growth and SCP – broad programs that could be integrated – tying SCP more directly to growth could help it get more support and interest			
Resource extraction	Product Manufacturing	Consumption /use	End-of-life management
Resource Productivity initiatives	IPP type initiatives		3R's
SMM – supporting integration of materials considerations into the above			

- Changing growth paradigm – challenging but it may be best opportunity to get traction for SCP, SMM, Product Policy and 3Rs into mainstream policy decision-making

Specific recommendations

1. What data and information?

   – Which materials and products are critical for economic development? (in some jurisdictions efforts to identify critical materials are already underway)

   – Which materials and products have the greatest footprint? - link to energy, water ...

   – How do/can materials further contribute, or have greater contribution to, more sustainable forms of production and consumption? socio-economic development…

| Technical Assessment Fit for purpose functionality - Safety - Transport - Use profile … | Life cycle impacts – GWP, ODP Primary energy Waste … | Risk Assessment Eco-toxicity Human Health Material attributes - sustainability | Life Cycle Costs materials, capital equipment , product loss, recycling infrastructure | Socio/Economic impacts/benefits Supply chain Labor/food production Health and safety |

High → Low

Typical level of information available

Specific

2. Starting with priority materials:

   – Define their flows globally (e.g. Al Industry efforts);

   – Define the potential impacts at each critical life cycle stage –(this is being mapped through life cycle studies)

   – Identify the actors along the value chain who can take action to promote sustainable management of the material (e.g. critical materials and mobile device research)

   – Identify what is the best mix of policies and programmes (e.g. voluntary standards, collaborative forums, governance innovation) required to foster SMM? How does this mix shift for countries whose economies are more reliant on production of materials versus consumption of materials?

   – Understand the technological issues and applications of recycled materials

   – Define system linkages – e.g. how bio-materials/fuels affects tortilla prices and food aid
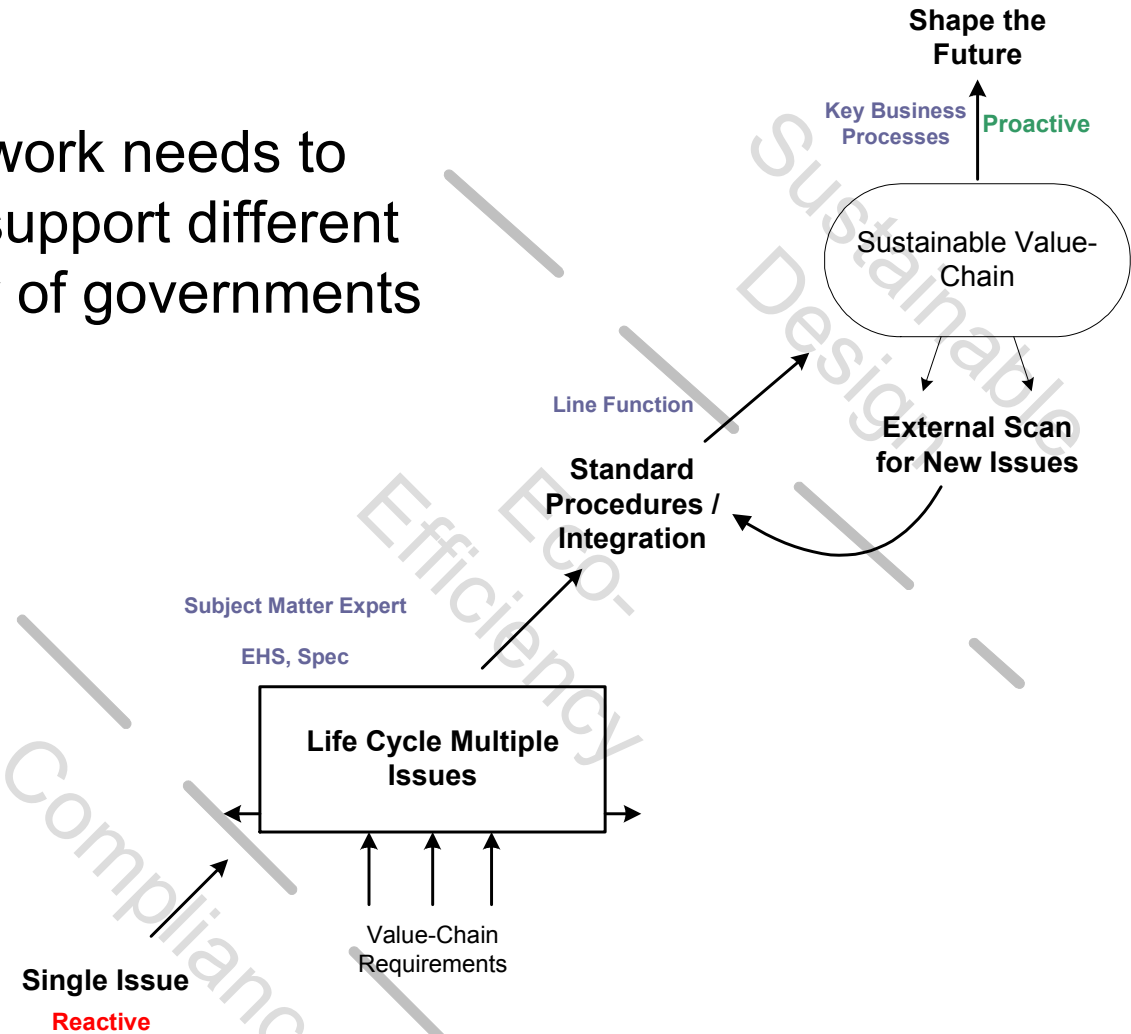
Lessons from 15 + years of trying to promote SCP

- SCP, as a term, is not mainstream – too complicated for policy makers and too vague for industry, but elements are moving into common use in some jurisdictions
  - Stewardship/producer responsibility
  - Life cycle approach
  - Supply chain footprint
  - Labeling/ certification
  - Eco-efficiency
  - Design for environment/sustainability
  - CSR/Corporate sustainability
  - Traceability/chain of custody
- Production is tangible – more value using less stuff.
- Consumption is challenging = revenue for industry and government

Lessons

- Effective framework needs to recognize and support different level of maturity of governments and industry
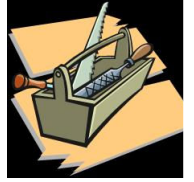
Shape the Future

Key Business Processes **Proactive**

Sustainable Value-Chain

Line Function

Standard Procedures / Integration

External Scan for New Issues

Subject Matter Expert

EHS, Spec

Life Cycle Multiple Issues

Value-Chain Requirements

Single Issue

Reactive

Lessons

Effective framework will need to understand/respond to different regional priorities

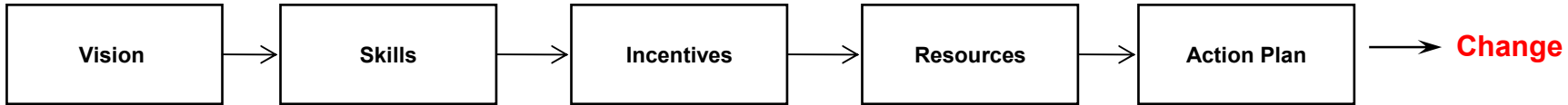| Global Top 15 Issues	NA	SA	Asia	Europe
01: Energy	■	■	■	■
02: Climate	■	■	■	■
03: Air Pollution	■	■	■	
04: Economic Recession	■			■
05: Water Pollution		■	■	
06: Unemployment	■	■		■
07: Design for Sustainability	■			
08: Emerging Markets	■			
09: Waste		■		
10: Biotechnology				■
11: Life Cycle Thinking	■			■
12: Sust Product & Consumption	■			■
13: Ethical Governance		■	■	
14: Land Use		■	■	
15: Environmental Incidents	■	■		

Lessons: Tool-box is full and becoming more innovative

- **Organizational/Management**
  - Sustainability /Environmental Audit/Footprint
  - Environmental Management Systems
  - Stakeholder Engagement
  - Corporate Environmental Reporting
  - Life-Cycle Management
  - Enterprise software

- **Product Design & Development**
  - Design for Environment
  - Eco-Efficiency Analysis
  - Life-Cycle Assessment
  - Environmental Risk Assessment
  - Sustainability assessments

- **Suppliers/Purchasing**
  - Environmental Supply Chain Management
  - Green Procurement
  - Total cost of ownership
  - Carbon footprint protocols/chain of custody

- **Marketing and Communications**
  - Corporate Environmental Reporting
  - Eco-Labelling
  - Stakeholder Engagement
  - Smart phone applications

- **Production & Distribution**
  - Eco-Efficiency Analysis
  - Industrial Ecology/by-product synergy
  - Pollution Prevention
  - Life-Cycle Costing
  - Cleaner production

- **Facilities Management/Project Development**
  - Green Building Design
  - Environmental Impact Assessment
  - Environmental Management Systems
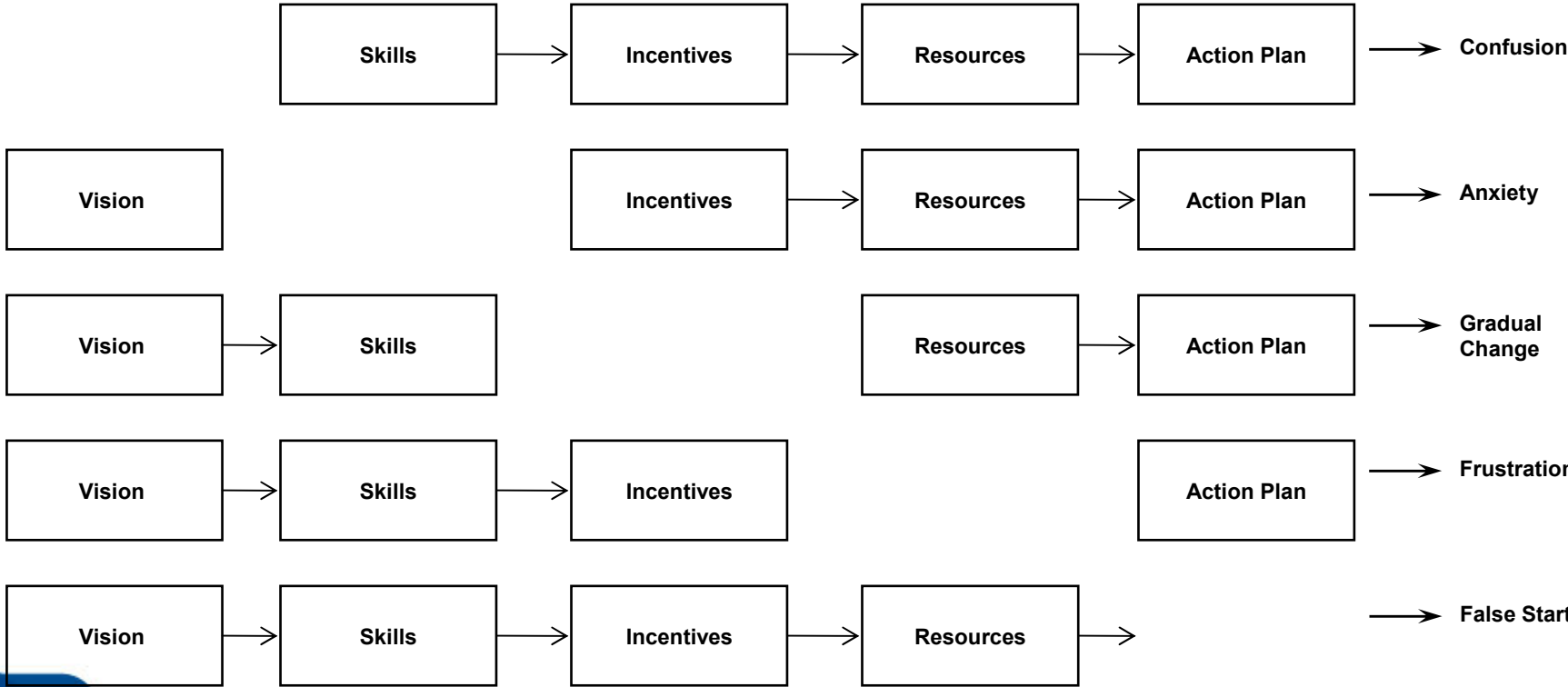 - Stakeholder Engagement

- Note - Some tools cross over (e.g., eco-efficiency analysis and stakeholder engagement could apply across all functions)

Lesson: A Great Tool or Policy isn't Enough

Achieving meaningful change requires alignment of many elements of management:

| Vision | → | Skills | → | Incentives | → | Resources | → | Action Plan | → | **Change** |

Or your organization finds itself with:

| | | Skills | → | Incentives | → | Resources | → | Action Plan | → | **Confusion** |

| Vision | | | | Incentives | → | Resources | → | Action Plan | → | **Anxiety** |

| Vision | → | Skills | | | | Resources | → | Action Plan | → | **Gradual Change** |

| Vision | → | Skills | → | Incentives | | | | Action Plan | → | **Frustration** |

| Vision | → | Skills | → | Incentives | → | Resources | → | | **False Starts** |

Source: George Manning, Kent Curtis: "The Art of Leadership" (2002)

Thoughts on the 10YFP

- Leadership - Hard wire SCP focus into mainstream policy initiatives – energy, innovation, job creation, other economic development initiatives, fiscal policy, procurement

- Framework - focus on building the data sets/information and decision-makers will use them (e.g. cooperation on climate action is not progressing – but when data is available investors and markets do make less carbon intensive choices)

- Leveraging resources - New technology makes sharing of information, processes and tools more viable. Create a global site for SCP – managed by sector experts who can organize concepts and tools and attune them to different level of maturity of businesses in different sectors/regions

Thoughts on the 10YFP

- What programs - Sector focus is critical but some crosscutting analysis is essential – biofuels has taught us this lesson. Global SCP site noted above would need to have experts to translate/interpret approaches to meet regional realities

- Monitoring - vision – objectives – programs – performance metrics and data – develop by sector and region – UN Resource Panel is a good start on developing baseline information for materials, need similar focus on key product categories food, housing, commercial buildings, transportation, energy – IEA, FAO and other agencies add SCP role?