

Session IV

How to overcome barriers to green growth in emerging economies - The Asian situation -



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UNEP / Wuppertal Institute collaborating
Centre on Sustainable Consumption and
Production

Challenges in Asia are huge!



Environmental status Asia



- Low emitters on CO2 at a per-person basis but large contribution in absolute terms
- Special richness (70% of all species on Earth) but endangered
- The most polluted cities in the world
- Increasingly water stressed
- Increasing scarcity of safe drinking water
- Growing volume of hazardous waste, lack of proper land-filling, becoming international dumping grounds



Position of Asia

- Becoming the world's main manufacturing hub:
by 2020, 70-80% of the world's industrial manufacturing
- SMEs constitute more than 80% of the companies (>30 million, excluding the SSI's)



Position of Asia



The most significant trend in the Asian region is the rapidly growing middle-income class (as part of urbanisation) that strives to adopt the affluent consumption patterns of wealthier people

The relevance of SME's

SMEs backbone of global industrial infrastructure:

- Worldwide over 90% of the enterprises are SME's
- In Asia over 30 million
- 60-70% of total employment
- And ~ 50% of the GDP
- Crucial position also for innovation

But also:

- Insufficient use of raw materials
- Up to 70% of the pollution emissions

Due to:

- Outdated and low efficiency technology
- Lack of preventive maintenance
- Improper production management



Achievements

- Numerous good case studies (pilots) in variety of industrial sectors and services
- In general adequate, customised tools developed
- Customised training materials / manuals available
- Growing capacity amongst service providers (not in all countries) – sometimes institutionalised
- SD / SCP is generally considered relevant and its relevance is on the rise
- Several policies / strategies / legislation in place

But still insufficient, due to barriers

- Lack of effective information diffusion
- Political and economic barriers, trade and policy barriers
- Lack of full cost pricing
- Lack of understanding of local needs
- Business limitation such as aversion to risk by FI's
- Inadequate environmental codes and standards
- Intellectual property rights

4th European Forum on Eco-Innovation, Vienna 2008

Barriers (1)

- Policies and legislation are not always adequate and sometimes even conflicting but certainly lack proper implementation due to lack of awareness at local level and certainly lack of enforcement
- Dialogue structures between industry-government-civil society in immature stage

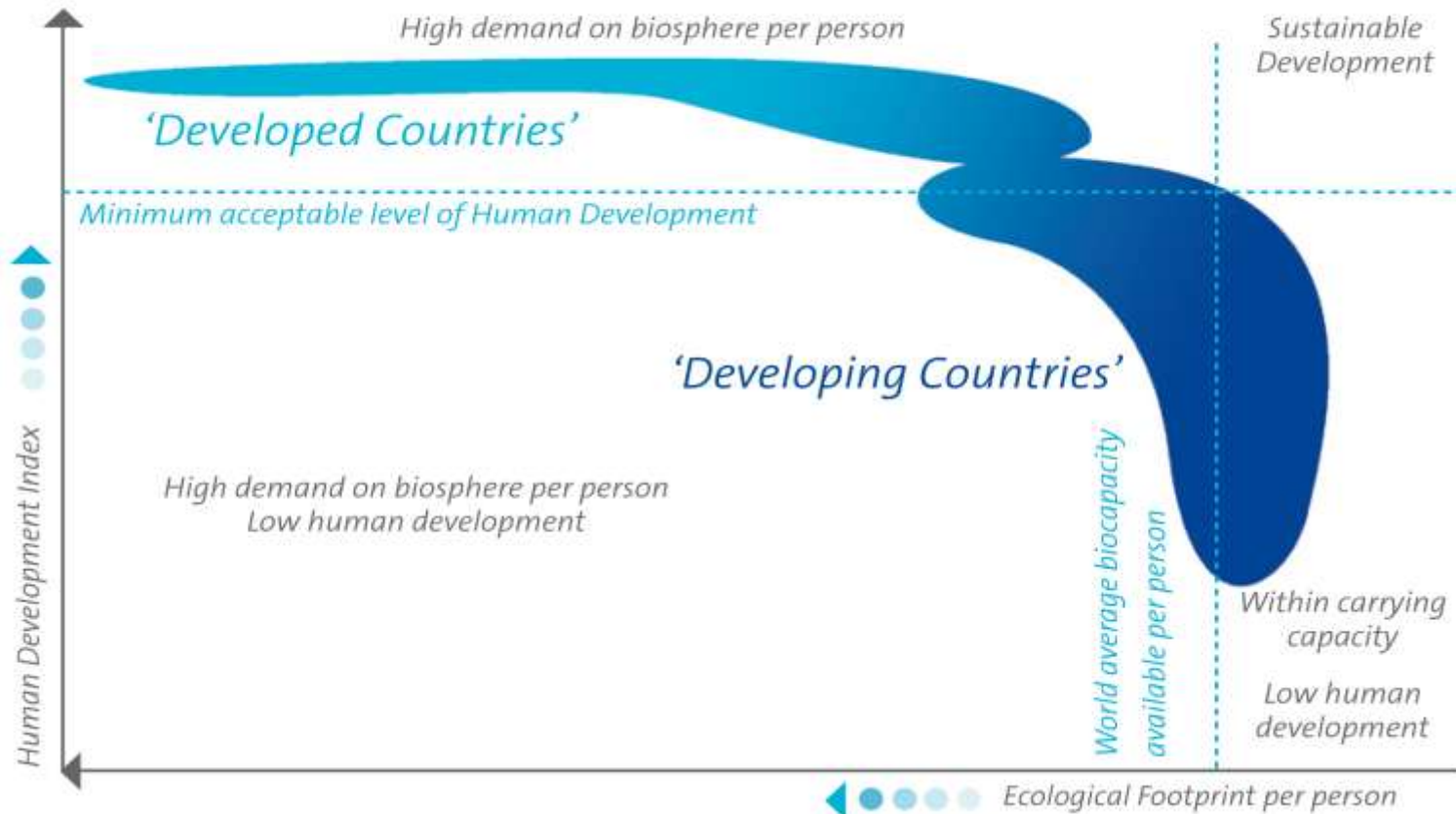


Barriers (2)

- SCP does not spread naturally, especially not within SMEs which lack access to information a/o know-how to interpret information necessary for customised implementation
- Exchange mechanisms for information on successful SCP-experiences inadequate
- Lack of an adequate 'mid-field', industries representing associations



The goal: Leapfrogging



Challenges (1)



- Go beyond demonstration projects - DIFFUSION / create multiplier effects
- Go beyond 'low hanging fruits' – induce spin off towards customized Eco-innovation
- Not only technology fix
- Effectively address SMEs
- Develop / strengthen / involve local and regional business networks

SCP – Challenges (2)



- Address the (end) market !
- Raise awareness of and interest for 'green products'
- Make existing tools better known, accessible and applicable, especially SC-tools
- Facilitate adequate access to and utilisation of information
- Apply innovative new (SC) policies; eco-labelling, leverage via green public procurement

switchasia

PROGRAMME

150 MILLION EUROS TO REPLICATE
GOOD SUSTAINABLE CONSUMPTION
AND SUSTAINABLE PRODUCTION
PRACTICES IN ASIA

CURRENTLY FUNDING 30 PROJECTS
IN 15 COUNTRIES ADDRESSING
SMEs AND CONSUMERS TOWARDS
SUSTAINABLE DEVELOPMENT

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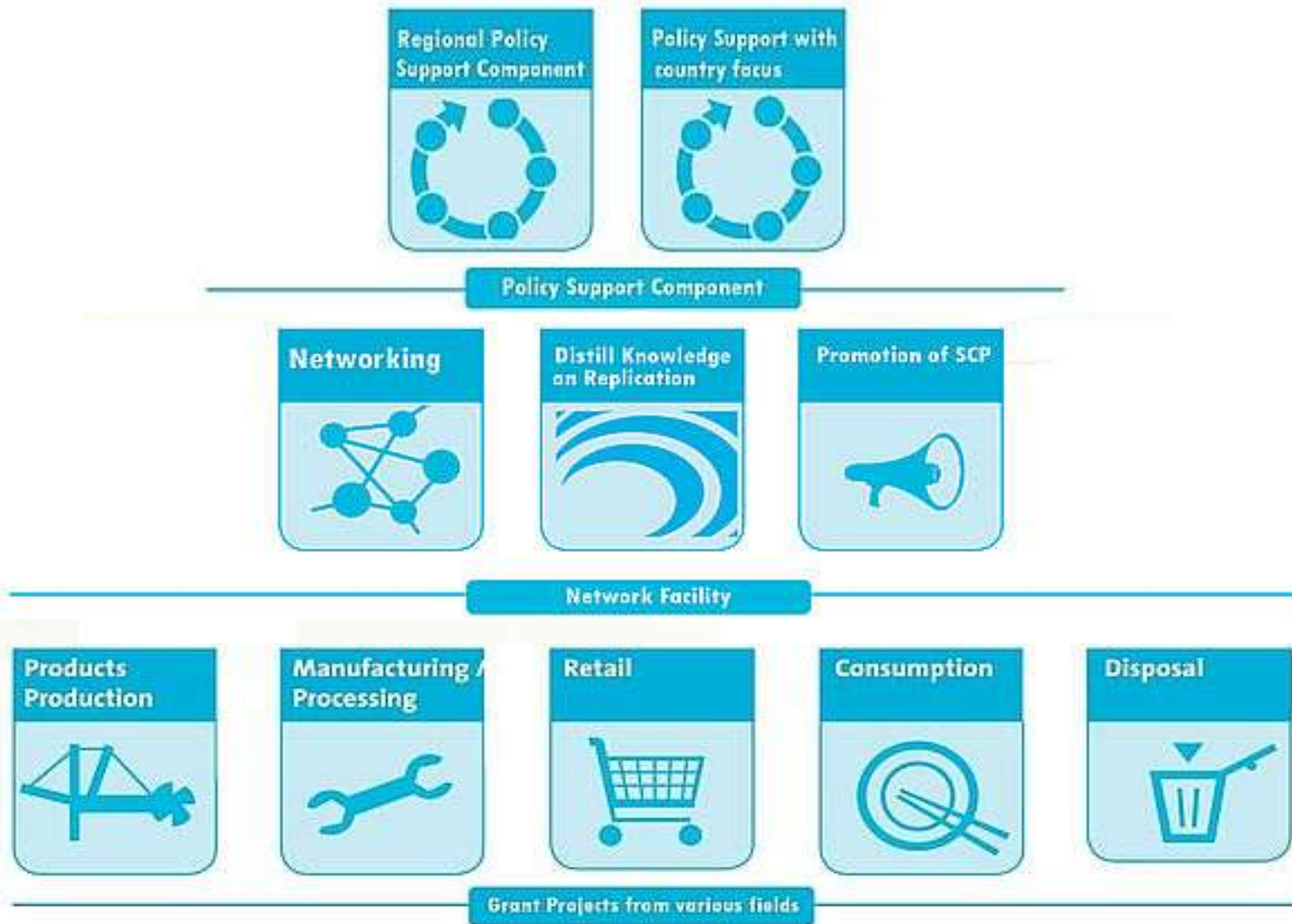


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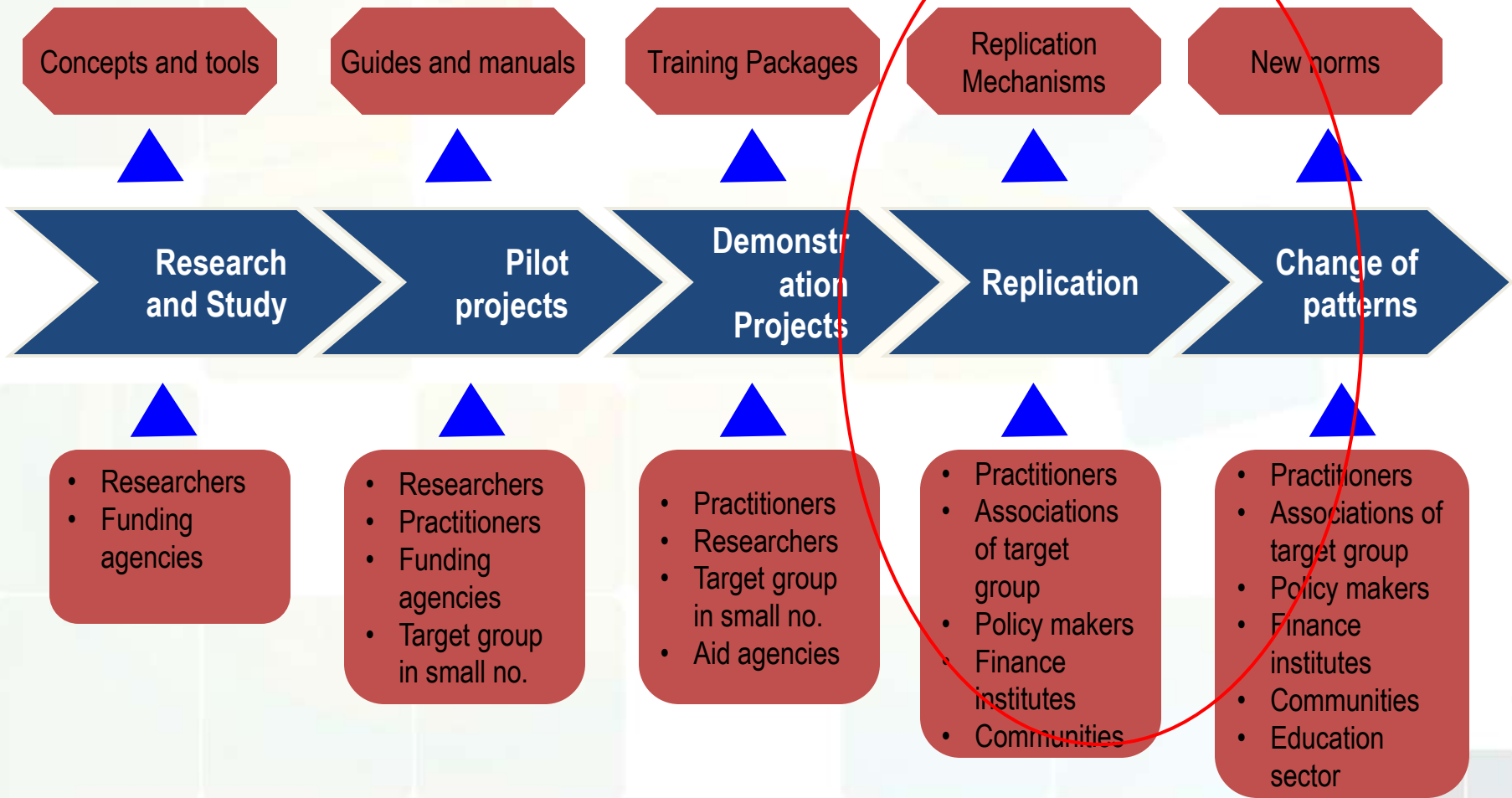
SWITCH Asia Network Facility is implemented by IZSP/Wuppertal Institute Collaborating Centre on Sustainable Consumption and Production and Wuppertal Institute for Climate, Environment and Energy.



Structure of SWITCH-Asia



SWITCH Focus > REPLICATION



Diffusion of technical innovations



- Enhance uptake of available innovations (further market penetration)
- If possible with indigenous or locally produced technology
- Induce further development of 'new' innovations

Embedding in systems !



Too often improvements are seen as isolated, individual technical improvements – technology fix - without organisational and behaviour change

Success factors !



- Offer solutions instead of just selling products
- Secure support systems
- Understand local circumstances
- Work with local partners

Thank you for your attention!

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