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Industry as a Partner for Sustainable Development: work in progress, opportunities, and activities in support of capacity-building

A contribution to discussions on "Industrial Development"

Submitted by:
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PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Industry as a Partner for Sustainable Development: work in progress, opportunities, and activities in support of capacity-building

A contribution to discussions on "Industrial Development" at CSD15, May 2007

As a contribution to discussions on Industrial Development at the 14th and 15th sessions of the UN Commission on Sustainable Development, UNEP facilitated in 2005 – 2006 a process in which business and industry organisations prepared Report Cards on follow up to the Johannesburg Plan of Implementation in their sectors. The resultant publication, "***Class of 2006: Industry Report Cards on Environment and Social Responsibility***", was launched at CSD14 in May 2006 at a high-level side event co-hosted by the Norwegian and South African governments. It included Report Cards from 30 industry sectors, prepared by 45 organisations, including organised labour. The attached overview by UNEP gives a summary of main findings and possible follow up actions, based on gaps and issues identified.

In October 2006, follow up action was discussed at the annual UNEP Consultative Meeting on Business and Industry. A report on the outcome of that meeting is attached, including broad recommendations for CSD15. As was the case with the UNEP overview of *Class of 2006*, discussions at the consultative meeting highlighted the ongoing importance of building the capacities of smaller companies and industries in developing countries, among others via global supply chain initiatives. Activities in this field can support the *Bali Strategic Plan for Technology Support and Capacity-building*.

As an initial follow up to the above, UNEP invited business and industry organisations to submit summaries of activities they are running to support capacity building, including a special focus on developing countries. Responses have been received from 19 business organisations. The one – two page summaries submitted by March 2007 appear in Annex A of this document. The overall package should be of interest to all participants in relation to discussions at CSD15 on Industrial Development. A side event on this topic, focussing on global supply chains and responsible investment, will be held on Monday, 7 May 2007.

New York, May 2007

Report on UNEP Consultative Meeting on Business & Industry – special focus on Industrial Development

Co-hosted by the United Nations Environment Programme and the International Chamber of Commerce

26 - 27 October 2006
Gaz de France Headquarters, Paris, France

1. On 26 – 27 October, UNEP hosted its 23d Annual Consultative Meeting on Business and Industry in Paris with the International Chamber of Commerce (ICC). Opened by UNEP's Deputy Executive Director, *Shafqat Kakakhel*, the meeting was attended by over one hundred participants, including representatives from 43 business organizations and industry associations, 12 company representatives, 13 NGOs including Greenpeace, World-wide Fund for Nature (WWF) and IUCN-The World Conservation Union, as well as the International Confederation of Free Trade Unions (ICFTU) and the International Energy Agency (IEA).

2. Three roundtable debates – facilitated by *Paul Hohnen* of the International Institute for Sustainable Development (IISD) – and subsequent discussions in four industry cluster groups focused on (i) ways to advance capacity building in global supply chains, (ii) resource efficiency to address energy and climate challenges, as well as (iii) ways of promoting corporate responsibility in industrial development. The latter two themes are being addressed by the 2005/6 sessions of the UN Commission on Sustainable Development (CSD). Consideration was also given to possible action plans for different industry sectors built on the 30 Report Cards that were launched in the publication "Class of 2006" at CSD14 in New York, May 2006.

3. From the conclusions and recommendations of the working sessions to the plenary, UNEP identified two main recommendations for CSD15. These have now been forwarded to UNDESA, which is preparing a Secretary-General's Report on Industrial Development. The recommendations were as follows:

- Governments need to lift the playing field (enabling regulatory environment complemented by voluntary measures) at levels appropriate to facilitate better application of market instruments in addressing energy and climate.

- UNEP is invited to follow-up with industry groups (business organisations and industry associations) to collect views and inputs on the format of action plans – types of actions, appropriate tools, targets – to build capacity of companies (e.g. of SMEs), including a special focus on the use of supply chains and sharing emerging good practices.

4. Based on discussions on the venue and format of the annual consultative meetings, UNEP DTIE suggested to participants the options of continuing with the traditional model of annual meetings in Paris or having future events held:

- (i) in different regions every second / uneven year, and
- (ii) each year with a focus on one or two overall themes.

5. Based on initial support for the proposed new format, UNEP DTIE has consulted with industry representatives from Brazil. They have responded positively to the possibility of relevant Brazilian business and industry bodies co-hosting the event with UNEP in October 2007.

6. UNEP DTIE will follow-up with potential partners on preparing for the 2007 event and also return to its business and industry network on the format of suggested capacity building action plans that can be compiled for an event at CSD15. UNEP DTIE is cooperating with the Government of Norway in preparing for a "Class of 2006" follow-up event due to be held at CSD15 in New York.

Session 1: "Industry as a Partner for Sustainable Development"
Building on the Report Cards on environment and social responsibility

7. The 1st session of the meeting focussed on "Industry as a Partner for Sustainable Development" and the 30 Report Cards. The aim was to discuss industry action plans for activities up to 2012 and policy recommendations for UNCSD15 on Industrial Development and corporate environmental and social responsibility (CESR). The session was started with a roundtable discussion involving Richard Armand of Entreprises pour l'Environnement and the World Business Council for Sustainable Development (WBCSD), Jean-Paul Jeanrenaud of the WWF, Winston Gereluk of the ICFTU, Nelmara Arbex of the Global Reporting Initiative (GRI), Marcelo Silveira Campos of the Brazilian Chemical Industry Association, Jostein Mykletun of the Norwegian Government and Arab Hoballah who heads UNEP DTIE's Sustainable Consumption ad Production (SCP) Branch.

8. *Jean-Paul Jeanrenaud* highlighted WWF's recent "Living Planet Report", and cautioned that humanity's footprint has more than tripled between 1961 and 2003. On current trends and projections, there will be around 9 billion people by 2050. This underlines the ongoing problem of overshoot and the stress we are placing on our planet. Some signs of positive change can be seen in the willingness of companies partnering with, for example, WWF to reduce their CO2 footprints with greenhouse gas emission reduction targets for the coming years. *Richard Armand* noted that there is a broad spectrum of agreements within the business community, ranging from codes and guidelines to ethical councils and sector specific initiatives on for example climate change. *Nelmara Arbex* of GRI introduced the new G3 framework, launched at an international conference with 1,000 participants in Amsterdam three weeks earlier. She cautioned that with an estimated over 50,000 multinationals worldwide, and only 800 adopting the GRI guidelines, there was still a long way to go towards all sectors systematically disclosing sustainability performance and results. A representative from Greenpeace argued that we need to move from voluntary to mandatory reporting for non-financial information on social and environmental performance.

9. The Strategic Approach to International Chemicals Management (SAICM) process was cited as a good example of how to engage the private sector in a public decision making process. SAICM was a learning experience and a platform for exchange between industries and administrations. *Marcelo Silveira Campos* acknowledged the difficulties experienced in collecting data from companies and association members on a collective basis. *Winston Gereluk* of the ICFTU underlined the role of Global Framework Agreements between Global Unions and multinational corporations (MNCs). His confederation is aware of the importance of including an environmental clause into collective union agreements. They are also becoming more active in information and education, based on lessons learned in dealing with issues such as HIV/Aids. One of the early Global Framework Agreements was signed with the Norwegian company Statoil. In the oil and gas sector, *Jostein Mykletun* argued that Norwegian companies apply the same corporate environmental standards at home and abroad. He mentioned the importance of motivated CEOs, a level playing field and stopping the free riders. Many are ready to observe even higher standards if competitors do as well. But recognition and pressure have to come from NGOs and peers. There also is a need for governments to play by the rules as well.

10. The roundtable discussion was followed by group discussions in four industry sector clusters on collective industry action plans. Chaired by *Maggie Brenneke* of SustainAbility, discussion in the services cluster group noted that a commercial or legislative threat is often first driver for partnerships. Taking time to develop, the collective initiative then gathers momentum only once benefits and results start to be achieved. With respect to linking sustainability action with business performance, the group noted that making the business case and integration remain difficult. There is a need for innovative ways to share tools, best practices and information on the business case – within industry, across industry, and between developed-developing countries. A question raised was how to scale pilot initiatives to go mainstream. Initiatives need to be more inclusive, involving e.g., municipalities, more developing country organisations and consumers. Recommendations from the services group included, firstly, a call for knowledge transfer through innovative conferences and other learning forums. Topics to share include best practices on partnerships, how to push tools out into the businesses (especially SMEs), implementation of global standards at local level given domestic laws, environmental elements of the UN Global Compact, and measuring good partnerships (what does success look like?). Also recommended was the need to be more inclusive in the dialogue, to aim for an international accounting standard that incorporates environmental and social performance, to report on the effect of reporting on company performance, to push companies to reward CEOs for environmental and financial performance, and to have special focus on clusters like tourism - especially in Africa and Latin America - which will be exploding in years to come.

11. The manufacturing industries group was chaired by *James Fava* of Five Winds International and the UNEP/SETAC Life Cycle Initiative. In their discussion of industry action plans, the manufacturing industries group addressed themes related to reporting on a collective and sector basis. These included the value of core indicators to drive

continuous improvement, the importance also of complementary indicators which allow each sector to tell their own story, building regional understanding and capacity on how to develop adapted (regional, SME) sets of core and complementary indicators. It was noted that with the implementation of SAICM, UNEP and the chemical industry are already committing resources and time to work together to develop indicators, engaging chemical users as well as chemical manufactures. The group felt that while there are many forums with demands on time and resources, there is value in continuing the relationship with UNEP because it provides a unique opportunity for a broader array of associations to dialogue among themselves, with UNEP and civil society. Dialogue may include sharing of good practice on issues of interest such as how to engage and build the capacity in SMEs, how to establish partnerships (there are different levels of expectations on engaging in partnerships), and how sectors develop really global sector approaches. The group recommended that collaboration should continue particularly on working to translate good practice in necessary languages, including the business language of the SME. It was also felt that UNEP and chemical manufacturers and users should continue to collaborate through SAICM. In addition, UNEP and business & industry should jointly identify combined outcomes (say by 2010) expected from continuing the consultation process and then agree on the process(es) to achieve them.

12. Discussing collective industry action plans, the energy and transport group concluded that the role of federations and business associations should concentrate on two items: (i) capacity-building and (ii) sharing of experiences. The group was chaired by *Marc Darras* of Gaz de France (GdF) and *Nick Campbell* of Arkema who heads the ICC Climate Change Task Force. Participants felt that industry associations can develop plans of action and be responsible for progress and achievements in the two above-mentioned fields. They can also develop sustainable development charters and guidelines for implementation, as well as technical standards where pertinent. However, it was recognized that companies have other modalities of action which complement the role of business organisations or industry associations. Reference was made to the role of visionary leaders to promote more sustainable products or services, as well as the capacities of large companies to take the risk of innovation and to bring to the market more sustainable products. Mention was made of the problem of free riders who do not take their share of the burden. This continues to undermine fair and transparent competition and undermines targets that have been set. On market signals, the group recognised the role of taxes as a tool and argued that the revenue raised should be used to finance innovation and provide incentives for more sustainable products or services in the same field. Standards should be considered too. In all cases, the approach followed should show sensitivity for the limited capacity and needs of SMEs.

Session 2: Resource Efficiency - responding to energy and climate challenges

13. The second plenary session on energy and climate challenges started with a roundtable involving Marc Darras representing the ICC / Business Action for Energy, Aat Peterse of the European Federation for Transport and the Environment, Udo Hartmann of DaimlerChrysler, Constant Van Aerschot of Lafarge and the UNEP Sustainable Building & Construction Initiative, Cédric Philibert of the IEA and Eric

Usher of UNEP DTIE's Energy Branch. The aim of this session was to explore innovations in improving material resource efficiency to reduce GHG emissions, with identification of related cooperation possibilities. The session included a lively discussion on the energy efficiency of new cars and the role of advertising as we seek to bring about change in the sociology of consumer behaviour. Describing the transformation of GdF from a gas distribution company to an energy service provider, *Marc Darras* noted the importance of public awareness as well as the role of local authorities. Mentioned was also the role of labels, for example the energy efficiency A - H labelling on fridges which encouraged European consumers to focus on more energy efficient products. *Eric Usher* explained that there has been a revolution recently in the field of renewable energy through private sector engagement. New investment in renewable energy technologies in 2006 is estimated at 68 billion US dollars, with – in terms of market capitalisation today – the world's largest wind company being Indian and largest solar company being Norwegian. The renewable energy technology sector is today the lead sector for new venture capital. *Cedric Philibert* mentioned that IEA studies show increasing energy efficiency but also a rebound effect. A key problem remains growing coal use for power generation in China, which was opening a new coal-fired power plant every seven days.

14. Citing slack performance by German automotive manufacturers in CO2 emission reductions and reducing car weight, *Aat Peterse* underlined the importance of a decision taken by top management for alternative business models. In the UK and Germany some 8°% of advertising is geared towards the sale of bigger cars. Referring to more stringent fuel efficiency standards in California, *Udo Hartmann* said the automotive industry is in favour of common international standards. A level playing field is needed. Usher mentioned that solving energy efficiency problems with common household electrical appliances is going to be much easier than solving problems in areas such as power plants of 30 years lifespan where a company may be stuck in its current technology stock. It will be the best of class corporate leaders that really make change happen. For automotives, the example of Toyota with its Prius was cited. *Constant Van Aerschot* described the self-imposed CO2 reduction targets that Lafarge has set itself in cooperation with WWF. He mentioned the need for a change in expectations and perception of what determines "value", and argued that manufacturers had a responsibility to advise consumers of their products on ways of reducing impacts from their use. Lafarge was doing this with regard to the climate impacts, and potential benefits of intelligent use of cement and concrete.

15. In discussion of climate and energy in the cluster working groups, the services group considered the role of advertising and agreed that it will not change consumer behaviour on its own. It must be supported by a full communication strategy, education, legislation, etc. Citing the example of the 30-year old Fair Trade movement, the group noted that changing behaviour takes time. CO2 regulation as such has to compete with a multitude of other environmental legislation. Members discussed examples of linking finance to environmental performance, including proactive services being introduced by some commercial banks today. There were different opinions on whether the consumer should be charged extra for sustainability. Recommendations from the group included a call for dissemination of examples of real value creation through tackling climate change. Other actions recommended were consumer campaigns (linked to policy initiatives), and

multi-stakeholder dialogue in tourism host communities. Some felt that the international donor community needs to tie standards and training to funding, whilst targeting SMEs. With respect to buildings, a call was made for identifying ways to help industry provide a 'service' for rent, so that landlords/owners have incentive to reduce resource consumption. Discussion also pointed to finding innovative ways to infuse new ideas to decision makers, for example considering how indigenous peoples traditionally dealt with resource use and waste.

16. The manufacturing group noted that much activity is already underway in terms of understanding and developing strategies to reduce energy use and GHG emissions. Examples sited came from the soap & detergents, aluminium, iron and steel, cement, chemicals, food and drinks, and fertilizer sectors. The group agreed on the importance of providing a forum with a broad array of sectors, to benchmark among them with respect to energy, GHG emissions and other topics of mutual interest. They found it useful to have a website of tools, practices, codes and experience on how associations/companies have reduced energy and GHG emissions. They showed interest in a listing of websites with similar or related programs (e.g. Sustainable Energy Europe).

17. Discussing financing and investment in resource efficiency and cleaner technology, the energy and transport group focussed on financing efforts in the developing world. It was felt that guidelines by the World Bank, International Finance Corporation and bilateral financing institutions are often inappropriate from a sustainable development point of view. In addition, regulation in favour of more sustainable products and services in environmental and social terms is at risk with liberalisation and current World Trade Organisation rules. Financing is needed for basic improvement and less for more advanced technologies which cannot be appropriated by local people or industry. The potential of financing through the Clean Development Mechanism was recognised. However, its capacity to finance infrastructure (indirect emitter) is limited. On sustainable urban development, members of the working group felt that the role of industry associations and infrastructure companies is limited compared to the role of local or national government. This area is very cross sectoral, and the effects of policies have to be appreciated in a systemic approach.

Session 3: Corporate responsibility in the value chain
Supply Chain Management and Capacity Building

18. The session on supply chain management and capacity building started with a roundtable involving Luis Neves of Deutsche Telecom and the Global e-SustainAbility Initiative (GeSI), Harry Spaas of Dow Chemicals (Europe), Lutz Preuss of the London University School of Management, Steve Hellem of the Global Environmental Management Initiative (GEMI), Jeanette Funke of InWent (Capacity Building International), and Leo Heileman of UNEP DTIE's SCP Branch (Business & Industry Unit). The aim of this session was to compare experiences, actions to promote capacity building via supply chain management, and suggest options for working in an initiative with UNEP. *Leo Heileman* explained that companies are changing how they manage their supply chains. Since the early 1990s, a worldwide restructuring process of industrial

production and distribution systems has taken place. As outsourcing, insourcing, off-shoring, subcontracting, global supply relations and the like expand; new approaches show a shift from rigid, arms-length, customer-supplier relationships to alliances with upstream and downstream trading partners. *Lutz Preuss*, who recently published "The Green Multiplier", cautioned that there is a disconnect within companies between functions, for example between people dealing with CSER and supply chain managers. Highlighting guidance tools developed under GEMI, Steve Hellem underlined the importance of finding value-drivers and developing case studies. For SMEs the challenge is taking those tools down to the field, maybe with the help of local chambers of commerce.

19. *Luis Neves* described the suppliers' self-assessment questionnaire that has been developed by ICT companies as online tool under the umbrella of GeSI. The resultant tool reflects the content of codes of the different participant companies. Improved application of ICT can help the large company see its overall supply chain, 1st 2nd 3d tiers etc, and help identify the hidden risks. The final online questionnaire will be released by the end of 2006. Complications experienced relate to national sensitivities (for example regarding core labour standards), security of data, competition, and legal aspects. Companies need to be more open and transparent, joining collective partnerships. *Harry Spaas* spoke of the value of capacity building to implement "Responsible Care". The benefits of supply chain management in the chemicals sector lies in more safety, less waste and integrated transport systems. He noted that his industry is very upstream in the value chain, which means that downstream product stewardship is more important for the sector. Preuss added that in the B2C sectors, the exposure of brand value makes it easier to push responsibility issues up the supply chain. He also gave the example of public funding in supporting regional development, for example voluntary sourcing from a particular (underdeveloped) region. *Jeannete Funke* described how InWent supports the development of public private partnerships to help new suppliers in developing regions enter global supply chains. Their training is targeting SMEs to be eligible for the supply chain. An evaluation of the programme for South East Asia showed that the impacts of "train the trainers" programmes could have been better if carried out in local language. In China, it is important to avoid the feeling of "pressure" from abroad. Better is to insist on aiming at "efficiency", seeking to make local companies more competitive. Training programmes should also be tailor-made, taking into account the local cultural context.

20. On the theme of supply chain management and capacity building, the services group mentioned that there are varying degrees of maturity on this topic and that there is much scope for and value in knowledge sharing. It includes a complex and diverse range of challenges, considering for example the sheer number of suppliers involved past the 1st tier, the multitude of standards available and how to streamline. One example discussed was that of the GeSI online questionnaire and focus on data collection related to application of standards. Fundamentally, procurement and CSR professionals need to start working together more closely. It was also asked how to get suppliers to 'own' the issues, getting them involved with a combination of carrots and sticks. Industry collaborations are helpful, but present challenges such as difference in corporate cultures/priorities and legal issues. Recommendations from the group included the

suggestion to develop or disseminate existing, concrete tools for the training of suppliers. The UNEP/UNIDO National Cleaner Production Centers can be used to bridge the gap between buyers in developed countries and suppliers in developing countries. It was also felt that UNEP could help to streamline proliferating standards, and define what is of key importance in terms of a basic set of principles and criteria. This could be done with business organisations and industry associations in individual sectors. Collaboration on this with standards organisations and the Global Compact and GRI would be highly recommended. UNEP was encouraged to build a platform to help improve the performance of SMEs in particular (best practices, train the trainer). It was also suggested that UNEP could act as dating agency to build collaborative partnerships in the supply chain field.

21. The manufacturing group considered experiences in Brazil and China, which revealed the strategy of identifying a vision and then enabling local SME and local governments to develop their own implementation practices in their own language (business and cultural). One example from the chemicals sector was the promotion in China of the vision "waste reduction always pays". In response to this vision, local SMES and state governments developed tailored plans to implement the vision. In Brazil the chemical industry is developing a "Gateway to Responsible Care". It was noted that whilst supply chain matters are pertinent in the manufacturing sector, concern for environment and social issues are relevant not only to manufacturing SMEs but also SMEs involved with distribution and transportation. Participants felt that market transformation may be another way to drive improvements along the supply chain. Examples discussed included that of Wal-Mart, Carrefour, IKEA, and the US Green Building Council and the Charter for Sustainable Cleaning promoted in the European soap and detergents industry (A.I.S.E.). Recommendations made included the need to create incentives for value chain improvement, to integrate environment and social supply chain management polices and practices into existing training on topics such as accounting and financial management, and to explore funding through the EU for the organization of training for SME capacity building. It was felt that access to SMEs and local state governments is critical to success. Valuable would be collaboration among ICC, UNEP and individual companies to explore who has better local access to serve as the catalyst to drive capacity building and improved performance in industry locally.

22. The extractive industries discussion group was chaired by *Andrea Athanas* of the IUCN - The World Conservation Union and *Alan Knight* of AccountAbility. The group started with agreement on the assumed, common goal, namely to build on contractual and compliance based supplier relationships and to build innovative and beneficial (SD and business) partnerships. Supply chain issues highlighted were requirements for local content coupled with lack of capacity; legitimacy and applicability of foreign standards to local circumstances; lack of capacity – governance, trainers, skills, infrastructure; cultural/values issues – e.g., emphasis on safety, use of dialogue/participatory approaches, language; linking with procurement practices in government offices; size, number and diversity of supplier/contractor companies – more difficult when there are many small companies; lack of transparency beyond the first tier of suppliers; difficulty in gaining commitment due to management, leadership, relationship issues; governance

instruments for supply chain requirements – e.g., Kimberly diamonds process; and the structure of relationships between large and small scale producers. It was also felt that innovation in the supply chain terrain requires looking at the full value chain, among others to apply a full life cycle approach.

23. From discussion on how UNEP can get others to act, the extractives group mentioned playing a convening role to advance the initiation, fostering and effective governance of supply chain instruments. Participants also suggested facilitating cross sector sharing of practical work and facilitating cross and UN interagency sharing. They were interested in seeing coherence between what the different arms of UNEP are doing. Other suggestions were leveraging existing networks and institutions to promote capacity building, tool development and dissemination through partnerships, acting as catalyser and broker, facilitating regional issue engagement (e.g., government procurement), acting as listening post, facilitating linkages / networking and fostering partnerships.

24. The energy and transport cluster group discussed awareness raising and training. On the former, mentioned was made of awareness in both big and small companies, raising awareness of standards, and supporting the development of harmonised standards for more sustainable products or services (e.g., renewables). UNEP can also play a role in diffusion of good practices where international standards are being met. On capacity building, participants stressed the value of training that is tailor-made, with local examples and developed with industry as a partner. Also raised was the question of follow-up, including how to deal with difficulties of implementation and accounting of results. Mention was made of the need to cover audiences on the demand side and supply side, as well as the need to deliver affordable training in developing countries.

Closing plenary:

25. In his closing remarks *Arab Hoballah* of UNEP summarised the meeting and three general recommendations that came out of the discussions. He suggested a new format of the annual meeting, starting regional hosting every 2nd year. From discussions he mentioned for example the need to share good practices translated in various languages and adapted to the local conditions in different regions. Speaking on behalf of the ICC, *Nick Campbell* agreed that there was a need for further evolving the industry consultative process and taking it to different regions. In addition, he mentioned the importance of sectoral approaches as well as multi-sectoral ones to make interconnections and facilitate learning across different industry sectors. UNEP and the participants thanked GdF for hosting the meeting at their headquarters. Closing remarks from *Jean François Cirelli*, CEO of GdF, delivered by Marc Darras, concluded from experience of the field of energy, that local resources and needs, specific environmental, social and economical conditions influence demand and supply. Such complexity and the global challenges we face require flexibility for solutions to develop. This implies that policies should concentrate on targets to be achieved and on the instruments associated with them, rather than on picking technologies.

Industry as a partner for sustainable development:
The 2006 UNEP overview[1],

Taken from "Class of 2006: Industry Report Cards on environment and social responsibility" (UNEP, 2006)

1. Background

1.1 In 2001-2002 UNEP convened a group of industry associations, business initiatives and organisations[2] representing 22 sectors and facilitated the development by them of reports on their contribution to sustainable development. The result was a set of 22 in-depth industry sector reports that represented an internationally coordinated assessment of industry's contribution to sustainable development. An accompanying summary report, entitled *10 Years after Rio: The UNEP assessment*, summarized industry's progress, unfinished business and future challenges in implementing Agenda 21. [3] It also outlined five general recommendations that could help improve industry's capacity to contribute to sustainable development. In so doing, the process contributed to the UN World Summit on Sustainable Development (WSSD) and provided recommendations to help promote sustainable business practices.

1.2 On the release of the report in 2002, UNEP's then Executive Director Klaus Toepfer underscored the importance of the exercise. *'Industry'*, he said, *'is a key partner for sustainable development. We rely on industry, not only for reducing the environmental impacts of the products and services it provides us with, we also increasingly depend upon industry for the innovative and entrepreneurial skills that are needed to h*elp *meet sustainability challenges.'*

1.3 Encouraged by the depth and breadth of the industry response to the 2002 reports, UNEP decided to propose a follow-up process. This was also driven by the recognition – highlighted in the 2002 assessment - that there was *'a widening gap between the efforts they [industry] have made and the worsening global environmental situation'*.

1.4 If industry was supportive of a follow-up process, the outcomes would be able to feed into the 14th and 15th sessions of the UN Commission on Sustainable Development (CSD), where discussions were to focus on the topic of "industrial development". The outputs of this sector progress review would enable both UNEP and the participating

[1] The compilation of this publication was initiated and coordinated by UNEP. The relevant business and industry groups drafted their respective contributions and assume full responsibility for the contents of each of the 30 sector Report Cards. The overview chapter was written by UNEP with the support of the International Institute for Sustainable Development (IISD) and its consultants Paul Hohnen and Tom Rotherham. UNEP assumes full responsibility for the accuracy of the overview chapter and the views expressed in it.
[2] For ease of reference, these diverse organisations are hereinafter referred to as 'industry groups'.
[3] http://www.unep.fr/outreach/wssd/contributions/sector_reports/reports.htm

industry groups to make a substantive contribution to the UNCSD on the state of industrial development today and its contribution to sustainable development.

2. The Report Card Process

2.1 In June 2005, UNEP formally invited a wide range of business and industry groups to Paris to participate in a consultative workshop to assess interest in, and the scope of, a follow-up to the WSSD sector reports process. Based on inputs provided at the workshop and responses received by email from its business, industry and related stakeholder network, UNEP decided to embark on a successor process, but with two key differences.

> Length: In recognition of the fact that the 2002 reports were lengthy, detailed and, in most cases, still relevant, UNEP requested industry to limit the reports to 3 pages in the form of "Report Cards". Although short, these 'mini' Report Cards would serve to enable industry sectors to take stock of their own progress and to share it with stakeholders in a concise format.
>
> Structure: To encourage consistency, it was proposed that all the Report Cards would follow a template with three sections addressing 'Work in Progress', 'Future Challenges', and 'Partnership Opportunities'. Building on the conclusions of the 2002 sector reports, these headings were intended to enable industry to focus on highlights and provide a forward-looking perspective.

2.2 Business and industry organisations – some associations and some initiatives - representing 29 industry sectors, as well as one labour organisation, accepted UNEP's invitation and prepared a total of 30 Report Cards. These included the majority of industries that reported in 2002, and 10 first-time reporters. Only two industry sectors that reported in 2002 decided not to participate (Aviation and Water Management). The industry groups that developed the Report Cards are listed in their respective Report Card and in Annex 1. The table below lists the sectors for which Report Cards were prepared, and an indication of whether the relevant industry group who participated has a global (G) or regional (R) membership.

2.3 It should be noted that the industry groups participating in this process do not necessarily represent the entirety of their sectors. Most of them have different degrees of company representation and geographical coverage.

2.4 Similar to the industry-led approach taken in 2002, each industry group had complete editorial control over its own Report Card. UNEP's role in the process was that of a facilitator. This included setting the overall framework for the process, convening a multi-stakeholder meeting to provide comments on early drafts of the Report Cards, posting draft and final Report Cards on its website, seeking online comments from stakeholders, and hosting a high-level report launch event at the CSD-14 meeting of May 2006 at UN Headquarters. To assist with this process, UNEP engaged the International Institute for Sustainable Development (IISD) to act as consultant to the initiative. IISD's

tasks included co-organization of the October 2005 (Paris) and May 2006 (CSD-14) meetings and the preparation, in cooperation with UNEP, of this overview report.

'Second Round' Reporting Sectors	'First Time' Reporting Sectors
1. Accounting (G)	1. Cement (R)
2. Advertising (R)	2. Coffee (G)
3. Aluminium (G)	3. Detergents (R)
4. Automotive (R)	4. Forests and Paper (G)
5. Chemicals (G)	5. Liquefied Petroleum Gas (G)
6. Coal (G)	6. Mining (G)
7. Construction (G)	7. Postal (G)
8. Consulting Engineering (G)	8. Public Transport (G)
9. Electricity (G)	9. Renewable Energy (G/R)
10. Fertilizer (G)	
11. Finance & Insurance (G)	10. Organised Labour (multisector, G)
12. Food & Drink (R)	
13. Information and Communications Technology (G/R)	
14. Iron and Steel (G)	
15. Oil & Gas (G)	
16. Railways (G)	
17. Refrigeration (G)	
18. Road Transport (G)	
19. Tourism (G)	
20. Waste Management (G)	

2.5 The sections below provide a summary overview of the Report Cards, together with suggestions for issues that could be addressed, and follow-up action that could be taken, in preparation for CSD-15 and beyond. The suggestions are inspired by UNEP's earlier work on the role of business and industry associations as catalysts for change and focal points for stakeholder engagement in advance of sustainable development.[4]

2.6 In this overview report, the information in the Report Cards has been reviewed and summarized both in relation to the three main sections in the Report Cards (Work in Progress; Future Challenges; and Partnership Opportunities), as well as against the five general recommendations made by UNEP in its overall assessment report of 2002. The five recommendations focused on:

[4] See http://www.unep.fr/outreach/bi/practices.htm ("Catalysing Change: How industry associations can promote sustainable development", UNEP 2003) and http://www.unep.fr/outreach/home.htm ("Practitioners' Perspectives on Stakeholder Engagement", Volume 1 by UNEP, Stakeholder Research Associates, AccountAbility 2005).

- mainstreaming decision-making
- improving voluntary initiatives
- reporting
- integrating social, environmental and economic issues, and
- recognising global responsibilities and opportunities.

2.7 When assessing the contents of this overview report and the 30 Report Cards that follow, readers are reminded that the Report Card authors were subject to a strict three-page length limit. Because of this limitation, the Report Cards could only ever capture the general direction and key highlights of initiatives and activities being undertaken. They neither reflect the full range of activities being undertaken by all companies within a sector, nor do they necessarily reflect the full scope of activities being undertaken by the sector association or industry group that coordinated the development of the Report Card.

2.8 The information provided in the Report Cards does, however, give a good general overview of the scope and types of the collective initiatives that have been undertaken by industry sectors since the WSSD and that are planned for the future. They also suggest the degree to which the industry groups have made progress on the commitments they made in 2002. For a more accurate picture of the range of initiatives being undertaken by industry groups and the pace of progress since 2002, readers are encouraged to read these updated Report Cards in conjunction with the 2002 sector reports, which are available at: http://www.uneptie.org/outreach/wssd/contributions/sector_reports/reports.htm

3. Main Findings

3.1 At the conclusion of its 2002 Assessment Report, UNEP made five recommendations for future action. These were aimed at improving industries contribution to sustainable development. The analysis contained in this summary report is structured according to these five recommendations. In each of the 30 individual sector Report Cards, the information is organized into three sections addressing:

- Work in Progress
- Future Challenges, and
- Partnership Opportunities

3.3 This summary report also seeks to provide an overall picture of the trends in each of these three areas. The trends in Work in Progress and Future Challenges are considered under each of the five recommendations. The trends in Partnership Opportunities are considered separately in the concluding section of this overview chapter.

A. Recommendation 1: Mainstream decision-making

What UNEP recommended in 2002: *Integrate environmental and sustainability criteria into mainstream business decision-making at all levels in the company, building local capacity worldwide to spread best practice from the leaders to the rest of industry, worldwide.*

i. Work In Progress

3.4 There are two types of information in the Report Cards that provide insights on mainstreaming: activities to spread sustainability throughout the sector; and business opportunities arising from sustainable development.

3.5 From the perspective of mainstreaming environmental and sustainability criteria through sector-level collaboration, all of the Report Cards describe activities and initiatives aimed at integrating sustainable development in decision-making throughout the sector. This is being done in a variety of ways, including:

- **awareness raising** with employees, consumers, suppliers and regulators
- sharing **best practice,** including best available technology
- **training programmes**, including in developing countries
- sharing **achievements and dilemmas,** including through award schemes and stakeholder events
- identification of **key risks and/or opportunities** to be addressed
- development of **marketing strategies** built on sustainability issues
- reviewing **supply chain** practices and policies
- **researching and promoting** new technologies or operating practices
- development of sector-wide **policy** statements, charters, guidelines or codes
- establishing **sustainability or corporate responsibility committees** to coordinate activities or provide expert advice
- development of sector-specific **targets or performance indicators** and instruments
- developing or using **sustainability reporting** concepts and systems

3.6 In some cases, the mainstreaming initiatives are also targeted both upstream at the supply- or value-chain, and downstream at buyers. While some of the sectors' initiatives address consumers directly (e.g. the Coffee, Detergents and Food & Drink sectors), the focus is more often on private or public procurement. Also, especially in the case of professional services sectors, there is often a focus on helping clients to mainstream sustainable development (e.g. the Finance, Consulting Engineering, and Advertising sectors).

3.7 Second, the Report Cards also provide insights into how the business case for sustainable development is perceived at the sector level. From this, it is possible to infer

some general conclusions about the degree to which sustainability is being mainstreamed at the company-level.

3.8 Rather than focus exclusively on the risks to their sectors, a majority of the sectors have identified and are pursuing opportunities arising from the challenge of sustainable development. This includes sectors such as Iron & Steel, which sees a potential new market for steel in more sustainable house construction; Cement, which anticipates a growth in demand from the shift to more energy efficient buildings; and Aluminium, which sees market opportunities from the trend of material substitution to reduce the weight of a range of products. Other sectors, including Tourism, Coffee and Finance, have identified trends in consumer preferences that are giving rise to fast-growing niche markets, some of which may also become mainstream.

3.9 Still other sectors draw a more far-reaching conclusion, that the transition to a more sustainable market system or greater awareness of sustainability issues could have an absolute upside, growing the market, expanding the industry and improving profitability (e.g., LPG, Renewables, Public Transport, Railways and Accounting).

ii. Future Challenges

3.10 A number of industry groups refer to the need to continue to develop and expand the reach of their mainstreaming initiatives. While most of these references are general in nature, some specifically address the need to spread best-practice in developing countries. This includes the Forest & Paper, Chemicals, Waste Management, Accounting, Postal and Consulting Engineering sectors. That said, few of the industry groups that submitted reports mention the existence of strong networks in developing countries. The development of these networks could be an important area of future work.

3.11. A number of industry groups have initiated activities related to the corporate responsibility (CR) agenda, which is a framework that focuses on the better integration of economic, environmental and social issues in decision-making. There is, however, a risk that CR initiatives do not adequately reflect the broader public policy agenda.

3.12 While the sustainable lifestyle agenda, for example, is very relevant to integration, the Report Cards make little mention of it, or of supporting tools such as life cycle assessment (LCA), de-materialization or an integrated approach to sustainable consumption and production. An interesting exception here was the reference by the Railways sector to its development of new LCA-based indicators for the purchasing of new trains. More specifically, no mention is made of the ten year framework of programmes on sustainable consumption and production (Marrakech Process), a major governmental initiative coordinated by UNEP and the UN Department of Economic and Social Affairs (DESA).[5]

[5] www.unep.fr/sustain

B. Recommendation 2: Improve Voluntary Initiatives

What UNEP recommended in 2002: *Make voluntary initiatives more effective and credible as a complement to government measures, and assess improvements in environmental and social performance through reporting.*

i. Work In Progress

3.13 Since making this recommendation, there has been a remarkable flourishing in the number and scope of voluntary instruments that have been developed to address sustainable development. In particular, voluntary instruments have increasingly been seen as a complement or alternative to regulation.

3.14 Almost all industry groups referred to voluntary initiatives that they had initiated or helped to develop. This includes international or cross-sectoral initiatives such as the UN Global Compact, the UNEP/SETAC Life Cycle Initiative, UNEP's APELL programme, the Equator Principles, the Extractive Industries Transparency Initiative (EITI), the Global Reporting Initiative (GRI) and the ISO 14000 series of environmental management standards.

3.15 Many industries also reported the development of sector-specific voluntary standards. Some of these have been developed in consultation with regulatory authorities (e.g., the Automotive Sector's fuel efficiency standards in Europe), while others were unilaterally developed (e.g., the Tourism sectors' guidelines on prevention of exploitation of children, and the Chemical sector's 'Responsible Care' initiative). However, with the exception of the Forest and Paper sector, very few referred directly to the need for, value of, or challenges from certification and labelling initiatives.

3.16 The Report Cards provided less information on the potential or actual impacts of these voluntary initiatives. This may be an example of how the length of the Report Cards prevents presentation of a full picture of 'work in progress', in particular because the Report Cards do not provide aggregated information on company-level activities. It may also be a result of the newness of many initiatives. It takes time to get an initiative off the ground, see results and collect data. Many of the initiatives launched since Johannesburg may not yet have reached that level of maturity.

3.17 It is well known, for example, that many companies in the various reporting sectors have signed initiatives such as the UN Global Compact [6], use the OECD Guidelines for Multinational Enterprises [7], EMAS or some other new environmental and social responsibility instruments. As mentioned above, many of the industry group's members are also using the ISO 14001 environmental management system standard at plant or company level.[8]

[6] www.globalcompact.org and see Table XX on page Y
[7] http://www.oecd.org/dataoecd/12/21/1903291.pdf
[8] www.iso.org; http://www.tc207.org/

3.18 At the time of writing, a total of 15 global business organisations (which include company members across a number of sectors), were formally participating in the UN Global Compact, together with a further 140 local business organisations.[9] One industry association – the Postal Sector – has signed the Global Compact, thereby committing itself and its members to advancing its 10 principles.

3.19 Although there were some references made to the ISO 14001 environmental management system (EMS) standard and the ISO 14063 standard on environmental communications, there were no references to much of ISO's other work. A number of sectors, including Cement and Forest and Paper, reported participating in the development of the World Business Council for Sustainable Development/ World Resources Institute (WBCSD-WRI) greenhouse gas monitoring and reporting protocols. Other sectors (e.g. Oil and Gas) have also developed their specific protocols for GHG emissions reporting, building on their own effort as well as the WBCSD-WRI work. None referred to the development of similar standards in ISO (i.e. ISO 14064, 14065) and none mentioned the ongoing development of the ISO 26000 guidance standard on Social Responsibility.

ii. Future Challenges

3.20 Clearly voluntary instruments are more widely used now then they were in 2002. As the Chemicals Sector reports:

> *'Fifteen years ago just a handful of countries had launched Responsible Care programmes, but by 2002 it had been adopted in 47 countries around the world. In 2004, we welcomed five new member countries – Bulgaria, Estonia, Latvia, Lithuania and Slovenia. Moreover, the outreach to new observer members such as China and other Asian countries will help to further establish Responsible Care in this important region."*

3.21 A number of sectors, including Aluminium, Forestry, Chemicals, Consulting Engineering, Mining, and Waste Management underline the need to continue to spread the use of voluntary initiatives, in particular in developing countries.

3.22 However, among the future challenges for voluntary initiatives not addressed by the Report Cards was the need to understand better and promote:

- their legitimacy, especially as regards stakeholder involvement and their capacity to engage SMEs and companies from developing countries;
- their inter-operability and consistency; and
- demonstrable proof of their effectiveness at delivering improved performance (compared to "business as usual"), in particular in complementing or as opposed to regulatory responses. [10]

[9] http://www.unglobalcompact.org/ParticipantsAndStakeholders/business_associations.html
[10] For example, see: "The Trade and Environmental Effects of Ecolabels: Assessment and Response"; UNEP, 2005. http://www.unep.ch/etb/publications/Ecolabelpap141005f.pdf

C. Recommendation 3: Reporting

What UNEP said in 2002: *Help ensure transparency, assess performance improvements and spread environmental and sustainability practices beyond the pioneering companies to the silent majority.*

i. Work In Progress

3.23 The 2006 Report Cards show a clear rise in interest in sustainability reporting. Initiatives to promote reporting are now common across almost all sectors and are often a key reason why companies begin to take a comprehensive approach to managing sustainability. It forms part of an ongoing debate on how to better measure, track, communicate and benchmark progress. The Report Cards also show early signs of business and industry organisations getting collective reporting programmes in place and reporting collective performance against key indicators such as greenhouse gas (GHG) emissions. One of the pioneers in this has been the European Telecommunication Network Operators Association (ETNO), a member of the Global e-Sustainability Initiative (GeSI).[11]

3.24 As with other types of voluntary initiatives, while different sectors take different approaches, there seems to be a common evolutionary path. At one end, some sectors have developed comprehensive sector-specific guides for reporting. These also often include guidance on implementation and assurance processes. Others sectors have more general guidance, often in the form of selected indicators to facilitate reporting on key issues (e.g., Lost Time Injury, GHG emissions, energy efficiency).

3.25 While some sectors take their own approach to reporting, such as the Oil & Gas, and Detergents sectors, the GRI is emerging as the recognized international best-practice. While fewer than 200 companies used the GRI Sustainability Reporting Guidelines in 2002, close to 1000 organisations – including companies of all sizes, public agencies, and civil society organizations – today explicitly reference the GRI in their reports. In an important new development, a significant number of sectors have also developed a formal GRI sector supplement. This includes the Tourism, Mining, ICT, Finance and Automotive sectors.

3.26 The growing importance of sustainability reporting is underscored by the fact that an increasing number of bodies within the Accounting sector are in the process of developing standards or guidance documents on sustainability reporting and assurance., Business organisations and companies alike are being confronted with new approaches to assurance, including formal and systematic stakeholder engagement such as that promoted by the voluntary AA1000 standard.[12]

[11] http://www.etno.be; for more information see the Information and Communications Technology Report Card.
[12] http://www.accountability.org.uk/aa1000/default.asp

ii. Future Challenges

3.27 While the Accounting Sector Report Card documented a variety of initiatives to raise the quality, level and verification of sustainability reporting, and other sectors referred generally to the need to improve reporting quality and quantity, very few reports addressed this in detail. There appear to be three main issues.

3.28 The first is whether the practice of reporting can become more commonplace. While a large number of organisations now report, the fact remains that the majority of companies still do not communicate and report publicly their economic, social and environmental performance. This is illustrated by the fact that some of the Report Cards did not mention reporting among their activities and achievements.[13]

3.29 A second issue is the need to ensure that the indicators developed are relevant, meaningful, and of material significance to the business case for sustainable development. While being particularly enthusiastic about the importance of sustainability reporting, the ICT report, prepared by the GeSI initiative, cautioned on the difficulties to be overcome:

> *'Sustainability reporting should become normal practice: the number of companies that do so is increasing, also due to increased pressure/demand by stakeholders and financial rating becoming more and more popular. Reporting should provide a real picture of the business and be therefore focused on specific ICT related issues. Identifying and agreeing on indicators in the sector and with stakeholders is not so straightforward. Developing indicators that show the sustainability impacts of ICT across society as a whole are extremely challenging to develop.'*

3.30 While there is growing evidence that reporting can lead to companies taking a more consistent and comprehensive approach to managing sustainability issues, more work is needed to better understand how reporting can lead to improvements in performance. This will relate also to issues such as what information is required, by whom, and for what reasons.

3.31 A third issue relates to the credibility of reports, and in particular the assurance of the data reported. In this regard, the recent work described by the Accounting Sector to develop guides on sustainability reporting and assurance may result in more and better reporting over time, as may the 'Third Generation' or 'G3' version of the GRI Guidelines, which is scheduled for release in October 2006.

[13] The type and amount of information collected by a sector association does not imply, however, that some, or even many, individual companies are not doing sustainability reporting.

D. Recommendation 4: Integration of social, environmental and economic issues

What UNEP said in 2002: *Move from the current approach of dealing separately with environmental, social and economic aspects of sustainable development, to an integrated approach to global challenges.*

i. Work in progress

3.32 As most of the Report Cards pay significantly more attention to environmental issues than they do to either social or economic ones, it is tempting to conclude that industry groups still have some way to go in adopting an integrated 'triple bottom line' approach.

3.33 However, care needs to be exercised in interpreting the Report cards. While UNEP explicitly did encourage industry groups to address all three pillars of sustainable development, some associations have an environmental mandate. In addition, when deciding what information to exclude from the three-page Report Cards, some industry groups may well have focused on environmental given that the process is being facilitated by UNEP.

3.34 Apart from baseline data on worldwide employment figures or net revenues, the **economic aspects** of sustainability performance tend not to be highly profiled in the Report Cards. Notable exceptions are the Mining sector's research into the causes of the "resource curse", the Postal sector's assessment of the economic contribution of post office networks, and the LPG and Mainstream Electricity sectors' strong focus on poverty reduction and the UN Millennium Development Goals (MDGs).

3.35 In terms of **social aspects**, many report Cards – in particular from the extractive industries - highlight initiatives aimed at improving worker health and safety. This is evident in reports such as that of the Aluminium Sector (where targets have been set for reducing time lost and employee exposure), and the Mining Sector (where a shared database has been created to benchmark peer site performance). The Labour Report Card provides worrying statistics on environment, health and safety, reminding us of the ongoing seriousness of the matter. Furthermore, few reports – such as the Mining sector's reference to a Community Development Toolkit - address social issues beyond the factory wall.

3.36 The one issue that gets most common and focused attention across all of the Report Cards is climate change. Climate change is addressed in two ways:

3.37 First, the vast majority of the sectors are focused on efforts to increase energy efficiency or to reduce greenhouse gas (GHG) emissions. Some sectors, such as Aluminium and Cement, have set specific energy efficiency or voluntary emission reduction targets. Others, such as Forest and Paper, have reduced emissions by increasing the use of renewable sources of energy and/or higher efficiency Combined Heat and Power equipment. Other sectors focus on CO_2 capture and sequestration. Importantly, a

number of sectors recognise the role that regulatory instruments, such as the EU Emissions Trading Scheme, play in promoting emissions reductions.

3.38 Second, some sectors have found a potential competitive advantage in being naturally lower-carbon emitters. These include the Renewable Energy sector, the Rail Transport sector and the Liquid Petroleum Gas (LPG) sector, which see their sectors as playing an important role in decarbonising energy and transport systems.

3.39 While most sectors report on policies or programmes to promote emissions reductions, monitor their GHG emissions policies and indicate success to date, in many cases, but not all, specific GHG reduction targets or actual emission data is not reported.

3.40 While other **environmental issues** are mentioned, they received considerably less consistent attention. These include:

a) **specific issues**, such as chemical safety (referenced by the Chemicals and Detergents Sectors), land use (cited by the Aluminium, Food and Drink, Forest and Paper, and Rail Sectors), water use (noted by the Aluminium and Detergents Sectors), as well as biodiversity management (listed by the Coffee and Mining Sectors).

b) **thematic issues**, such as reduction of materials use (a dilemma raised by the Construction Sector), reduction of packaging and waste (highlighted by the Food and Drink Sector), and recycling (referenced by the Aluminium, Automobile, and Forest and Paper Sectors).

c) **management tools**, such as the role of life cycle analysis (Construction, Detergents, Mining, and Aluminium Sectors), risk assessment (including the Chemicals, Detergents, and Mining Sectors), labelling and certification (Forest and Paper Sector).

3.41 While most of the Report Cards do not address company-level information, they do provide some information on company use of management standards. Some sectors, such as Consulting Engineering, have developed their own management standards to help companies integrate environmental, social and economic issues into decision-making. Others, such as the Finance sector, have developed tools that encourage companies seeking financing to take an integrated approach. More generally, a number of sectors refer to the use of the ISO 14001 environmental management system (EMS) standard.

3.42 Standards such as the ISO 9000 on quality management systems, ISO 14001 on Environmental Management Systems and OHS 18000 on Occupational Health & Safety, have signalled the formalization of issues-based management into organisational behaviour. There are presently 90,000 certifications worldwide to ISO 14001, implying a significant number of companies that have integrated environmental issues into their decision-making structures. Ongoing development of the ISO 26000 guidance standard

on Social Responsibility may provide a tool to help more companies take an integrated approach to economic, social and environmental issues.

3.43 As discussed in Section C (Reporting) above, however, the trend towards the production of integrated sustainability reports is perhaps the best proxy indicator available for the integration at the company level of environmental, social and economic issues. As mentioned above, however, this trend is not apparent from the information provided in most of the Report Cards.

ii. Future Challenges

3.44 Mirroring the priorities outlined in 'Work in Progress', industry groups see climate change as a common long-term issue. It is both one of the most important drivers for new opportunities (e.g. the Renewables Sector), and one of the biggest challenges that many sectors now face (e.g. Automotive, Coal, Oil and Gas, and Road Transport). Because of the increasingly strong link between energy use, emissions and energy costs, companies are taking a more holistic approach to managing the environmental and economic impacts of their energy-use decisions.

3.45 As mentioned in Section A (Mainstreaming), this could be helped by a broader use of management tools, such as design for the environment and life-cycle assessment. The Finance Sector could also have a stronger role to play, including by continuing the work it has done on assessing the economic costs and business risks posed by climate change, by integrating this into valuation models and financing requirements, and by providing financing for renewable energy technologies. Recent legal opinion with respect to the fiduciary duties of certain categories of fund managers to take into account environmental, social and governance issues could also have a significant impact in the mainstreaming process.

3.46 Given the consistency of data that shows that current rates of material use cannot be sustained, it was surprising that so few of the Report Cards confronted the issue of resource limits. Little attention was given to the actual or theoretical limits of either non-renewable or renewable resources, where current levels of use exceed exploration and/or replenishment. A notable exception is the Forest and Paper sector, which underlined the importance of plantations, recycling and combating illegal logging.

E. Recommendation 5: Global responsibilities and opportunities

What UNEP said in 2002: *Help build the global framework of rules, established practices and institutions needed to protect the global commons and to develop the new responsibilities that lead to new global opportunities.*

i. Work in progress

3.47 As noted above, the period following the WSSD in 2002 witnessed a continuing expansion in the range of environmental and social responsibility initiatives taken by the

business sector and others aimed at developing principles, norms or standards or promote partnerships to advance sustainable development.

3.48 The emergence and growth in number of voluntary standards, many of which set strict rules that go beyond existing legal requirements, has blurred the line between formal and informal global rule-making in a number of ways. First, many of the voluntary standards are designed to complement or act as implementation tools for policy objectives outlined in inter-governmental agreements or commitments. Second, many voluntary standards are developed with the active participation and, in some cases, financial support of governments. Third, the use of voluntary standards in supply-chains can result in them being – while not mandatory – commercial imperatives. Finally, voluntary standards can be easily integrated into government policies and therefore can evolve into more formal rule-based instruments.

3.49 For the purposes of this report, and noting that Section C addressed voluntary initiatives, this section addresses only those global frameworks of rules, practices and institutions that are housed in governmental organizations and that lead directly to new government policy. In addition, the term "global responsibilities and opportunities" directly raises the need for improved engagement of business and industry from developing countries.

3.50 References are made to participation in for example the UN Framework Convention on Climate Change (UNFCCC), the Intergovernmental Panel on Climate Change (IPCC), or other energy-related discussions at the IEA or OPEC are the most frequently made, including by the Aluminium, Railways, Road Transport and Fertilizer sectors. Other international initiatives that are mentioned include UNCTAD (e.g., the Accounting and Mining sectors), SAICM (e.g., the Chemicals and Mining sectors: see more below) and the MDGs (e.g. the Advertising, Finance and Consulting Engineering sectors). No mention was made of some of the main multilateral environmental agreements or cooperation with relevant UN agencies in the fields of labour, human rights and health. The exception is the Labour Report Card, which makes in important contribution in calling for joint action involving UNEP, the ILO and WHO. Considering the global representation of the unions involved, this could present a real opportunity in meeting global responsibilities and opportunities.

3.51 The most recent example of industry groups' contribution to global rule-making is the Strategic Approach to International Chemicals Management (SAICM) initiative. UNEP initiated SAICM on the basis of a mandate from the WSSD. It is an innovative example of how governments can involve business and other stakeholders in the development of an international policy framework that complements existing international chemicals conventions. Discussions commenced in 2003 and culminated in an international conference held in Dubai in February 2006. SAICM provides a policy framework for international activities aimed at achieving by 2020the WSSD goal related to safe chemicals production and use.

ii. Future Challenges

3.52 One of the key challenges facing international rule-making, institutions and policy-development is the relative lack of information on the effectiveness of voluntary initiatives in complementing formal governmental policy and rule-making. This issue is linked with emerging discussions on the potential impact and scope of corporate responsibility initiatives, which must ultimately be supported by a clear business case. For example, can illegal logging be addressed through voluntary instruments, and is the business case for avoiding illegal logging strongly enough supported by market forces in the absence of complementary public policy?

3.53 The growth in transnational voluntary initiatives also raises the question of their linkage with formal intergovernmental frameworks. Part of the challenge is to understand how companies can support the implementation and consistent application of basic principles and norms in all parts of the world. For example, the debate on business and human rights norms has been very topical in the last four years, highlighted by the appointment in 2005 by the UN Secretary-General of a Special Representative on the issue of human rights and transnational corporations and other business enterprises. [14]

3.54 Another challenge in meeting global responsibilities is the relatively weak representation in international industry groups of companies from developing countries. While there are a number of legacy and logistical explanations for this, the OECD-focus of many international industry groups limits the degree to which they can represent and shape the opinions of companies in the developing world. For equally understandable reasons, but with a similar effect on the scope of international industry groups' impact, their membership often consists of limited numbers of SMEs.

3.55 Overall, however, it is noteworthy that very few sectors call for government intervention in the form of policies or regulations. Where sectors do call for government action it generally falls under one of the following categories:

a) provide financing, including subsidies (e.g., the LPG sector);
b) eliminate subsidies or promote cost internalization in order to level the playing field with competitors (e.g., the Railways sector); or
c) create market demand through public procurement or other policies (e.g., the Renewables sector).

3.56 There were very few calls for new regulations, although several sectors referred to existing regulations in a positive light (including REACH, the EU Energy Efficiency of Buildings Directive, and the Montreal Protocol). Also, while there is a general recognition of governments' role in shaping or creating the business case, there is surprisingly little comprehensive assessment or recommendations on specific areas where government intervention is, or is not, needed to compensate for cost internalization in sectors where global competitors may not be facing similar pressures.

[14] The Interim Report of the Special Representative, Prof. John Ruggie, was released on 22 February 2006, E/CN.4/2006/97

4. Advancing progress: Issues to address and follow-up actions

4.1 The 30 industry sector Report Cards that follow provide an outline of an impressive range of initiatives and activities through which industry is addressing the challenge of sustainable development in general, and the challenges of sustainable consumption and production in particular. However, the Report Cards also serve as a sober reminder that a number of gaps remain between the magnitude of the challenge and the impact of the response to date.

4.2 As mentioned in the Consulting Engineering Report Card: *'Most of the structures, processes, systems, and technologies needed to achieve sustainability have not yet been invented.'* The Report goes on to note that:

> *'without unprecedented multinational agreements and huge investments, it is likely that progress toward sustainability will advance incrementally, dependent upon the practitioners' ability to invent, test, and apply new, more sustainable designs and technologies on individual projects, and upon project owners' aspirations, objectives, and resources."*

4.6 Before presenting some more general conclusions on the information provided in the Report Cards, it is instructive to consider the types of information that were quite often *not* provided. While it is clear that it is difficult to include a comprehensive list of information on a subject as complex as sustainable development in a single three page sector Report Card, there have nonetheless been some notable gaps in the information provided. These include**:**

4.7 **Measurable performance targets:** Only just over half of the Report Cards provide any empirical information on performance. Some only provide a weblink for performance data. Part of the complication here is the ongoing challenge of collecting and aggregating data at an international level when different units and definitions are used at the national level. But in general, there is a broad absence of specific, quantifiable performance targets in the sector Report Cards. Notable exceptions, however, are the Aluminium sector (which has a framework for obtaining information on and reporting against 12 indicators), the Refrigeration sector (which has stated that energy efficiency can be improved by 30-50% by 2020), the Forest and Paper sector (for example the paper industry in the USA seeking a recovery rate of 55% of consumed paper by 2012) and the Cement sector (national level CO2 reduction targets in the USA and Europe).

4.8 On the whole, the targets that have been set at the sector level are general in nature and most often refer to initiatives (e.g. reporting, research, development of best practice guides or technology transfer) or, in some cases, a single specific issue (e.g., climate change). That said, in other cases the focus is on setting appropriate company-level targets, which can then be reported in aggregate at the sector level. In these cases the sector is often not setting targets itself, just prioritizing issues.

4.9 **Business as Usual**: No sector suggested that achieving more sustainable development requires a reduction in supply of their products or services. While there were some calls for more consistent and integrated assessment of the life-cycle impacts to assess preferability between substitutes in different circumstances, this was not a common theme. Integrated and life cycle approaches would also imply taking stock across different sectors. This implies for example that analysis of the impact of aluminium production need to consider how a government subsidy for aluminium also translates into an indirect subsidy of other sectors such as airlines and automotive manufacturing. The question then becomes whether moving beyond business as usual and diversification into new products and service areas require cross-sectoral, public forums for deliberation and/or regulation to bring about systemic change.

4.10 Related to this issue is the fact that very few sectors made reference to the "rebound effect" – that is, the danger that economic growth – particularly but not exclusively in developing countries - twinned with the reduction in prices for many products and services, would outpace the gradual shift towards more sustainable practices. More specifically, only three Report Cards referred to economic growth and increased demand in China, and only one Report Card mentioned India.

4.11 **Partnerships**: although almost all of the Report Cards mentioned specific examples of existing partnerships, very few contained explicit invitations to enter into new partnerships. For the most part, this was the least informative of the three key Report Card sections, and suggests that the partnership approach might not be as amenable to sector-wide initiatives as it is to company-specific activities. It may also be that sectoral organisations prefer to present partnership invitations in more confidential or bilateral discussions.

4.12 A number of industry groups highlighted partnerships that seek to further promote mainstreaming. This includes initiatives to provide awareness raising and training (e.g., the Mining and Accounting sectors); to develop, refine or promote sector-specific management tools (e.g., the Consulting Engineering, Chemicals and Waste Management sectors); and the establishment of enabling frameworks (e.g., the Fertilizer sector's Year for Africa).

4.13 Many of the Report Cards recognise the value of partnership-based approaches to the development and use of voluntary instruments, and related thinking about sustainability challenges. While one sector invites partnerships to help develop a code of conduct, most of the other partnerships invitations are focused at adapting voluntary initiatives to make them more suitable to developing countries, or more generally to expand their implementation. Notably, none of the Report Cards addresses SMEs directly in this context.

4.15 **Developing Countries**: While some Report Cards – such as that of the Aluminium sector – cover data from all regions, many include information derived almost exclusively from OECD-based companies or initiatives. Despite the fact that over two thirds of them appear to have global mandates, information on business and industry

activity in developing countries is often limited. This is likely a function of the composition and historical membership in sector associations, which tend to include large, OECD-based multinationals. However, the need to increase developing country engagement was highlighted in the 2002 process and there appears to have been little success in addressing this.

4.16 For the most part, sector Report Cards that do address developing countries do so in the context of either initiatives to share best practice or best-available technology, or examples of OECD-based multinationals with operations in developing countries.

4.17 **Small and Medium Sized Enterprises (SMEs):** Other than indirectly in the context of supply- or value-chains, no sector report specifically addressed the issue of how to encourage SMEs to address sustainable development. Considering that the vast majority of enterprises are SMEs, which also provide the greatest number of jobs, this is something that needs to be addressed. This is particularly important considering the urgency of bringing across the business case to SME owners and managers. In a 2004 survey by UNIDO of SMEs participating in the UN Global Compact, only 29 per cent connected joining the initiative with their business and 38 per cent saw their membership as an expression of humanitarian concern.[15]

4.18 At the same time it should be noted that many of the industrial processes at stake in the Report Cards require economies of scale that are not conducive to extensive SME activity in the relevant sectors. Considering this, the Report Cards initiative with its focus on international industry groups is not the ideal mechanism for covering SMEs.

4.19 **Consumer Awareness:** Other than the Advertising industry (which made a plea for government funding for sustainable consumption awareness campaigns) and the Detergents sector (whose Washright campaign was aimed at promoting the sustainable consumption of laundry detergents), no sector report addressed consumer awareness issues directly. These issues can also be addressed through self-regulatory initiatives by industry groups. An example is the guidelines on advertising and sustainable development published in 2003 by the French *Bureau de Vérification de la Publicité* in response to activities of the UNEP Advertising and Communication Forum.

Moreover, the reported updates lack information on activities to enable and encourage consumers to make informed choices, for example through the use of product declarations, labels and providing options, for example, to buy 'green' electricity. Having said this, it has to be noted that a number of the industry groups represented operate in the business-to-business (B2B) marketplace, and therefore do not necessarily deal directly with the end-consumer.

4.20 **MDGs and Poverty Reduction:** While a number of sector reports referred generally to the MDGs, only a few recognized them explicitly as a framework for prioritizing activities or investments. Much more attention is given to the WSSD process

[15] UNIDO / UN Global Compact. *Survey of Small and Medium Sized Enterprises in the Global Compact*. Vienna / New York (2004).

and its predecessor, Agenda 21. One of the consequences of this, perhaps, is that very few sectors addressed poverty reduction, except indirectly through information on trends in employment.

4.21 Having noted several gaps in the information, and taking the Report Cards and global trends as a whole, ***the following broad conclusions can be drawn:***

Rate of Progress Not Fast Enough

4.22 Although the Report Cards do not provide the data needed to draw firm conclusions on the overall improvement in resource use and internalisation of externalities, it seems evident that progress towards sustainable development is still not moving fast enough. When reviewing the Report Cards against global ecosystem and social trends, it is hard to avoid repeating the conclusion reached by UNEP in the 2002 process that there continues to be *'a growing gap between the efforts of business and industry to reduce their impact on the environment and the worsening state of the planet'*.

4.23 As noted in the UNEP Global Environmental Outlook (GEO) 2006:

> *"Approximately 60 per cent of the ecosystem services examined in the MA (Millennium Ecosystem Assessment) were found to be degraded or used unsustainably. In particular, at least 25 percent of commercially important fish stocks are over-harvested, and up to 25 per cent of global fresh water use exceeds long-term accessible supplies (MA 2005a)."*[16]

4.24 To take a specific example: while there is no question that there has been a large increase in the number and scope of industry initiatives to address climate change, including initiatives to improve awareness, measure emissions, and introduce cleaner technologies, the World Meteorological Organization (WMO) recently announced that global concentrations of greenhouse gases in the atmosphere had reached their 'highest ever-recorded levels' in 2004, and showed 'no signs of levelling off'.[17] To speed up progress in addressing issues of this scope and urgency will require collective effort by all, including voluntary action by business and other stakeholder organisations within enabling regulatory frameworks.

Doing business differently: the life-cycle economy

4.25 As we examine the state of "Industrial Development" at CSD14 and CSD15, the question is whether the updates from a wide range of industries show early signs of bringing about the fundamental changes required in the way we conduct business. Technological developments and global changes over the last fifteen years have brought about significant transformations in the composition of some industry sectors. Amidst both diversification and convergence between some sub-sectors, we have seen examples of oil & gas companies seeking to transform themselves into energy companies and

[16] http://www.unep.org/geo/yearbook/yb2006/011.asp
[17] See WMO Press Release No.744 of 14 March 2006.

telecoms companies turning themselves into communications companies. What we do see in the Report Cards are examples of traditional industries targeting new business opportunities in, among others, recycling and improved resource efficiency. We also see the emergence of new and ambitious sub-sectors in environmental goods and services.

4.26 The Report Cards are a powerful reminder of the huge potential of industry to contribute to a new model of Industrial Development. Industry has a central role to play, whether in terms of helping build consumer awareness of the issue, generating the necessary finance and investment, developing the necessary environmentally sound and socially acceptable technologies, products and services, or providing jobs, mobility, innovation and economic growth. However, it is unrealistic to think that company action alone can solve all the sustainability issues of this world.

4.27 It would be prudent to begin to assess whether voluntary initiatives can on their own make as significant or sufficient a contribution to sustainable development as widely hoped. That said, it also remains open to question whether industry groups are doing enough to contribute to the development and implementation of the policy framework needed to move towards sustainable development at a rate that corresponds to the demands of either the Johannesburg Plan of Implementation, the Millennium Development Goals or, for example, the importance of holding atmospheric concentrations of greenhouse gases below a certain level.

4.28 While there are many examples of practices and technologies that are playing a major contribution to increased efficiency of materials use, many industry sectors appear to remain largely in a 'business as usual' mode, selling products and services without full consideration of their social and environmental impacts. And as various business and industry organisations take on corporate environmental and social responsibility issues, it remains to be seen how well they will cope with systematic stakeholder engagement in seeking solutions that cannot be found by purely technological means.

4.29 'Opening up' relates to not only stakeholders but also fellow industries. The type of change required more often than not will require improved cross-sectoral planning and collaboration. A number of the Report Cards refer to the inherent or relative preferability of one sector's products or services over substitutes from competing sectors. Indeed, there is a stronger sense of cross-sectoral competition than there is of cooperation. In many cases where cross-sectoral cooperation is discussed it either involves:

a) a professional services sector advising clients in other sectors (e.g., Advertising, Finance, Consulting Engineering); or
b) a sector working with downstream clients (or potential clients) to identify more or better uses for their product (e.g., Coal, Aluminium).

4.30 One instance where a sector has called for more cooperation with competitors is transport, with the Rail Transport sector calling for the use of life-cycle assessment considerations in assessing sustainable mobility options. The sector organisation also calls on UNEP to convene with partner organisations a cross-sectoral, international forum on sustainable transport systems.

The Dialogue Process Needs To Be Improved

4.31 The industry Report Cards provide a highly readable and almost unique snapshot of sector-by-sector progress towards sustainable development. The time and effort that industry groups have put into this exercise is valuable for all parties. Nonetheless, it is important to note that the reporting process is a means to an end. The ultimate objective is to catalyze and support industry efforts to promote sustainable consumption and production, as well as corporate environmental and social responsibility. With this goes the identification of new cooperation opportunities in taking action. The usefulness of sector-based reporting on progress, challenges and partnership opportunities must therefore be judged in the context of this goal.

4.32 It is clear that a 3-page Report Card is not enough to provide a comprehensive overview of all of the initiatives undertaken by industry groups or their members. Furthermore, as made clear by the 2002 Sector Reports process, the compilation of a comprehensive list of initiatives and activities is an extremely time- and resource-intensive exercise. As a result, any conclusions drawn on the basis of this data must be carefully qualified to reflect the fact that these Report Cards do not represent the universe of activities being undertaken by industry groups and individual companies. One of the next steps in any follow-up process must therefore be to consider carefully the contribution that improved reporting on a sector-basis can make. This includes examination of the appropriateness of sector-based reporting within a uniform structure applied to a diverse range of industry sectors.

4.33 The last thirty years of interaction between UNEP and industry groups has confirmed that the convening and coordination role of sector-based industry groups can be a powerful force for sustainable development. Based on the experience gained in UNEP's *Industry as a Partner for Sustainable Development* dialogue process, several preliminary suggestions can be made on how to further improve the role of sector-based business and industry organisations. These suggestions will be considered in developing UNEP's work programmes, and could be considered by industry groups, other stakeholders, relevant UN agencies and the CSD Secretariat (UNDESA) in taking the process further.

How to advance progress

4.34 Based on UNEP's experience of the 2005/6 Report Card process, the following issues warrant further consideration by industry groups, public institutions and civil society stakeholders.

A. Building capacity to share and implement best-practices

4.35 The challenge of sustainable development is one that requires a global response. The business sector of industrialising nations is playing an increasingly important role in world trade, and is also having an increasingly important impact on environmental and social conditions.

4.36 While innovation and development of new business practices, technologies and production processes will always be an important component of industry's contribution to sustainable development, a significant amount could also be achieved if more companies implemented the best-practices and used the technology and guidance that is already available. While it would be an over-simplification to claim that the gap exists only between developed and developing countries, or between MNEs and SMEs, it is nonetheless true that these gaps exist and are significant.

4.37 A follow-up process could consider how industry, government, labour and other civil society stakeholders can best work with sector-based industry groups to build their capacity to share information on, and to provide support for, the implementation of best-practices in developing countries and by SMEs. Possible options could include a 'twinning system' for providing support to business and industry organisations from industrialising regions through staff exchanges, training and sponsoring participation in international forums. Given the growing participation of developing country companies in the UN Global Compact, this could be one network to pursue this aim. Another could be the UNEP/UNIDO network of cleaner production centres and their business and industry networks in developing countries. This network has as an explicit aim to build of capacity in developing and transition economies.

B. Setting common priorities and action-plans

4.38 The nature of certain sustainable development challenges is such that, in the absence of coordinated action, the efforts of a few companies will have little real impact on resolving the problem. As a result, if companies coordinate their activities and work together to address common problems the net impact may be substantially greater. What is unclear, however, is the extent to which the marketplace encourages or discourages cooperation between what are, in effect, competitors.

4.39 Many sector-based industry groups already set common priorities and develop joint action plans on key issues. It would be worthwhile to consider whether this practice could be improved, including by linking them with international priorities, such as the goals of the Johannesburg Plan of Implementation or those set within multilateral environmental agreements (MEAs) and other international conventions. It would also be valuable to consider how capacity could be built in other sector-based industry groups to set common priorities and to develop joint action-plans.

C. Cooperation and integration between sectors

4.40 No company exists in isolation from other companies, including from companies in other sectors. Be it through supply-chain relationships, shared technology or common standards, companies interact with other sectors every day. The example above, where sectors can share learning on setting common priorities and action-plans, is only one example of how sectors can benefit from each other's experience. It would be useful to consider how more intra-sectoral cooperation could help facilitate the transmission of experience and learning.

4.41 On the other hand, certain environmental, social and economic challenges can only be resolved through cross-sectoral cooperation. For instance, the promotion of sustainable mobility will require cooperation between road transport, railways, public (urban) transport, aviation and shipping. It will also require cooperation between public transport bodies and private suppliers. Indeed, many of the potential revolutions in de-materialization and shifts to Product Service Systems (PSS) can only be achieved through convergence in planning and more cross-sectoral cooperation.

D. Identifying how other stakeholders can help to build the business case

4.42 The business case for sustainable development is not static: it changes in response to, among other things, changing regulations and public policies, consumer preferences, NGO expectations, labour priorities and supply chain requirements. Maximizing the effectiveness of voluntary measures to promote sustainable development requires a maximization of the business case.

4.43 It could be worthwhile to analyze in greater detail the components that determine the scope of the business case, and to enter into partnerships with other stakeholders to seek to maximize it. In particular, it would be useful to consider how governments can exert their impact on the market in a way that is more supportive of sustainable consumption and production, for example through the use of public procurement policies.

4.44 The WSSD agenda will succeed only of there is a continued willingness of business and industry, including labour, as well as other stakeholder organisations, to undertake joint partnerships to speed up implementation of key sustainable development goals. Progress in the development of Framework Agreements between large corporations and Global Union Federations, as highlighted in the Labour Report Card, is one innovative example in building partnership cooperation to address not only labour but also broader sustainable development issues. The willingness of unions to introduce environmental - along with health and safety - principles in these agreements shows greater awareness of the business case at the workplace level. Progress at this level forms an essential part of advancing corporate environmental and social responsibility.

E. Industry as a Partner for Sustainable Development: Issues to address and actions to follow up

4.45 UNEP's aim with the *Industry as a Partner for Sustainable Development* process is not reporting for the sake of reporting. Just as a company manager knows that reporting has to be an inherent part of business operations, UNEP's interest is in the meaning of the activities that are being communicated or reported. This also raises the question of what can be done to improve the value of the process and to identify areas where partners can work with UNEP, UNIDO, UNDP and other UN organisations in partnerships and voluntary initiatives to advance sustainable development.

4.46 As this overview shows, a number of themes and issues emerge from the Report Cards. For example, there is the tendency to focus more on environmental issues, a natural response perhaps in a process facilitated by UNEP. The trend towards the creation of collective policy declarations, charters or codes, and the introduction of new management tools, including the use of reporting systems with agreed performance indicators, are also noteworthy.

4.47 Many membership-based industry groups have broad mandates and limited resources. As a result, there will always be a need for certain amount of prioritization. However, given the experience encompassed in the 2002 Sector Reports process, and again in this follow-up Report Card initiative, it is worth considering whether we are reaching a point where we understand generally what can and cannot be achieved efficiently through collective action at the sector-level. As importantly, it is likely that experience to date across a range of sectors can help us understand what is needed to increase the impact of collective initiatives.

4.48 Against this background, industry groups could consider drafting a matrix that lists types of actions and key issues they can take up - at the collective level and at the company level - to accelerate progress in the advancement of sustainable consumption and production, as well as corporate environmental and social responsibility.

4.49 Such a matrix could be made up of at least two different types of information. First, it could focus on different types of collective activities or initiatives, such as:

- Campaign, lobbying
- Awareness-raising
- Capacity-building, training, material development
- Development or promotion of codes and standards
- Multi-stakeholder engagement
- Twinning partnerships
- Demonstration events and pilot-projects

4.50 A second type of information is the different thematic issues or sustainability objectives that could be addressed through the collective initiatives, addressing for example:

- Sustainable consumption and production
- Corporate Environmental and Social Responsibility
- Developing and transition economy involvement
- Small and Medium-Sized Enterprises
- Public-Private co-operation
- Climate change
- Biodiversity
- Poverty Alleviation

4.51 The information in such a matrix could become an internal 'check-list' or management tool to help industry groups identify priorities and develop and implement sustainability work plans to achieve them. It could also help industry groups to communicate their activities to other stakeholders, including those who may be able to engage in partnership opportunities.

4.52 It is evident that industry bodies have a large but still not fully realized potential to help advance efforts towards sustainable development. Their broad-based membership and experience places them ideally to expand their efforts. As suggested earlier in this overview report, some of the practical actions and sub-topics that could be addressed through industry groups include:

- Developing a service-based (rather than product-based) approach, thereby offering scope for greater materials and energy efficiency;

- Encouraging cross-sectoral cooperation on policies and technology (e.g. on transportation), thereby promoting more coherent and consumer-friendly services;

- Setting more challenging sectoral objectives and targets (e.g. on GHG emission reductions and reporting);

- Mainstreaming and spreading of 'best practices', including to developing countries, thereby ensuring that the benefits of new technologies and business approaches are shared for leap-frog impact in emerging economies;

- Engaging with SMEs, including through responsible and partnership-based supply chain management;

- Building 'policy coalitions' with civil society organisations on regulatory and other reforms that may be necessary to achieve further improvements in performance.

4.53 However, it would be wrong to presume that industry groups have an unlimited supply of financial or human resources to address these issues. In some cases, the progress that can be achieved through industry-driven initiatives will rely on partnerships. The challenge for other stakeholders is to consider the conditions under which industry group activities should be supported through partnership arrangements or, in the case of governments, through financial or policy support. This will in many cases involve priority-setting within civil society and government agencies.

4.54 While the industry groups could consider developing a matrix to guide their priorities and develop sustainability work plans, other stakeholders could identify issues and initiatives that would be more effectively addressed through partnerships with industry, including industry groups. In the case of governments, it might be worthwhile considering the conditions under which funding or policy support might be provided to these partnerships.

Annex A:

Industry as Partner for Sustainable Development:
Business and Industry Organisation submissions summarising their current (2007) activities in the field of capacity building

ANNEX A:
SUBMISSIONS

Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

Association of the European Railway Industries (UNIFE)

UNIFE, located in Brussels, represents the interests of the 100 largest and medium sized rail industries. A further 1000 suppliers of railway equipment are associated members through the national associations.

Within UNIFE, environmental activities are coordinated by the *Transport and Environment working group*, consisting of 6 companies (Alstom, Bombardier, Siemens, Knorr-Bremse, AnsaldoBreda and Saft Batteries). This group acts as a focal point for all the environmental matters and provides a platform for consensus-building, in collaboration with UNIFE's experts in other topical groups.

The Rail Manufacturing Industry provides reliable customer information to the outside world. Internally it ensures that its products and processes comply with international environmental standards. An example of this is the EPD (European Product Declaration) which contains an environmental assessment of the product's entire life cycle from the extraction of the raw materials until the moment of recycling. The following are highlights of company activities:

Bombardier: Optimizing environmental performance of products and services is the guiding principle for Bombardier Transportation's integrated business process management. As the global leader in rail technology, we see the obligation to transfer technology and employment to less industrialized countries, in line with our high HSE standards. The approach to involve local SME suppliers in India - which has been acknowledged by UNCTAD as a best practice - will now be rolled out to South Africa.

Siemens Transportation Systems (TS): This involves development of a **PRO**cess **M**anagement for **E**nvironment, **H**ealth & **S**afety (PROMEHS) which is implemented worldwide in all TS sites. For the EH&S-training of employees Siemens TS uses e.g. web-based trainings with a test of understanding in the end. The advantage is that every employee can learn when s/he wants to do so and at the pace s/he needs. The supervisor is able to check and control the process and is responsible for organizing the right training for their employees.

Knorr-Bremse: Activities include the implementation of an integrated management system containing environmental, health & safety aspects, which is rolled out in Europe, North America, South America and Australia. Roll out to Asia in progress.

AnsaldoBreda: Capacity building is done in the application of Health, Safety and Environmental Management Systems. Training courses are organized for all new employees and managers & periodical training courses for workers and employees.

Specific periodical training courses and workshop for suppliers and sub suppliers are also presented.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

CropLife International

CropLife International is the global federation that represents the research-based plant science industry that develops and markets plant biotechnology and crop protection products. The federation's member companies, at an international level, are Bayer CropScience, BASF, Dow AgroSciences, DuPont, FMC, Monsanto, Sumitomo and Syngenta. Additionally, CropLife has national associations present in 91 countries across the world. A core activity of CropLife International is the promotion of stewardship – that is the lifecycle management of a product from initial research and development, through distribution and use, through to eventual disposal of any waste - in support of sustainable agriculture and development. Good stewardship practices maximise the benefits and minimises the risks from the use of crop protection products.

CropLife member companies continually develop new products and formulations, as well as, develop and implement improved and safer manufacturing processes, which supports this stewardship approach. Both the federation and member companies promote stewardship through the support of key programmes on the ground. This includes providing strategic support for training in integrated pest management and the responsible use of pesticides, improving the effectiveness of container management programmes and prevention and removal of obsolete pesticide stocks. These programmes underlie the industry's public commitment to adhere to the United Nations Food and Agriculture Organisation's International Code of Conduct on the Distribution and Use of Pesticides, as well as to sustainable business practices.

As part of the industry's commitment to improving impact and effectiveness of stewardship programmes, as well as a commitment to transparency and communication, CropLife International has produced several publications that summarise its stewardship activities, as well as the industry's contribution to sustainable agriculture and development and the benefits of crop protection products. These are:

1. Creating Opportunities for Sustainable Agriculture
2. Water Matters for Sustainable Agriculture
3. Biodiversity and the Plant Science Industry
4. Conservation Technologies and the Plant Science Industry: managing natural resources sustainably
5. Pesticides and Humanity - an independent report by the Natural Resources Institute, UK
6. Integrated Pest Management: the way forward for the crop protection industry
7. Leaflets describing the various stewardship elements – R&D, manufacturing, transportation, distribution & warehousing, integrated pest management,

responsible use of crop protection products, container management, management of obsolete stocks

8. Training guidelines – used extensively internally and by non-industry groups – on responsible and effective handling and use of crop protection products. As well as printed materials, this includes a web-based training programme, www.aglearn.net

All publications and further information on programmes and activities are available at www.croplife.org

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

The e8 (www.e8.org)

The e8 is a non-profit organization consisting of nine leading electric utility companies, whose mission is to play an active role in global electricity issues and to promote sustainable development. The e8 promotes sustainable development through electricity sector projects and human capacity building activities in developing nations worldwide. Through the e8 Network of Expertise, the organization shares its member companies' knowledge and expertise with their partners in developing countries, with the objective to strengthen their human and capital capacity in sustainable energy development. These objectives are achieved through two main types of activities undertaken by the e8 Network of expertise, as well as an 'Education for Sustainable Energy' Programme:

1. e8 Human Capacity Building Activities (HCB):

Building sustainable energy human capacity in developing countries through technical workshops.

One of the core strategic objectives of the e8 is to provide information and expertise on the efficient generation and use of electricity to assist developing countries in strengthening their human capabilities in sustainable energy issues. The e8 human capacity building activities mainly consist of interactive technical workshops through which knowledge and technology information on key sustainable energy issues are transferred to technical experts and electricity-sector specialists from developing and emerging countries.

Since its inception in 1992, the e8 has undertaken a total of 41 human capacity building projects, 37 of which have been completed and 4 of which are still active. Ongoing e8 human capacity building projects include rural electrification workshops developed in partnership with UNEP and UNDP, workshops on environmental improvement of coal-fired power plants, and a Micro-Solar Distance Learning Programme implemented by the e8 in the Galapagos Archipelago.

Further information on these activities is available at the following addresses:
http://www.e8.org/index.jsp?numPage=136;
http://www.e8.org/upload/File/e7_MSDL_2003apr.pdf

2. e8 Capital Projects:

Building human and capital capacity through the development and implementation of demonstration renewable energy projects in developing countries.

The e8 Capital projects consist of demonstration projects implemented in developing countries, in partnership with local and/or international partners, with the objective to develop and implement models of small-scale renewable energy projects in those countries. These capital demonstration projects are designed in a way to ensure sustainability and possible replicability of the project model in other sites of the beneficiary country and/or in other regions of the world.

Since 1992, the e8 has completed 4 capital projects across regions, and is currently implementing a major wind energy project in the Galapagos Archipelago. In addition, the e8 has progressed in the studies of six prospective renewable energy demonstration projects worldwide, namely in Nicaragua (Hydro CDM project), Madagascar (Hydro CDM project), the Maghreb (Renewable energy for the production of water project), the Philippines (Mini Hydro project), and Tuvalu (Solar power project). Further information on on-going e8 capital projects is available at:
http://www.e8.org/index.jsp?numPage=136

3. Education for Sustainable Energy Scholarship Programme-ESED:

Building sustainable energy human capacity through the support of outstanding scholars from developing and emerging countries.

The ESED was established to provide financial support to outstanding students from developing countries in pursuing advanced studies in sustainable energy development, and to encourage meaningful contributions to the collective body of knowledge about the subject in their respective countries. Since its establishment in 2001, the e8 ESED Programme has awarded 5 Postdoctoral level scholarships, and 25 Masters level scholarships to students from over 15 different developing and emerging countries, studying in various fields of the electricity sector. Further information on the e8 ESED Programme is available at: http://www.e8.org/index.jsp?numPage=133

4. Using the Web to share world leading companies' best sustainable practices:

Among other media used by the e8 to share knowledge and expertise on sustainable electricity sector practices, a compendium of world leading electricity utilities' best practices has been made available to the public on its website, at the following address:
http://www.e8.org/index.jsp?numPage=137

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

European Association of Communication Agencies (EACA)

The EACA is a small organisation, based in Brussels, representing European Advertising Agencies. The main elements of our capacity building strategy are:

1. To promote awareness of sustainability issues throughout our sector and to develop and promote strategic insights that can help to influence both brands and their consumers. This is mainly pursued through **conferences and articles** in influential publications.
2. To promote the study and awareness of best practice in all forms of social and environmental communications in order to grow professionalism and effectiveness in this growing area. This is mostly pursued through creation of an online CRS **advertising database** of campaigns.
3. To reward successful advertising in the category and make it attractive to creative people put special efforts into. This is pursued through supporting and encouraging initiatives to create **creative and effectiveness competitions** specialising in CSR subjects.

Conferences and Articles progress report

We have found it better to encourage inclusion of sustainability in general industry conferences, since specialised ones appeal to more restricted audiences and attract those with specific responsibility for CSE issues who are likely to be already converts. Mike Longhurst, EACA Executive Board representative for sustainability issues has continued his programme of conference appearances over the period.

As far as **articles** are concerned, we were fully involved in an extensive eight page feature run by the influential UK-based Campaign magazine, which receives global circulation. We assisted in planning and took part in a debate with government and other representatives on the role of advertising in sustainable development. We also gave advice and assistance with WWF's publication "Let them eat cake – Satisfying the new consumer appetite for responsible brands".
www.wwf.org.uk/filelibrary/pdf/let_them_eat_cake_abridged.pdf

Advertising Database Progress Report

EACA is working with AdForum to create an online resource to showcase a wide variety of advertisements covering corporate social responsibility and social issues. One of the sections of this website will be *Taking Care of the Planet* and cover the following areas:

1. Guaranteeing water quality and access to drinking water for all

2. Maintaining air quality and preventing climate changes
3. Ensuring cleanliness and bio-diversity of aquatic environments
4. Protecting biodiversity of flora & fauna
5. Preserving natural and food-producing areas
6. Educating and encouraging respectful behavior
7. Encouraging renewable energies and protecting fossil fuels

Creative and Effectiveness Competitions Progress Report

The successful ACT *Advertising Community Together* exhibition has gone from strength to strength at the Cannes Advertising Festival and now awards Doves awards to best advertisements. It is sponsored by many advertising organisations and supported by many more with entries. The exhibition tours various international locations. http://www.adforum.com/specialevents/ACT/ACT6/tc.asp

We were supporters of the first London-based Green Awards, which attracted a large variety of entries in November 2006. This new event seems likely to become an important fixture in the awards calendar. http://www.greenawards.co.uk/

Our own Euro Effies have a category for Socially Responsible Advertising that rewards proven success in this category. http://www.euro-effie.com

Results

It is difficult to summarise the state of progress, but we believe that the advertising sector is now far better informed and engaged. There are far more campaigns addressing sustainability issues (Adforum's Advertising Community Together programme now attracts over 270 environmental communications campaigns per year) and we believe our sector is providing a high level of professional service.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

Global Environmental Management Initiative (GEMI)

GEMI is developing and will make available to the public, in English, a series of capacity building tools in 2007. We would welcome partners to work with us to translate our tools into languages other than English. In addition to these tools there are, on GEMI's website (www.gemi.org), numerous tools that have been developed by GEMI over the years that still have great relevance to the challenges being faced by large and small companies.

The new tools include:

- Global Climate Change (GCC), *Co-Chairs ~ Audrey Bamberger, Anheuser-Busch Inc., Moe Bechard, JohnsonDiversey and Carl Wirdak, Occidental Petroleum:* A new web site will be launched in April 2007 with a wide collection of case studies from GEMI companies.

- Information Management Systems (IMS), *Co-Chairs ~ Audrey Bamberger, Anheuser-Busch Inc.* This newly designed site will be launched in the first or second quarter of 2007 and has been developed specifically for the information management specialists in global companies.

- Metrics, *Co-Chairs ~ Jim Kearney, BMS and Leslie Montgomery, Southern Company*: This new and comprehensive Sustainability Metrics Tool will help users to determine what is material, decide what and how to measure and show how to implement a metrics program. The tool will be launched in March 2007.

- Sustainable Development**,** *Co-Chairs ~ Keith Miller, 3M and Ted Reichelt, Intel:* The GEMI SD Planner™ Gateway and the tool rollout, will be introduced via WebEx in February 2007 to raise awareness of SD concepts, identify the business case for action on SD and serve as an "on ramp" the SD Planner™; and a web-enabled version of GEMI's SD Planner™ to facilitate its use over company Intranets.

- Water Sustainability, *Co-Chairs ~ Karl Fennessey, Dow, Paul Halberstadt, ConAgra Foods and Harry Ott, The Coca-Cola Company*: The new tactical water sustainability tool, the *GEMI Water Sustainability Planner: Collecting the Drops*, was launched to the public on January 17, 2007 in Washington, which included a briefing for U.S. EPA's Assistant Administrator for Water, Ben Grumbles and his staff; a luncheon briefing for 20 media, NGOs, governmental and other key business contacts; and, a briefing for Department of State representatives in the afternoon. **www.gemi.org/waterplanner/**

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

Global e-Sustainability Initiative (GeSI)

The GeSI is an initiative of Information and Communications Technology (ICT) service providers and suppliers, with the support of the United Nations Environment Programme and International Telecommunication Union. The GESI SCWG and EICC "Learning and Capability Building Workgroup" are currently working on two projects as part of its strategy:

1) Capability Building project for the ICT sector in China:

- *Project partners:* FIAS (Joint initiative of the World Bank and IFC); the Municipal Government of Shenzhen; Shenzhen Electronics Industries Association; Chinese National Government; EICC, GeSI; BSR.
- *Project objective:* Create a capacity building strategy for the ICT sector in China that addresses the main obstacles to CSR performance improvement and defines clear metrics. The project includes four key elements: Diagnostic assessment including a root cause analysis, public policy and legal review and cost benefit analysis; Workshop in Shenzhen to discuss the capability building strategy; Final summary report; Pilot project to demonstrate the implementation of the strategy
- *Long term vision:* The project is designed to identify and test strategies and activities that will most likely result in social and environmental improvements in the ICT supply chain while also providing business benefits. This will be done by working with the public sector, the private sector as well as civil society. Potentially the project can be replicated in other regions and scaled up to a national level.

2) Developing training material for Supplier Managers and Suppliers.

Training will cover the following topics and will be flexible for use in any country (different languages):

- General introduction to corporate responsibility and responsible supply chain management
- Business case for implementing corporate responsibility
- Key performance areas (labor, ethics, environment, health & safety and management systems)
- How to drive improved performance
- Framework, tool and techniques, including shared industry approach

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Industry as Partner for Sustainable Development:

2007 - current capacity building activities by our organisation

Global Unions: International Trade Union Confederation (ITUC) & Trade Union Advisory Committee to the OECD (TUAC)

Capacity-building activities by Global Unions are primarily focused on working with labour organizations, national affiliates, trade unions and partners to develop and supply the tools and resources that are needed to effectively promote sustainable development initiatives within their respective workplaces, countries and industrial sectors.

The International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee to the OECD (TUAC) coordinate the participation of workers and trade unions in international and regional sustainable development activities, including on environmental issues and those related to occupational and public health, as well as HIV/AIDS.

With the support of the Sustainlabour Foundation (http://www.sustainlabour.org/) they promote capacity building in the form of skills training and education. Currently Sustainlabour is undertaking with UNEP a series of capacity building exercises in Africa, Asia and Latin America.

Through the Trade Union Sustainable Development Unit ITUC and TUAC maintain country-by-country and company information databases (http://www.tradeunionsdunit.org/profiles/profiles.php?ID=0&Lang=ENG) . They also coordinate communication through various electronic forums and other media and work with organizations and partners to initiate activities and projects that reflect the interests of workers and trade unions in this area.

Country-by-country profiles are maintained and serve to inform trade union participation in activities, campaigns and events. These track country adherence to Instruments & Measures and are available in English, French and Spanish. These, as well as other database reports, electronic forums and a variety of other resources and tools can be accessed through the Workbook: Trade Unions on Labour, Environment & Sustainable Development that was launched at the Founding Congress of the ITUC in 2006 after being initiated at a Trade Union Assembly on Labour and Environment in Nairobi in Kenya, January 2006 (see http://www.global-unions.org/pdf/ohsewpO_6h.EN.pdf).

Since 1992, annual Sessions of the UN Commission on Sustainable Development have provided an annual focal point for trade union activities. Background information on trade union preparations for CSD15 is available at http://www.un.org/esa/sustdev/csd/csd.htm.

As well, a Trade Union Working Group on Climate Change coordinates worker and trade union involvement in the UNFCCC process. Country profiles on Climate Change are on the CCi:Net at: http://unfccc.int/cc_inet/information_pool/.

Another focal point for Global Unions is the 28 April, a date that also implies lack of capacity issues, namely the International Commemoration Day (ICD) for Dead and

Injured Workers. See for 2007 activities: http://www.global-unions.org/pdf/ohsewpH_5Ag.EN.pdf .

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Aluminium Institute (IAI)

The IAI's efforts are centred on our 'Aluminium for Future Generations' Global Sustainability Programme, which incorporates quantifiable voluntary performance objectives for the continuous improvement of all phases of production, use and recycling, which is monitored through an annual performance survey in accordance with 22 performance indicators. The IAI has produced an implementation plan or manual entitled the Global Environmental Roadmap to assist with the spread of good practice and issues annual progress reports based on the annual survey data. The IAI also provides specific assistance to aluminium companies around the world with reducing their greenhouse gas emissions. The IAI cooperated with the IPCC in drawing up the relevant chapter of the IPCC Good Practice Guidelines for GHG Inventories. Based on the IPCC document, the IAI has produced the IAI GHG Inventory Protocol, which has also been incorporated into the WRI/WBCSD GHG Inventory Guidelines.

The IAI has also together with the US EPA published a guidance on the 'GHG Measurement Good Practices'. Thus the whole of the aluminium industry is encouraged to accept a common measurement and calculation methodology. Aluminium producers around the world are expected to complete an annual IAI Survey reporting on its GHG emissions. The IAI also employs their own Consultant equipped with gas measuring equipment to carry out measurements and training on site including advice on how to reduce GHG emissions. The Consultant also produces benchmarking graphs and annual reports monitoring progress with GHGs reduction.

The IAI employs a Health Consultant who advises companies on how to organise the Employee Exposure Assessment and Medical Surveillance programmes for their workforce. In addition to annual performance benchmarking graphs, the IAI circulates quarterly serious accident or near miss reports, so that companies can benefit from each others' experience. The IAI also issues specific safety guidance manuals, e.g. Guidelines on the Mobile Equipment and Pedestrian Segregation and Guidelines for Electrical Design, Installation and Safe Work Practices in Potllines. The IAI with its sister organisation the Organisation of European Aluminium Refiners and Remelters (OEA) has produced a Recycling Brochure on the organisation and operations of the aluminium recycling industry and encourages the spread of good recycling practices worldwide.

Further information can be obtained from the IAI Website: www.world-aluminium.org

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Association for Soaps, Detergents, and Maintenance Products (A.I.S.E.)

In December 2004 the A.I.S.E. launched its Charter for Sustainable Cleaning, which aims at promoting sustainability as a mindset across the whole life-cycle of the soaps, detergents and maintenance products industry in Europe. The website link http://www.sustainable-cleaning.com/en.trainingarea_documentation.orb provides the different briefing materials available to interested companies to train themselves in sustainability procedures to implement for becoming a Charter member. These procedures are verified by an external verifier before the company can become an official member.

- Through its network of National Associations, A.I.S.E. is promoting this initiative and some countries are also providing consultant support to companies, especially SMEs, in order to facilitate the implementation of these sustainability procedures. This training is also facilitated by the possibility for the company to self assess itself, via a password access section of the specific Charter website. You will also note that in the website mentioned above, the training material has been translated into several EU languages in order to facilitate its use by a maximum number of companies.

- The Charter led to the publication in 2006 of A.I.S.E.'s first sustainability report. A.I.S.E. committed to reporting each year progress against a set of specific indicators in the economic, social and environmental domains.

- Another example of capacity building lies with another voluntary agreement of A.I.S.E., done jointly with Cefic, the European Chemical industry Council. This is the 'HERA project', the acronym standing for Human and Environmental Risk Assessment of ingredients of household cleaning products. The results of this project (i.e. risk assessments for each main substance used in our products) are being communicated via the www.heraproject.com website and share with the whole industry (whether large or small), and with the public at large.

- A.I.S.E counts also other best practice projects such as the Laundry Sustainability project, aimed at promoting the placing on the market of compacted laundry detergents in the CEEC region, and facilitating the development of such products by all manufacturers.

Another A.I.S.E. campaign - see multilingual site www.saveenergyandwater.com - encourages consumers to use reduced energy cycles when using their dishwashers. This completes the well-known www.washright.com campaign for laundry detergents across Europe.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Council on Mining and Metals (ICMM)

Sustainable Development Framework: Pilot assurance procedure for third party assurance of public reporting was approved in 2006. Training workshops for members have been held in the UK and Japan with a further workshop planned in North America for 2007. India is planning to incorporate the Framework into new national minerals legislation; the Government of Madagascar drew on the Framework and findings of the resource endowment and community development toolkit in a preparatory workshop for its new mineral policy. See: http://www.icmm.com/sd_framework.php

Socio-economic development: The Resource Endowment Initiative aims to improve the socio-economic contribution from the mining and metals industry through better governance in host countries and enhanced local and regional economic development. In order to confirm the validity of the review and explore ways and means of implementing the recommendations, three pilot studies are planned in Ghana, Peru and Tanzania and dissemination workshops will be held in all four countries to provide feedback to those who participated in the country work. The Community Development Toolkit is available in English, Mandarin and Spanish, the Toolkit contains 17 practical tools which can be used by companies, communities, and local government agencies as well as non-governmental and community based organizations at all stages of the mining project cycle. The Toolkit is focused on building good relationships with communities from pre-feasibility through to post mine closure and leaving a lasting positive impact which is essential for the continuing success of the mining and metals industry. See: http://www.icmm.com/com_soc_develop.php

Integrated Materials Management: An integrated or life cycle approach to the production and use of minerals is necessary to ensure that the level and patterns of use of mineral commodities are sustainable. It is important for the mining industry to promote responsible design, use, re-use, recycling and disposal of the materials it produces and ICMM is supporting this through its Integrated Materials Management Program which focuses on Chemicals Management, Risk Characterization and Materials Stewardship (which includes life cycle analysis, materials eco-efficiency and recycling). ICMM is working in partnership with its members and other stakeholders including governments, academics and NGOs to promote decision making that is based on sound science. See: http://www.icmm.com/integ_materials.php

Health and Safety: ICMM is working with unions (ICEM), the ILO and the Chinese government to improve coal mine safety in China. A workshop will be held in April 2007 to build capacity in risk assessment and management in the Chinese coal mining industry. Guidance on HIV/AIDS, malaria and TB is being prepared to assist companies to address these diseases in an integrated fashion. ICMM is working with UNEP on the

development of an Emergency Preparedness and Response project with focus on CSR at site level. Also, the ICMM/UNEP 'Good Practice in Emergency Preparedness and Response' publication is being translated into Spanish. See: http://www.icmm.com/health_safety.php

Environmental Stewardship: 'Good Practice Guidance for Mining and Biodiversity' was published in 2006 through dialogue with IUCN. The document is being translated into Russian and Spanish. ICMM member companies around the world are pilot testing the document and incorporating it into their management systems. The document will be presented at several forums around the world, including CBD SBSTTA-12 in order to encourage its global use. It was presented at workshops in Australia and Canada in 2006, and will be presented in 2 further workshops in 2007 to assist companies to implement the guidance and to build awareness of the document amongst governments and NGOs. See: http://www.icmm.com/environmental_stewardship.php

Good Practice Website: The website has been jointly developed by ICMM, UNCTAD, UNEP, and DfID to provide access to a library of good practice guidelines, standards, case studies, legislation and other relevant material that are leading examples of their kind globally. http://www.goodpracticemining.org

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Council of Chemical Associations (ICCA)

The ICCA undertakes capacity building activities under the Responsible Care Global Charter once the Global Product Strategy which in addition to some specific further activities support implementation of the Strategic Approach to International Chemicals Management (SAICM). The activities being undertaken during 2007 are summarized below.

	Activity	Implementation partners
1	**IMPLEMENTATION OF THE RESPONSIBLE CARE GLOBAL CHARTER**	
1.1	Extend number of countries adopting Responsible Care	National associations
1.2	Responsible Care Logo – work with associations implementing Responsible care on the protection, and proper use, of the Responsible Care phrase, logo, and service marks	National associations
1.3	Responsible Care consulting (related to 2x annual RCLG meetings)	National associations
1.4	Responsible Cre performance reporting – Consultant time to consolidate data, prepare technical text and work with communications team on new methods to distribute the biennial ICCA Responsible Care status report; and to work with associations to report on their Responsible Care performance	National associations
1.5	Membership implementation support – To work with and provide assistance to associations needing particular support in implementing the Responsible Care Global Charter (e.g., external verification, governance, performance measures, etc.)	National associations
2.	**IMPLEMENTATION OF GPS**	
2.1	Product Stewardship workshops (2-3 expected) (Strategic elements 1,2, and 3) – Venue costs, production cost of training materials, etc	National associations
2.2	Value Chain outreach (strategic element 4) – materials, meeting expenses for outreach to selected downstream industries and development of joint product stewardship materials.	National associations
2.3	Membership implementation support – GPS training of company officials, in particular SMEs in developing countries. [Note: Exploration of partnering in this area could yield future capacity building opportunity]	National associations

3	**Implementation of the GHS**	
3.1	Develop a broad guidance document on implementation of GHS and relationship to Responsible Care and GPS building on existing industry documents carrying the ICCA branding	UNITAR
4.	**Specific Activities in Support of GPA Work Areas**	
4.1	Support for UNEP project on prevention of illegal traffic	UNEP
4.2	Organization of Stewardship Workshops: Creation of standardized workshops on environmental, health, and safety issues for the chlor-alkali sector. With a focus on capacity building, special emphasis is being given to offering these workshops in developing countries and countries with economies in transition, in order to share state-of-the-art practices and resources on a global level. Workshops have been held in China, Brazil and India with additional workshops planned in Asia for 2007.	national governments, national industry organizations and companies
5.	**Collaboration with IOMC Organisations**	
5.1	UNITAR Pilot project for an integrated national programme for the sound management of chemicals and waste in Tanzania	UNITAR National industry organisations
5.2	Support in co-operation with UNEP Swedish workshop on institutional arrangements	UNEP Bangkok Bolivia To be discussed at TAG
5.3	Provide resources for Risk assessment training in support of UNEP activities to develop Risk assessment and risk management tools	UNEP CropLife International
5.4	Promoting sustainable production and consumption for poverty alleviation through emergency planning, trade chemicals and waste management" engaging business and the supply chain in safer production and emergency preparedness: a commitment to corporate social responsibility	UNEP CSR RC GPS
5.5	Support for UNEP Research Project to characterize emissions from uncontrolled burning	UNEP, national governments
5.6	Support for UNEP partnership on Global Mercury Reduction in the Chlor-Alkali Industy	UNEP, Arctic Council, national governments, national industry organizations and companies
6.	**Development of Retiree Programme**	
6.1	Prepare detailed proposal of how retirees from the chemical industry could be used to support capacity building activities in support of SAICM implementation, building on existing IOMC tools.	IOMC organisations

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation / association

International Federation of Accountants (IFAC)

Outlined below is a list of key current capacity building activities in the global accountancy profession. The list does not purport to be exhaustive nor representative.

CRITERIA FOR SUSTAINABILITY REPORTING: (a) GRI Guidelines: The International Federation of Accountants published the Consultation Paper "Assurance Aspects of G3 - The Global Reporting Initiative's 2006 Draft Sustainability Reporting Guidelines."[18] (b) UNCTAD-ISAR: The chair and a number of other members of the UNCTAD's Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), which is developing corporate responsibility indicators[19], are from the accounting profession.

ASSURANCE PRONOUNCEMENTS: (a) Royal NIVRA[20] and IdW Standards[21]: The Dutch and German accounting institutes have finalized standards for assurance engagements relating to sustainability reports. English versions of these are expected to be available shortly. (b) European Federation of Accountants: FEE released "Key Issues in Sustainability Assurance: An Overview,"[22] which reviews the Swedish, German, French, and Dutch standards/practice statements/EDs in the context of International Standard on Assurance Engagements ISAE 3000.

OTHER ASSURANCE ISSUES: All the major accounting firms publish surveys and reports relevant to sustainability assurance from time to time. For example: (a) "What Assures? Listening to words of assurance,"[23] this report, sponsored by PricewaterhouseCoopers, notes that assurance could be most effective when its role is clear and limited to providing confidence in information; and (b) "Better assurance starts with better understanding – How KPMG sees assurance on sustainability reports,"[24]published by KPMG, answers such questions as what is the value of professional assurance, what parties can provide assurance, and what rules govern assurance?"

PROFESSIONAL ACCOUNTANTS IN BUSINESS (PAIB): IFAC's PAIB Committee published in 2006 two Information Papers[25]: (a) "Why Sustainability Counts for Professional Accountants in Business," which discusses the ways in which professional accountants in business will be involved with the measurement, recording and interpretation of sustainability-related information; and (b) "Professional Accountants in

[18] http://www.ifac.org/Store/Details.tmpl?SID=11394984882244172
[19] http://www.unctad.org/en/docs/c2isard23_en.pdf
[20] http://www.nivra.nl/
[21] http://www.idw.de/idw/portal/d390218/index.jsp
[22] http://www.fee.be/search/default_view.asp?content_ref=580
[23] http://www.accountability21.net/uploadstore/cms/docs/What%20Assures%20(Exec%20Summ)%20High%20Res.pdf
[24] http://www.kpmg.nl/Docs/Corporate_Site/Publicaties/better_assurance.pdf
[25] http://www.ifac.org/News/LastestReleases.tmpl?NID=115688244469537

Business - At the Heart of Sustainability?" which provides first-hand commentary from around the world on the challenges PAIBs face in promoting and implementing sustainable development strategies." The PAIB Committee is currently considering International Good Practice Guidance (IGPG) in the areas of enterprise governance, risk management & internal control and sustainability.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Fertilizer Industry Association (IFA)

- IFA has published a series of publications (in partnership with UNEP and in one case UNIDO) on environmental aspects of different stages in its sector's life cycle. Two general publications look at the entire life cycle. www.fertilizer.org/ifa/form/pub_sel.asp

- IFA has recently published "Sustainable Management of the Nitrogen Cycle in Agriculture and Mitigation of Reactive Nitrogen Side Effects", a semi-technical booklet on the issue. www.fertilizer.org/ifa/form/pub_det.asp?id=1536 A four-page summary geared towards non-experts is also available. www.fertilizer.org/ifa/publicat/PDF/2007_ifa_reactive_nitrogen_leaflet.pdf

- An online web module provides key information about Fertilizers and Sustainability: www.fertilizer.org/ifa/sustainability/sustainability.asp.

- In 2006, IFA members elected their first Vice President for Sustainable Development. His first initiative is for the Association to conduct a gaps analysis with regard to its sustainability stewardship and to develop a roadmap for addressing the lacunae.

- IFA co-organizes workshops for engineers on fertilizer production technology. These take into account safety, health and environment (SHE) issues. www.fertilizer.org/ifa/confifa.asp

-IFA and the International Zinc Association are partners in the Zinc Crops 2007 conference, which will explore how zinc fertilization can improve human health, among others. www.zncrops2007.info

- IFA published "Guidelines on Sustainability Reporting" for the fertilizer industry. www.fertilizer.org/ifa/news/2004_4.asp

- In March 2006, IFA held a conference on "Optimizing Resource Use Efficiency for Sustainable Intensification of Agriculture" and a workshop on micronutrient fertilization. www.fertilizer.org/ifa/news/2006_06.asp. (The papers are also available in Chinese at: www.fertilizer.org/ifa/chinese_portal/home_chinese_portal.asp) An earlier symposium on micronutrients was held in 2004: www.fertilizer.org/ifa/news/2004_3.asp.

- IFA has published a four-page leaflet on how the fertilizer industry can contribute to the nutrition security challenge: www.fertilizer.org/ifa/publicat/PDF/2005_ifa_nutrition_security.pdf.

- A guidance booklet on the implementation of integrated plant nutrition management is forthcoming and includes practical steps for policy makers, farmers, the fertilizer industry and extension agents.

- IFA and the Food and Agriculture Organization (FAO) of the United Nations have jointly published a number of booklets aimed at promoting responsible and efficient fertilizer use to support sustainable agriculture: www.fertilizer.org/ifa/form/pub_sel.asp. Some volumes exist in French, Spanish, Arabic and Chinese.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation / association

International Institute of Refrigeration (IIR)

Refrigeration is not only useful for humanity (air conditioning, industrial processes), but is even vital in several of its applications (food, health). In our field the priority actions to implement in terms of capacity building are:

- **Development of cold chains and reduction of post-harvest losses**
  Ensuring both food quality and safety to the worldwide population thanks to the setting up of effective cold chains is a major challenge for the refrigeration sector.

  In developing countries, perishable foodstuffs represent about 30% of the total volume of foods consumed. Only 1/5th of perishable foodstuffs is refrigerated, meaning that high losses are incurred following harvest, slaughter, fishing, milking, then during transportation and finally during sale. Refrigeration is one of the most effective tools enabling loss reduction to be achieved.

- **Information and technology transfer**
  In industrialized countries, the refrigeration sector was one of the first to be confronted with the phase-out of ozone-depleting refrigerants (CFCs, HCFCs) in line with the Montreal Protocol. HFCs, which were developed as substitutes, have global-warming impacts and are included in the substances targeted by the Kyoto Protocol, leading the sector to investigate alternative refrigerants and more energy-efficient refrigeration systems.
  One avenue for enhancing developing country initiatives is through the sharing of developed-country industrial technology, know-how and information. Developing countries have an opportunity to leapfrog the difficulties encountered in industrialized countries and to embrace sustainable technology directly.

- **Education and training**

  In industrialized countries as well as in developing countries, **education** is the cornerstone of development in all aspects of refrigeration: design, installation, running and maintenance of refrigeration equipment.

The **International Institute of Refrigeration (IIR)** (**www.iifiir.org**)**,** as an intergovernmental organization**,** plays a significant role in information transfer and training in various refrigeration fields, thus contributing to capacity building. Some of its contributions are the following:

- preparation and publishing of books, guides and training courses on refrigeration technologies and applications; for example, the IIR has just published a course

"Refrigeration Fundamentals" and will soon publish a guide on Energy Savings in Refrigeration;
- preparation and publishing of information notes and recommendations on major refrigeration-related current issues for decision-makers;
- Fridoc, the IIR's database, is the most comprehensive refrigeration database in the world containing over 80 000 entries complete with summaries and keywords;
- organizing congresses, conferences and workshops; the next IIR International Congress of Refrigeration will take place in Beijing, China, on August 21-26, 2007: **www.icr2007.org**

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Petroleum Industry Environmental Association (IPIECA)

IPIECA workshops and symposia bring together experts from within and outside the oil and gas industry and contribute to achieving appropriate responses to global environmental and social challenges. Examples include:

- "Greenhouse Gas Emission Estimation and Inventories: an international workshop addressing uncertainty and accuracy", January 2007: a workshop addressing uncertainties inherent in the data used for emission inventories to develop an understanding of the key contributing factors and prioritise actions required to improve data accuracy.
- "CO2 Capture and Geological Storage - Policy and Regulatory Development", January 2006: a round-table discussion to increase understanding of and promote the formation and application of sound regulatory frameworks to facilitate more widespread deployment of CCS as a GHG mitigation option.
- IMO/IPIECA Joint Regional Workshops on Oil Spill Preparedness and Response: developing strategies to build and strengthen preparedness in West and Central Africa (April 2006) and South East Asia (March 2007). Workshops bringing together government and industry stakeholders to develop practical recommendations to guide projects launched under the Global Initiative.

IPIECA's technical reports and guidance constitute a valuable set of reference manuals that are widely used by the industry and outside the industry. Examples include:

- IPIECA Oil Spill Report Series (1995-2007): 17 volume IPIECA report series representing industry best practice on contingency planning for preparedness and response to marine oil spills.
- Oil and Gas Industry Guidance on Voluntary Sustainability Reporting (2005)
- Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions (2003)
- Human Rights Training Toolkit for the Oil and Gas Industry (2006)
- A Guide to Developing Biodiversity Action Plans for the Oil and Gas Sector (2005)
- A Guide to Malaria Management Programmes in the Oil and Gas Industry (2006)
- Knowledge, Policy and Action: HIV/AIDS Management in the Oil and Gas Industry (2005)

Most IPIECA reports are translated into several languages (French, Spanish, Russian, Chinese and Arabic) to facilitate their use in different parts of the world.

IPIECA promotes the partnerships approach and recently produced a publication, 'Partnerships in the Oil and Gas Industry', which through a series of 40 case studies documents the experiences of partnerships practitioners from within and outside the

industry and includes practical tips for effective partnering – please access via the following web-link: www.ipieca.org/partnershipsportal. Two examples of partnerships that IPIECA is involved in are:

- Partnership for Clean Fuels and Vehicles (PCFV): The Partnership seeks to work with developing countries to phase out the use of lead and reduce sulphur in fuels as well as to work toward improving fuel quality in general: http://www.unep.org/pcfv/main/main.htm
- IMO/IPIECA Global Initiative (GI): the GI is a long-standing partnership that seeks to encourage governments and industry to work together to build and sustain preparedness and response capability for dealing with marine oil spills in priority locations around the world.

IPIECA places importance on regional outreach work, holding meetings and workshops all over the world and working closely with our network of regional and national oil and gas industry associations. For more information on all IPIECA activities and publications please visit our website: www.ipieca.org.

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisations

International Renewable Energy Alliance and its member associations

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International Renewable Energy Alliance (IREA)
The IREA participates directly and through its member organisations in capacity building activities worldwide. Collectively, they conduct educational programmes and conferences, publish statistics and other descriptive material and offer assistance to interested parties throughout the world.

Through the development of sustainability guidelines for hydropower and wind energy, IREA members have ensured that sustainability principles and practices are known and available to developers, governments and communities. Likewise, IREA members publish policy recommendations like the ISES White Papers, e.g. on "Renewable Energy Future for the Developing World" which outlines policies, methods and arguments for the use of renewable energy especially in the developing countries.

The participation of IREA's Chair, Peter Rae, as a member of the REN21 Steering Committee, enables IREA to have direct input into the preparation of materials published by REN21 which have the objective of enhancing capacity building. A typical publication is "Energy for Development – The Potential Role of Renewable Energy in Meeting the Millennium Development Goals". REN21 has also collaborated with IREA in the posting on its website the above mentioned sustainability guidelines. Further details are available at: www.ren-alliance.org

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International Hydropower Association (IHA)
The International Hydropower Association (IHA) has developed through broad consultation a Hydropower Sustainability Assessment Protocol. This has the specific function of measuring sustainability performance in relation to international good practice on hydropower development. To build capacity and understanding in its utilization, a Hydropower Sustainability Assessment Course has been developed in collaboration with leading industry experts, UNESCO, the Hydro Research Foundation and the International Centre for Hydropower (Norway). The course will provide participants with knowledge on the economic, social and environmental issues applicable to existing and new hydropower projects. The inaugural course will take place in Antalya, Turkey, immediately before the World Congress on Advancing Sustainable Hydropower (29-31 May 2007), which has as one of its key partners the International Renewable Energy Alliance (IREA). The Training is open to all involved in hydropower, including civil society, government- and financial institutions, as well as hydropower students and practitioners. A limited number of places have been sponsored for participants from developing countries. In the longer term, and with the assistance of

UNESCO, distance learning material will be made available in multiple language versions. Further details are available at the following website: www.hydropower.org

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International Solar Energy Society (ISES)
ISES has been taking part in and coordinated various capacity buildings activities in several areas. Here is a short description of some of these. Since 1997 through the activity Solar Academies, ISES has been offering specific training in the field of energy efficient and solar architecture specifically for building and architecture professionals and students. The ISES Solar Academies offer regional specific practical training opportunities focusing on the theoretical and practical aspects of building energy efficiently and utilizing renewable energy technologies and strategies. Other capacity building activities address schools specifically. ISES is and has engaged in several projects to bring the topics of energy efficiency and renewable energy into the classroom and the community. These include the European wide project Solar Schools Forum wherein these topics were addressed in various way and tools developed to help teachers and educators integrate these topics into the curriculum. ISES is also engaged in the project Powerado, to develop curriculum materials on energy efficiency and renewable energy for schools in Germany. The ISES Conferences, both at the regional level in Europe, the Asian-Pacific Region and Latin America, as well as the international Solar World Congresses address capacity building and education. In conclusion, ISES capacity building activities address several thematic areas related to the application of energy efficient and renewable energy including architecture, primary education and policy. Further details are available at: www.ises.org

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World Wind Energy Association (WWEA)
WWEA and its members are involved in a broad range of capacity building activities: Firstly, WWEA is providing free education material, e.g. on the wind technology website www.world-wind-energy.info and on its website www.wwindea.org Scientific as well as corporate WWEA members are conducting capacity building activities in their regions. WWEA also undertakes joint activities with its partners within the International Renewable Energy Alliance IREA.
WWEA organises once per year the World Wind Energy Conference with capacity building as one major topic. E.g. during the last WWEC 2006 in New Delhi there was held a roundtable on capacity building, jointly organised with UNESCO and InWEnt and comprising participants from around the world and from industry as well as from universities and governments.
WWEA has created a working group on education which brings together institutions from around the world (like universities, companies etc) that are involved in capacity

building, training and education activities. The scope of the WWEA Education Working Group Several is to provide information about existing capacity building activities worldwide, make material available and coordinate joint capacity building activities on the global level. Further WWEA working groups like on hybrid systems or on repowering also include activities in the field of capacity building. WWEA has developed Sustainability and Due Diligence guidelines which guide worldwide the sustainable creation of new wind energy capacities.

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International Geothermal Association (IGA)
Scope: The IGA, founded in 1988, is a scientific, educational and cultural organisation established to operate worldwide. It has more than 2000 members in 65 countries. The IGA is a non-political, non-profit, non-governmental organisation in special consultative status with the Economic and Social Council of the United Nations, and Partner of the European Union for the Campaign for Take Off for Renewable Energy.
IGA's objectives are to encourage research, development and utilisation of geothermal resources worldwide through the compilation, publication and dissemination of scientific and technical data and information, both within the community of geothermal specialists and between geothermal specialists and the general public. IGA's purposes are:

- To promote the coordination of scientific and technical education in geothermal matters.
- To advance and promote the establishment of criteria for the exploration and the development of geothermal resources in an environmentally responsible matter.
- To encourage enactment and adoption of uniform and appropriate legislation, rules and regulations for the development and utilisation of geothermal energy resources.
- To serve as a public forum to provide objective and unbiased information on the nature of geothermal energy and its development.
- To facilitate collation and dissemination of data related to geothermal resources and development.
- To cooperate and communicate with national and international governmental, institutional and private agencies in matters relating to development and utilisation of geothermal resources.
- To collect and disseminate information thereto.

Further details: www.geothermal-energy.org

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Industry as Partner for Sustainable Development:
2007 - current capacity building activities by our organisation

International Solid Waste Association (ISWA)

ISWA is steadily working with exchange of information and experience on sustainable waste management, support to national waste management associations and general awareness raising about waste management.

In 2007 ISWA will continue its focus on *capacity building and knowledge transfer* by:

- running its own training courses and workshops or in cooperation with other organisations
- developing training material to be used at the training courses and workshops
- development and promotion of the ISWA technical policy
- support to national waste management associations and to the ISWA Regional Development Networks

ISWA is also working on raising the standards in the waste industry by its *programme on professional qualifications*. More emphasis will be put on the Continuous Professional Development and support to those who have little possibilities for training in their country.

An important member category within ISWA is the National Member. A National Member is a national waste management association. ISWA is seeking both to attract new National Members and also to support National Waste management associations. Special attention and specific assistance is given to newly established associations to ensure their work at national and regional level. ISWA also fosters the creation of new professional associations in developing countries (e.g., Serbia).

ISWA has set up Regional Development Networks (RDNs) with separate budgets and actions to address more efficiently local and regional issues of concern. The situation and conditions for waste management vary across the world and this new approach will ensure that different regions can advance on issues of their concern.

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Industry as Partner for Sustainable Development:
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World Coal Institute (WCI)

The World Coal Institute (WCI) contributes towards capacity building through awareness raising activities around coal's role in providing energy security and the environmental benefits of clean coal technologies.

These activities are delivered through a variety of media:

1) An ongoing series of regional workshops organised by WCI on aspects of coal and sustainable development in developed and developing economies:

Region	Location	Subject	Date
SE Asia	Jakarta, Indonesia	Clean Coal Technologies	Apr 2002
EU	Essen, Germany	Clean Coal Technologies	Nov 2002
N. America	San Francisco, USA	Carbon Capture & Storage	May 2003
E. Asia	Beijing, China	Technology Financing	May 2004
S. Asia	New Delhi, India	Clean Development & Climate Change	May 2006
Latin America	Cartagena, Colombia	Clean Coal Technologies	May 2007

Full details are available on the WCI website:
http://www.worldcoal.org/pages/content/index.asp?PageID=240.

2) The World Coal Institute website: http://www.worldcoal.org

3) WCI publications and print media:

- The Coal Resource – available in English, French, Portuguese, Spanish, Japanese & Mandarin
- Clean Coal: Building a Future through Technology – available in English & Mandarin
- Coal: Secure Energy
- Coal: Liquid Fuels
- Sustainable Entrepreneurship (developed for and published by the UNEP Business & Industry programme)
- Quarterly newsletter 'Ecoal'
- Best practice case studies in sustainable development

All publications are available on the WCI website:
http://www.worldcoal.org/publications_&_media.asp

In addition WCI staff engages in regular speaking engagements to disseminate information and best practice case studies to both technical and policy audiences.

As a member of the International Council on Mining & Metals (ICMM), WCI also plays a key role in disseminating best practice guidance to its member companies and associations.

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Industry as Partner for Sustainable Development:
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World Energy Council (WEC)

Cleaner Fossil Fuels Systems
This Committee of the WEC works closely with USDOE on an ongoing basis to organise workshops in different regions of the world and publishes position papers, fact sheets, etc. on the development, application and effectiveness of cleaner fossil fuel technologies and systems, using electronic communications (including WEC's Global Energy Information System) and other channels to reach the media and the public. One of the Committee's key deliverables is to identify Carbon Capture and Storage (CCS) demonstration projects in developing countries. For additional information: http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/tech/cffs/cffs.asp

Energy Efficiency Policies and Indicators
This Committee of the WEC has been an ongoing joint project between the World Energy Council and the French Environment and Energy Management Agency (ADEME) since 1993. The work is focused on the evaluation of energy efficiency trends around the world and the analysis of the interaction between energy efficiency policies and energy efficiency performance of economies. Among other things, this Committee benchmarks energy efficiency performance for OECD and non-OECD countries using case studies for particular industrial sectors (cement, steel, etc.). The next report will be published for the Rome Congress in 2007. For additional information: http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/tech/seep/seep.asp

Financing Renewables Energy Projects
This Task Force focuses on the evaluation of the current financing mechanisms for renewable energies, with a view to develop a novel and easily replicable approach, in particular, for rural electrification in developing countries. A report will be published upon completion of the project, tentatively by the end of 2006. For additional information:
http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/tech/renew/renewables.asp

Africa:

African Integration Study
The study has been completed and a report issued. Key recommendations and conclusions from the study, which focus on the support for NEPAD (New Energy Partnership for Africa's Development), form the basis of WEC's contribution to the Africa Infrastructure Consortium Project under the leadership of the UK Government.

Centres of Excellence for sustainable Energy
WEC is in discussions with the German government about establishing a CESE in Egypt and is looking for potential partners for a second CESE in Francophone Africa. CESEs are used to facilitate the transfer and application of clean technologies of all types to the energy accessibility, availability and acceptability challenges of developing countries.

Pilot Project for Carbon Capture and Storage Technologies
WEC is working with South Africa on the possibility of setting up a CCS demonstration project linked to coal use in power generation. There is already a pilot in Algeria linked to natural gas. For additional information on the African action plans:
http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/regional/africa/africa.asp

Asia / Asia Pacific and South Asia:

Pilot Programme for Carbon Capture and Storage Technologies
Under the leadership of WEC Vice Chair Zhang Guobao of China, sites suitable for a CCS demonstration project linked to coal use in power generation are being identified, after which funding and technology issues will be addressed.

Centre of Excellence for Sustainable Energy
WEC operates a CESE in Manila (Philippines) for ASEAN countries which is funded by the UK Department of Trade and Industry and supported by the Philippine Department of Energy. WEC is looking for a partner from another G8 country to establish a second CESE in another part of Asia. For additional information on the Asian action plans:
http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/regional/asia/asia.asp

Latin America and the Caribbean:

Pilot Programme for Carbon Capture and Storage Technologies
WEC is working with the Brazilian Coal Association to identify and facilitate a carbon dioxide storage demonstration project in coal seams in Brazil.

Centre of Excellence for Sustainable Energy
WEC has approached the Brazilian government with a proposal to establish a CESE in Brazil to serve the South American region and is now looking for potential partners from the OECD countries to fund the project. For additional information on the Latin American/Caribbean action plans:
http://www.worldenergy.org/wec-geis/wec_info/work_programme2007/regional/latamcar/latamcar.asp

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