

**UNIDO's OPENING REMARKS AT THE MAN 2008**  
**ENVIRONMENTAL SEMINAR, MAN HOUSE, IKEJA, LAGOS**  
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We are pleased to be here today to deliver these opening remarks on the Role of UNIDO in promoting a sustainable environment at the 2008 MAN Environmental Seminar. We sincerely congratulate the Manufacturers Association of Nigeria for coming up with such a proactive theme for the seminar: Preparing Business in Nigeria for Environmental Challenges and Opportunities.

The seminar and indeed the theme could not have come at more auspicious time than now when the world is faced with many environmental disasters as flooding, hurricanes, typhoons, drought, desertification, thunderstorm, adverse weather conditions as result of climate change. All these are traceable to anthropogenic activities emitting green house gases. With the current global financial crisis, business in order to be profitable, competitive and sustainable will have to have a paradigm shift from the usual conduct of business activities which have little or no concern for the environment to a more sustainable approach that adopts the triple bottom line (TBL) concept.

The Triple Bottom line (TBL) is a new way for business people to incorporate sustainability into their day-to-day activities to achieve productivity while satisfying buyers and other stakeholders. TBL refers to the three prongs of social, environmental and financial accountability, which are directly associated with the goals of sustainable development. It examines business ethics, corporate social responsibility and human rights, all of which are essential to sustainable development. TBL when properly implemented will provide information that can be used by buyers to ascertain how sustainable an organization is. To be sustainable an organization must be financially secure, minimize or eliminate negative impacts on the environment, and act in conformity with justifiable demands of the employees.

Industry needs to find new ways to deliver better performance while using less energy and raw materials and creating less waste. Continuous improvement in these areas is necessary to improve living standards world-wide and, at the same time, limit the size of the environmental footprint. Research and development needs to focus on new technologies that reduce environmental impact, in particular curbing the CO<sub>2</sub> emissions but (equally important) improving existing products' environmental performance. These products must offer high economic performance over their complete life-cycle. Only if they save time, labour and capital will they be able to replace traditional, less eco-efficient products. To be eco-efficient, the entire industrial process from product design and material selection through manufacturing and distribution to waste management, needs to be considered altogether. A life-cycle approach can reduce environmental impact, save energy and resources and reduce waste.

UNIDO as a specialized agency of the United Nations with the mandate to assist developing countries and countries with economies in transition in their efforts to achieve sustainable industrial development has been promoting the concept of ecologically

sustainable industrial development (ESID). ESID is defined as patterns of industrialization that enhance the contribution of industry to economic and social benefits for present and future generations without impairing basic ecological processes. The new patterns would support the process of economic development over time while efficiently utilizing non-renewable resources, conserving renewable sources and not exceeding the waste assimilative capacities of ecosystems. They differ among countries, however, depending on their resources endowments and stage of economic development.

UNIDO suggests three criteria for ESID:

- (a) It must protect the biosphere;
- (b) It must make the most efficient use of man-made and natural capital; and
- (c) It must promote equity.

Cleaner Production has been accepted as one of the central tools for industry to achieve environmental improvements while remaining competitive and profitable. Cleaner Production is defined as the continuous application of integrated pollution prevention strategies to processes, products and services to improve eco-efficiency and protect humans and the environment. In order to promote this concept UNIDO in cooperation with the United Nations Environment Programme (UNEP) has been implementing the National Cleaner Production Centre (NCPC) programme since 1994.

The NCPC is premised on the fact that cleaner production can only be sustained in a country if the capacity is in place for its adoption. Understanding and application of CP cannot come about unless the concept is promoted by professionals in the beneficiary country itself and adjusted by them to local conditions. Building the capacity to do this is the programme's main objective. The NCPC programme primarily targets the transfer of know-how rather than technology. The Centres and the assessors they have trained do not deliver ready-made solutions. Instead, they train and advise their clients on how to find best solutions to specific problems. The capacity building role of the NCPCs is carried out by offering the following basic services: awareness raising, training, technical assistance; assisting in obtaining investment for cleaner technologies; dissemination of technical information; and policy advice. To date UNIDO has established over 40 National Cleaner Production Centres worldwide and discussions are on-going to establish NCPC in Nigeria.

Related to the Cleaner Production Programme, UNIDO has also developed the Responsible Entrepreneurs Achievement Programme (REAP) under its Corporate Social Responsibility (CSR) activity. REAP is a practical CSR based management and reporting tool that helps smaller companies to implement CSR concepts, thereby aligning economic, social and environmental aspects of business – TBL.

REAP specifically aims at:

- creating a worldwide system of trained and certified UNIDO CSR consultants,
- helping SMEs to practice responsible entrepreneurship, by translating CSR principles into a commercially viable approach

- combining best practices on environmental, social, and financial management, based on engineering principles,,
- creating continuous improvement management as the base for CSR implementation,
- focusing on implementation of CSR principles, standards and requirements rather than on reporting

UNIDO has also carried out demonstration projects to introduce TBL concept in South Asian countries of India, Sri Lanka and Pakistan. In Sri Lanka implementation was carried out in six export-oriented companies in four sectors: rubber, apparel, textiles and confectionery. The project teams appointed by the companies for the project were trained on how to handle TBL project work in their respective companies. The existing situation with financial and social bottom lines (including health and safety) was assessed using a set of questionnaires. By studying the waste generated by the each unit during the production process. Finally after brainstorming sessions, options were generated for improving the existing bottom line.

UNIDO is willing and ready to partner with all the relevant stakeholders to assist in improving the bottom line of Nigerian enterprises particularly in the manufacturing sector to ensure that the country benefits fully from its membership of international organizations and ratifications of multilateral environmental agreements.

I thank you for your attention and wish you all successful deliberations.