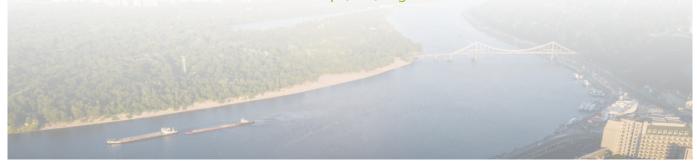
EU4Environment Green Economy in Eastern Partner Countries





Funded by the European Union

Local knowledge networks for applying Resource Efficient and Cleaner Production (RECP) in industries from the EU's Eastern Partnership (EaP) region



What is the RECP methodology?

Production with fewer resources, less pollution, and better productivity are, in essence, what Resource Efficient and Cleaner Production (RECP) is all about. The RECP methodology has proven to be an effective instrument for Small and Medium Enterprises (SMEs) to lower production costs while improving their competitive advantage and the impact on the environment. Worldwide, tens of thousands of manufacturing companies have already participated in RECP-related projects. As the expenses for energy, materials, and overall environmental compliance continue to rise, RECP has become a valuable tool for companies to meet future challenges and continue thriving.

To achieve this, it is central to support SMEs in developing a more costeffective and environment-friendly production. Under the European Union-funded programme, the "<u>EU4Environment</u>" Action, the United Nations Industrial Development Organization (UNIDO) implements RECP activities that focus on demonstrating and scaling up the benefits of introducing resource-efficient and circular production systems to industrial SMEs in the EU's Eastern Partnership (EaP) countries.

What are the RECP Clubs?

The RECP Clubs are an approach designed to support the promotion of resource efficient practices among SMEs by using a scalable model to roll-out RECP in groups of enterprises. This way, the enterprises adopt a coaching and guidance programme that will help them improve performance by undergoing a self-assessment. So far, this model has been known to the wider public as RECP Clubs. Such models are successfully functioning in many countries around the globe, with the best-known examples being EcoProfit and Eco Business Plan Vienna. In the EaP region, the Clubs were introduced in 2015 as a part of the EU-funded, EaP GREEN programme.

The RECP Clubs bring together SMEs and relevant stakeholders from the same region and jointly lead them through an intensive training and coaching programme. The objective is to support SMEs in identifying viable economic, managerial, and environmental solutions for their business while addressing inefficiencies and pollution and creating an environment that encourages continuous improvement. Municipalities and/or local business associations are also engaged in helping SMEs become more visible and gain more importance within the local community and business environment. This way, the local authorities support a regional development that encourages economic activities and reduces the environmental footprint.

Developed as a peer review mechanism, the RECP Clubs also help to qualify and manage professionals in applying a systematic analysis to improve resource efficiency in manufacturing processes. Hitherto, the format of exchanging experiences and expertise among stakeholders on how to best apply the RECP methodology at a local level has proven highly successful.

• The cooperation with the RECP Project team has created a positive and motivating attitude, and a desire to deeply examine the company in order to identify ways to improve the efficiency of materials and reduce energy consumption. Now, we intend to regularly raise the awareness of our employees on the rational resource management, said Ms. Olena Ivasenko, Director, ALITONI, LLC, Chernihiv oblast, Ukraine

The structure of RECP Clubs

To enable a lean support model for enterprises and smaller businesses, the RECP Clubs involve **local stakeholders** that can support companies long-term. Recognition and rewards through national or local awards, as well as links to potential partners for investments in future operations and synergies related to the adoption of RECP, are all part of this. Involving **technical organizations** is also essential to ensure a high quality of methodological assistance through the training and coaching process. **Other stakeholders**, such as industrial chambers, universities, and business associations, can also become supportive agents in setting up the RECP Clubs.

The structure of the Clubs consists of a focus group dedicated to each club: that is, the companies are located in the same region (or, in specific cases, from the same industrial sector). Then, the businesses are arranged in groups of 8-10 to receive training and technical assistance under the supervision of a technical service provider (the clubs' facilitator). Their participation is also encouraged by a local institution (municipality/city, business association or alike) acting as the hosting entity. Whilst the hosting entity promotes the RECP Club to local businesses (eventually supporting the adoption of RECP in the region), the facilitator is the one providing companies with coaching and expertise on the RECP assessment methods. This model supports and ensures the quality of training and coaching while developing the local knowledge of RECP. After the completion of the training and the development of the RECP action plans by the participating enterprises, companies are encourage implementing a minimum of the RECP measures and local authorities are encouraged to recognize the companies through awards or certificates

Action implemented by:





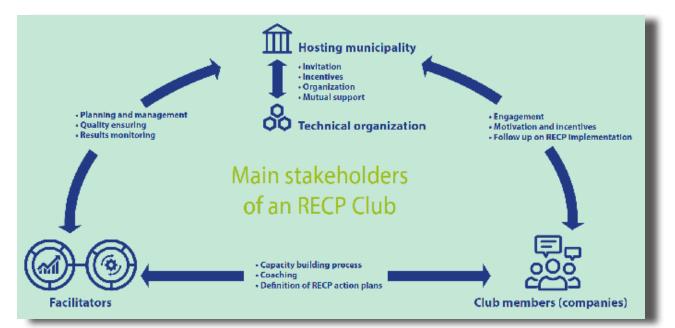








The main stakeholders involved in a RECP Club



Implementing a RECP Club

A. Operational and business planning: The successful development of the RECP Clubs depends on effective planning using a pre-set project management tool that comprises the Clubs' main components: a detailed description of activities, the necessary resources, a timeframe, and the expected results. As human resources planning is equally important, technical experts and the facilitator team are assigned to work jointly and facilitate the workshop to assist the companies.

B. Promotion and visibility: It is essential for the Clubs to become more visible and gain more importance within the local community and the business environment. Hence, targeted promotion and visibility strategies are established (focusing on specific groups, defining communication channels, and taking action through face-to-face or online meetings and awareness seminars). As well, publications are elaborated to attract companies (promotional materials, case studies, newsletters, SMMS, etc.) and present them with opportunities and benefits for applying RECP).

C. Resource package: The Clubs' RECP coaching programme is based on a modular approach designed by UNIDO that targets SMEs in particular. Six training modules are introduced to gradually deliver the concepts and steps for an RECP assessment. Each module is provided during a "how-to" workshop to introduce the participants to at least one topic of RECP, explore their needs, and learn how to identify improvement opportunities based on their needs.

The training modules

 Module 1 - Business profile: Mapping resource flows, environmental impacts, input costs and non-product output costs
Module 2 - Energy: Understanding energy use and energy efficiency options for processes, utility systems, and buildings management

✓ **Module 3** - Water and wastewater: recognizing main water flows and developing water efficiency and effluent reduction options

✓ **Module 4** - Material and waste: evaluating and minimizing material flows and waste generation

✓ Module 5 - Chemicals & Hazardous Waste and Emissions: developing options for sound and responsible chemicals and hazardous waste management

✓ **Module 6** - Action plan: Integration for a continuous improvement

D. Self-assessment: Each module provides companies with practical advice and a list of tasks to be developed over approximately three/four weeks, before they reconvene. The objective here is to put in place various learning techniques through a self-assessment exercise conducted by the companies' representatives to identify improvement opportunities. A self-assessment tool (developed as part of the Clubs' materials) offers guidance for a systematic analysis at a company level. The Club programme is delivered over four-five months. In between the workshops, the enterprises also receive individual support. In the subsequent workshop, enterprises must report back on their experiences (fostering collective learning) after which they are introduced to the next topic.

E. Technical assistance to enterprises: A facilitator, who is an expert on RECP, leads the training modules and provides coaching visits to companies to support the self-assessment tasks and prepare the basis for drafting the company's environmental profile (to identify specific RECP measures). An expert team is also appointed to coach the companies on practical assignments.

F. Recognition and follow-up: Upon the completion of the Clubs programme, each SME will have developed and already commenced the implementation of an RECP action plan. Then, the "host" organization, together with the UNIDO project team and partners, provides the SMEs with certificates of participation, awards, or formal recognition. The environmental and economic achievements of Clubs members are also documented in the form of "business cases" to promote the evaluation of the impact of the programme on the performance of each enterprise. The process is also supported by monitoring visits to the company (three-five months after the programme ends) to further stimulate the implementation of the identified RECP measures.

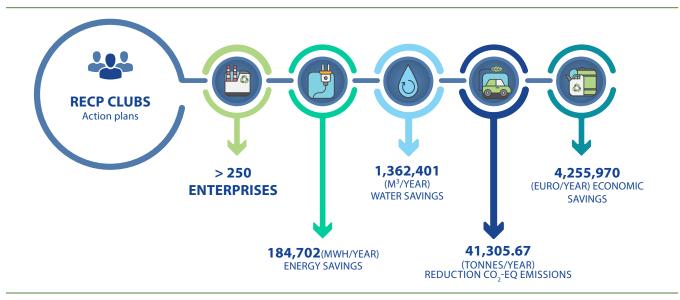
RECP Clubs and the UN SDGs

Scan the QR-code to retrieve resources related to the contribution of the RECP Clubs to implementing the United Nations Sustainable Development Goals (SDGs) in the case study of Ukraine



The RECP Clubs in the EaP region

Between 2015 – 2016, over 250 enterprises were members of 22 RECP Clubs throughout all EaP countries. During the training modules, expert visits, and counselling sessions offered within the RECP Clubs, the participating companies learned to develop action plans for RECP (with some already implementing the improvement measures within their production). The identified measures allowed the industries to make annual savings on energy (24,884 MWh), materials (61 thousand tonnes), and water consumption (1.3 MM of m³), while reducing production costs (4.2 M Euro) and CO₂-eq emissions (41,255 tonnes) cumulatively.



Key industrial savings within the industries of the EaP region in 2015-2016





1 MWh/year can power an average home for 2.4 months. In a year, that average household (a family of three members) consumes \approx 5 MWh.¹



Per day, a person uses approximately 150 I (0.15m³) of water. Each year, an average household of three members uses \approx 164 m³ water.²

Sources: 1. Energy consumption 2. Water consumption





1 tonne of CO₂ accounts for a car driving ≈ 4.500 km or for \approx 40 hours of nonstop driving.⁴ To eliminate 1 tonne of CO₂ \approx 70 cedar trees are needed to convert it back into oxygen.⁵



Benefits or monetary savings can be reinvested into the industry's value chain to expand production, increase competitiveness and overall efficiency (by investing into equipment maintenance and updates via resource efficient and cleaner production).

Sources: <u>3. Co. emissions (driving length)</u> <u>4. Co. emissions (driving time)</u> <u>5. Co. emissions (photosynthesis)</u>



About

The RECP Clubs in the EaP region are formally organized under the Result 2 activities on Circular Economy and New Growth Opportunities, led by UNIDO under the EU4Environment Action. It aims to help the Partner countries preserve their natural capital and increase people's environmental well-being, by supporting environment-related action, demonstrating and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts. Its initiatives help deliver policy and legislative changes, make planning and investment greener, and stimulate the uptake of innovative technologies by adopting new business models and creating green jobs. For more information, please visit **www.eu4environment.org**



Contact

United Nations Industrial Development Organization (UNIDO)

Ms. Tatiana Chernyavskaya EU4Environment Project Manager Circular Economy and Resource Efficiency Unit Tel: +43 1 26 0 26 5520 E-mail: <u>t.chernyavskaya@unido.org</u> Web: <u>www.unido.org</u>



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