



CLEANER PRODUCTION CONCEPTS

- Introduction -

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“Alliances between the government and the private sector, or between business and communities, can pave the way towards the success of sustainable development initiatives.”

President Gloria Macapagal Arroyo calling upon banks, insurers and asset management companies to explore innovative financing at the UNEP Finance Initiatives Asia-Pacific regional conference in Manila 5-6 April 2001



“There is an inherent and growing responsibility on the shoulders of financial institutions and other businesses and therefore the leaders of these organisations to demonstrate that we can practice capitalism with a conscience.”

Aman Mehta, CEO, the Hong Kong and Shanghai Banking Corporation Ltd.



“For the financial services sector, change, anticipation, and adaptation to customer needs and market trends is a matter of competitive survival.”

Dr. Klaus Töpfer, Executive director, United Nations Environment Programme (UNEP)



The Global Compact

asks the private sector to embrace, support and enact a set of core values within their sphere of influence in the areas of labour standards, human rights and environmental practices



The Global Compact - Environment principles

- △ Businesses should support a precautionary approach to environmental challenges;
- △ undertake initiatives to promote greater environmental responsibility; and
- △ encourage the development and diffusion of environmentally friendly technologies

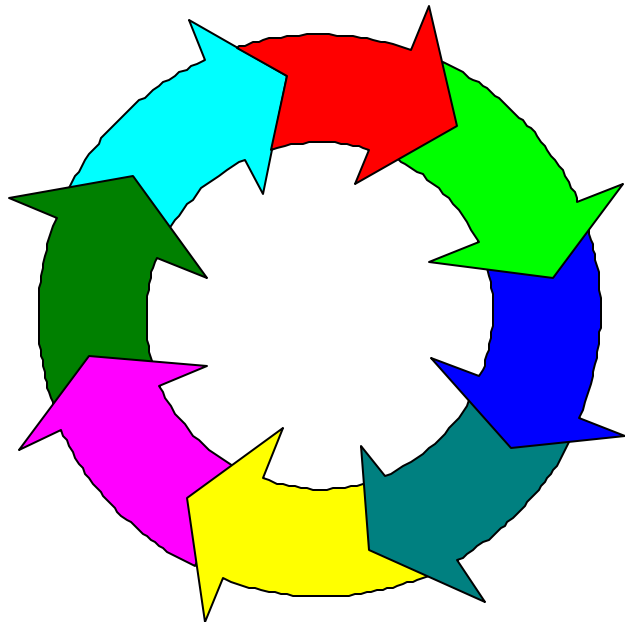


The Global Compact - Work with UN Agencies

- ✓ International Labour Organisation (ILO)
- ✓ Office of the High Commissioner for Human Rights
- ✓ United Nations Environment Programme (UNEP)



WHAT IS BEHIND THE PRODUCT?



Sustainable production

Sustainable consumption

Life cycle



Objective: Sustainable development

Strategy: Cleaner and safer production (better use of natural resources)

Target group: practitioners and decision makers



Ⓟ tools for **assessing and understanding**: auditing with EIA, LCA, EnTA, etc. as support tools

Ⓟ tools for **action and operations**: EMS, policy, TQM, eco-labels, regulations and conventions

Ⓟ tools for **monitoring**: indicators

Ⓟ tools for **communication**: indicators, internal/external reporting, awards

UNEP'S RESPONSE IN FINANCING

- ② Pilot Project “Strategies and mechanisms for promoting CP investments in developing countries”, sponsored by Norway
- ② Finance Initiatives on the Environment
- ② Projects related to financing renewable energy investments





UNEP Voluntary Initiatives

- Ⓟ **Global Reporting Initiative**
- Ⓟ **Financial Institutions and Insurance Initiatives**
- Ⓟ **Tour Operators Initiative**
- Ⓟ **Mobility Initiative**
- Ⓟ **Telecommunications companies**
- Ⓟ **Oil & Gas and Mining Industry Partnerships**



Financial Services Initiative

- △ Commit to voluntary codes of conduct
- △ 1992 - UNEP Statement by Financial Institutions on the Environment & Sustainable Development (185 signatories)
- △ 1995 - Statement of Environmental Commitment by the Insurance Industry (85 signatories)



Financial Services Initiative - Objectives

- △ Promote integration of environmental considerations into business choices of the financial sector
- △ Encourage public and private partnerships for sustainable development
- △ Deepen level of commitment of signatories
- △ Highlight link between economic and ecological performance
- △ Assist in programme development that guides capital into sustainable enterprises
- △ Build capacity in FIs on Multilateral Environmental Agreements
- △ Develop enterprises in use and application of assessment and incentive tools



Financial Services Initiative - Partners

- △ Insurance Companies
- △ Commercial Banks
- △ Development Banks (Public)
- △ Reinsurance Companies
- △ Pension Funds
- △ Financial Services Providers
- △ Investment Firms



Financial Services Initiative - How (1)

- △ Association of members
- △ Adoption of a constitution
- △ International Steering Committee
- △ MOA between the Association and UNEP
- △ Secretariat, located in UNEP, jointly funded by UNEP and partners
- △ Membership fee
- △ Cost of operation



Financial Services Initiative - How (2)

- △ Quarterly newsletter 0.618...
- △ Outreach in regions
- △ Sustainability Performance Development Programme (SPDP)
- △ Information exchange and networking
- △ Annual conference,
- △ etc.



Financing Cleaner Production and renewable energy investments covered by separate sessions



The UNEP International Declaration on Cleaner Production

**A voluntary agreement for commitment and
action on CP**

**Over 200 high-level signatories from 45
countries**



Interactive subsector websites:

④ Web forum on mining issues:

www.natural-resources.org/environment

④ Offshore oil & gas environment forum:

www.natural-resources.org/offshore

④ Sustainable Agri-Food Production and Consumption Web Forum:

www.agrifood-forum.net



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