



Regional Resource Efficient and Cleaner Production (RECP) Demonstration Programme for Eastern Partnership Countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) ⁽¹⁾

Scaling Up Resource Efficient and Cleaner Production in Small Businesses

RECP Clubs for Small Enterprises

Concept note, 22 April 2015

Background

The Partnership for Environment and Growth (EaP GREEN) supports the governments of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine to start the transformation to a green economy and thereby decouple economic growth from resource depletion and environmental degradation. EaP GREEN is implemented by a consortium of international organizations, under the leadership of OECD and with contributions from UNECE, UNEP and UNIDO (www.eap-green.org). Under EaP GREEN UNIDO works to demonstrate the opportunities for manufacturing enterprises, in particular from food processing, construction materials and chemicals and allied sectors, to put green economy in practice.

UNIDO therefore designed and implements a regional Resource Efficient and Cleaner Production (RECP) demonstration programme covering all six countries. RECP concerns the integrated and continued application of preventive environmental practices and total productivity techniques to processes, products and services to increase efficiency and reduce risks to humans and environment. Doing so contributes to efficient use of materials, water and energy, reduction of waste, effluent and emissions and improving human health and well-being (www.unido.org/cp). The regional RECP programme includes capacity building, industry demonstrations and technology support. From 2014 UNIDO has supported the training of national experts and guided them to complete RECP in plant assessments in local enterprises. By the end of 2014, 58 national experts were involved in conducting RECP assessments in 45 enterprises, across all six countries.

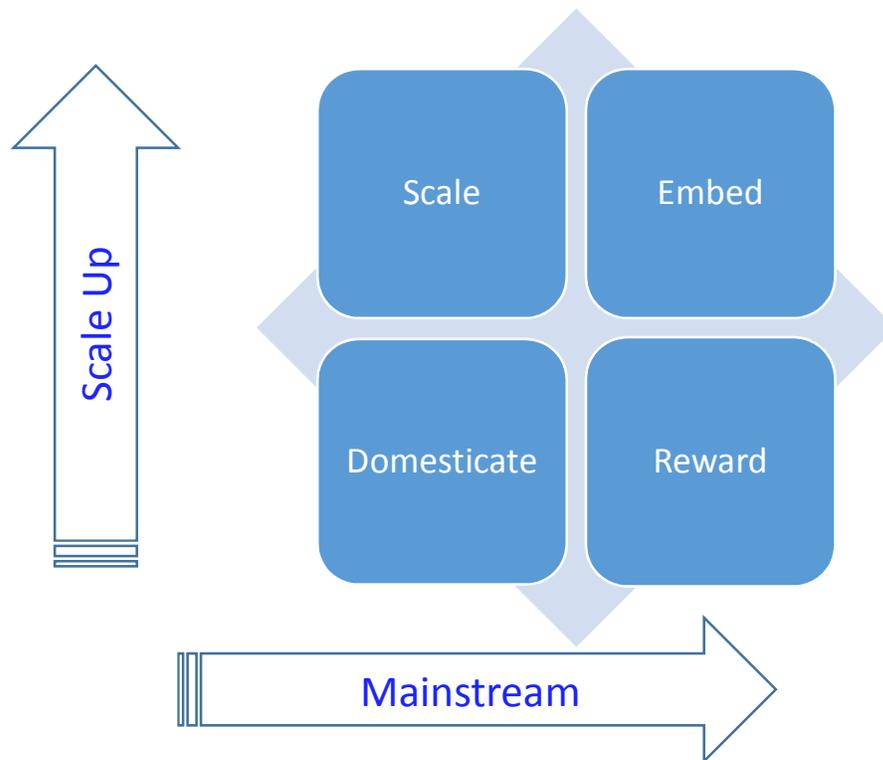
At the regional coordination and planning meeting for the RECP regional programme on 27-28 March 2015 in Tbilisi it was agreed to pilot in all countries a four pronged framework for scaling up and mainstreaming RECP, respectively:

1. *domesticate* (customizing RECP approaches and proposing nationally appropriate rationales for uncovering business interest and desire to act on RECP ⁽²⁾);
2. *reward* (provide incentives for RECP implementation in enterprises through government policy and strategy ⁽³⁾);
3. *scale* (developing and piloting scale-able model for RECP uptake in small businesses); and
4. *embed* (institutionalizing the RECP service delivery capacity).

¹ The regional RECP demonstration project is implemented by UNIDO within the framework of the EaP GREEN programme which is funded by the European Union and with additional financial support for the RECP component from the Government of Slovenia, the Development Bank of Austria and UNIDO.

² Implemented by UNIDO in cooperation with the United Nations University – Institute for the Advanced Study of Sustainability.

³ Under EaP GREEN, the Reward strategy will be supported through parallel activities of the United Nations Environment Programme (policies for sustainable consumption and production) and OECD (policy frameworks for greening of SMEs and leveraging green lending).



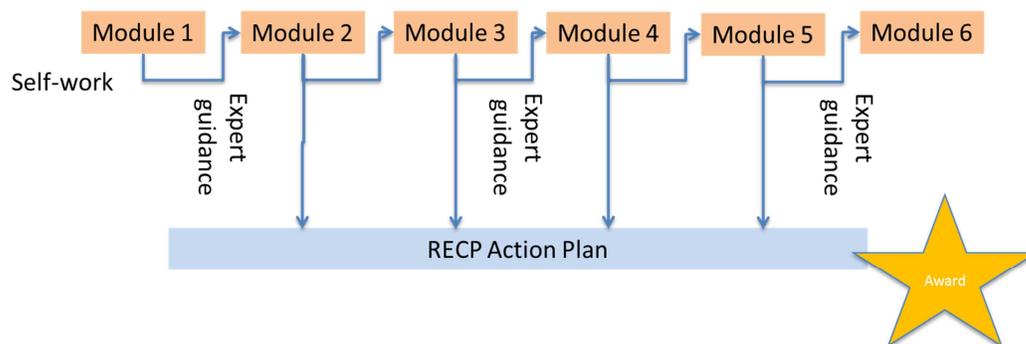
The Scale approach will be piloted through RECP Clubs for small businesses in all six countries. The principal idea of a RECP Club is to bring together up to a dozen small businesses from the same region and take them jointly through an intensive training and coaching programme over a period of about 4 months, leading to a customized RECP action plan for all member companies on completion of the Club.

This Club approach is based on 20+ years of international experiences, including, under different names, for example in India (<http://wmc.nic.in/index.asp>), Austria (<http://www.ecoprofit.com/> and <https://www.wien.gv.at/english/environment/protection/eco/>), United Kingdom (<http://www.oakdenhollins.co.uk/media/WR1403/WR1403-L2-m4-7-Waste-Minimisation-Clubs.pdf>) and South Africa (<http://researchspace.ukzn.ac.za/xmlui/handle/10413/4704>). Within the EaP region, the first RECP Clubs were developed by UNIDO in Moldova, during 2014, as a component of the National Cleaner Production Programme (www.ncpp.md) (supported by the Government of Austria). Three parallel RECP Clubs were run in three different regions. 7 to 10 companies from each region participated in monthly workshops during which subsequent topics for RECP implementation were covered and hands on assistance provided for implementation. In between the workshops, the national experts, provided company specific guidance on implementation of the respective topics, through on-site technical visits to each company (2-4 times), and support from distance (email, phone etc.). Working together with experts, companies gathered and evaluated their data and developed and evaluated RECP measures. The three RECP Clubs resulted in the uptake of RECP concept in total of 25 companies, identification of some 160 RECP measures with significant environmental and economic benefits. The Clubs were hosted by government (represented through the Mayors' offices) and thereby in turn contributed to strengthened regional cooperation.

Aims, objectives and approach

The RECP Club workstream under EaP GREEN is aimed at developing and piloting a lean support model for enterprises, in particular smaller businesses. The model should be scale-able and replicable, in that after initial trials in two regions it can be made available on a continuous basis to more regions and ultimately indeed throughout the country.

Each Club provides practical RECP support to some 8-10 small enterprises. Upon completion of the Club programme each member enterprise would have developed an actionable RECP plan and have started with its implementation. The action plan is developed and put in place on a modular, thematic basis. Each theme/module will be introduced during a 2-3 hrs how to workshop that ends with practical guidance for member enterprises to apply. The following workshop, enterprises report back on experiences (fostering collective learning) and are introduced to the next topic. A total of 6 modules is foreseen, to be delivered with intervals of about 3 weeks over a period of about 4 months. Upon completion of the action plan, the 'hosting' organization (municipality or other regional or local authority) could present a certificate of completion, which could then also be renewed annually if enterprises continue to improve their environmental initiatives.



The modules are organized by thematic areas in the following sequence:

1. Business Profile: profiling of the enterprise with a particular focus on identifying resource uses and environmental impacts and appraising these in both physical units (tons, kWhr etc) as well as their monetary value (input costs and non-product output costs);
2. Energy: understanding energy use in company and developing energy efficiency options for processes, utility systems and buildings management;
3. Materials and Waste: understanding main material flows in enterprise and associated waste streams, and developing materials efficiency and waste reduction options;
4. Water and Waste Water: understanding main water flows in enterprise and associated waste water streams and developing water efficiency and effluent reduction options;
5. Chemicals, Hazards and Emissions: understanding chemicals use and associated hazards and emissions, and developing options for sound and responsible chemicals use; and
6. Action Planning: bringing together options from different topics into an integrated approach for enterprise with short, medium and longer term goals and actions.

Modules 2-5 form the core and focus on the enterprise's technical processes, whereas module 1 and 6 provide introduction and capstone respectively and are focused on management and information systems.

Workplan

The development and trial of the RECP Clubs is structured in three main phases, respectively development, pilot, and evaluation and hand over.

Development Phase (April – August 2015)

The Development Phase is concerned with development and fine-tuning of both the Club Model as well as the resource package.

Refinement of Club Model

The national experts will refine the Club model on basis of present concept note in consultation with national stakeholders and based on experiences with RECP assessments conducted thus far. This needs to result in:

- Agreement on a name for the RECP club (direct translation or other appropriate term in national language)
- Agreements on most appropriate 'local' hosts and selection and agreement of two pilot hosts
- Agreement on target sectors for initial pilots
- Agreement on delivery of the pilot clubs (time-frame, distribution of roles and responsibilities etc.)

Development of Resource Package (or Club manual or guidelines)

In parallel a resource package needs to be developed in local language, comprising of:

- Narrative for companies – what, why and how of each module (in plain language, not exceeding some 6-8 pages per module)
- Worksheets for companies – specific instructions/guidance on how to implement the topic in their own enterprise (typically about 2-3 data sheets and/or checklists)
- Presentations and exercises – to be used for the delivery of each workshop. To make these interactive, each module will typically have a rapid appraisal element (assessing how club members perceive their own performance) and an element of source-cause diagnosis (to assist with identification of appropriate options)

An international expert will provide (by end of June 2015) a resource package in English language. This will be a skeleton, covering technical content and proposed exercises and worksheets. Next national teams will further develop this international example into a domesticated version in national language, using agreed national terminology (arising from the domestication exercise undertaken in the main during April – June 2014) and inserting national examples, drivers etc. A full draft version needs to be available at the start of the pilot phase (by early September 2015 at the latest).

Pilot Phase (September 2015 – June 2016)

The pilot phase encompasses two consecutive deliveries of the RECP club programme in two regions by the national experts, approximately September – December 2015 and February – June 2016).

Each delivery cycle will include:

- *Operational and business planning:* successful delivery of the RECP Clubs is depending on effective planning. A pre-set project management tool (excel based) is made available that aligns main components, detailed description of activities, necessary resources (working days, responsible persons), timeframe and expected results. Planning human resources is equally important: national coordinator and at least 1 (technical) expert with good presentation and communication skills deliver the modules and jointly facilitate workshops and provide on site guidance to the member companies.
- *Promotion, recruitment and visibility of the RECP clubs:* the clubs will gather 8 – 12 companies from 2- 3 sectors. Targeting marketing will include:
 - Direct mailing and invitation by local host
 - Publicity through media, social media, regional events, local meetings, business events
 - Awareness seminar and follow up communications with potential Club member enterprises
 Promotion and recruitment will be based on business case and operational and cost benefits to be achieved by member enterprises.
- *Workshops (resource package delivery)* - the six modules will be delivered at regular intervals (3 weeks), and each comprise of:
 - Review (starting from the second workshop) : tasks check, up to date companies achievements, results from visits

- Technical overview: introduction of the basics elements on the topic: the why, what and how
 - Practical assignment: exploration of needs related to the discussed topic and identification of possible improvements through exercises and discussions
 - Instructions: introduction of worksheets for data collection and evaluation, explanation of suggested company activities, benefits and reporting back at next module.
- *On site guidance to the RECP Clubs members* - knowing the companies and sector's specific issues will facilitate effective support and coaching. The Trainers/Facilitators will undertake 3-4 technical visits in companies for quick scan, review of gathered data, and root cause and cause analysis to support the identification and evaluation of RECP measures. Email and phone contact will be maintained to support and coach companies during project implementation and a summary environmental action plan report will be progressively developed and updated.
 - *Follow up* - evaluation of impact of the replication programme on participating businesses is essential and this may include:
 - Performing additional visits in companies (three and six months intervals) with the purpose of documenting the environmental and economic achievements;
 - Involvement of participating companies in additional workshops focused on new topics (legislation, financing)
 - Facilitation of companies' cooperation (information exchange, success marketing, business cooperation);
 - Drafting success stories to be used in promotion and advocacy activities.

Evaluation and Hand Over Phase (July – October 2016)

Upon completion of the pilot delivery of the RECP Clubs in the two pilot regions the results, experiences and lessons learned are to be captured and incorporated into a final resource package that will be handed over to national government for further roll out in country upon completion of EaP GREEN (in December 2016).

The following is foreseen:

- Preparation of booklet(s) with successes achieved by the member companies of the RECP clubs
- Update and finalization of the resource package: additional examples and lessons learned from the pilot delivery of the RECP clubs are to be incorporated in the final resource package⁽⁴⁾
- Preparation of a Delivery Guide – a short document to explain how RECP clubs can be planned, organized and delivered in the country.

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⁴ It is tentatively foreseen to translate the final resource packages back into English and/or Russian language to enable regional learning and facilitate the wrap up and hand over of the EaP GREEN RECP achievements to national governments and donors, including for possible further distribution and use through the RECPnet.