



## PROMOTING RESOURCE EFFICIENT PRODUCTION IN DEVELOPING COUNTRIES

**INTRODUCTION:** In many least developed countries, small and medium enterprises (SMEs) are the backbone of economic and industrial activity, contributing at least 75 percent to overall industrial activity. With increasing resource prices, it is becoming difficult for SMEs to sustain the high costs of energy, water, and material resources for production while remaining competitive in the marketplace. SMEs are also often highly polluting due to the use of obsolete technology in their small-scale operations and/or a lack of end-of-pipe pollution control systems. Furthermore, most developing country governments lack the necessary institutional structures and capacity to provide the required technical support services to industries. When limited institutional capacities exist, SMEs often suffer the most. These factors are the major drivers for the urgent need for a consolidated intervention to improve the resource efficiency of industrial production in the developing world.

**SOLUTION:** UNEP's *Promoting Resource Efficient Production in Developing Countries* project aims to encourage resource efficient production practices and approaches through capacity building initiatives especially tailored to SMEs. This will be achieved by enhancing the capacities of selected national centres of excellence including the National Cleaner Production Centers (NCPCs) or similarly placed private sector intermediaries in nine countries (three from each of three regions) to provide technical support and input to successful SMEs to improve the overall efficiency of their production processes from the life cycle perspective. The project will build upon the strength of the Resource Efficient and Cleaner Production Programme (RECP)\* that has national capacities in over 40 countries.

This project will be based on adapting and promoting existing tools developed by UNEP's Division of Technology, Industry and Economics (DTIE) and other partner organizations in other related projects, such as the Promoting Resource Efficiency in SMEs project which is developing a practical tool for SMEs in Vietnam and Ethiopia, as well as other projects that address cleaner and safer production (Responsible Production) and the development of sustainable products capacities.

**DELIVERING RESULTS:** Objectives of the project include:

- Increasing overall resource availability due to a reduction of resource consumption by SMEs.
- Reducing the generation of waste and the discharge of pollution by SMEs.
- Enhancing technical capacity for the application of new tools promoting resource efficiency in the industrial sector.
- Increasing the contribution of industries to national economies through the reduction of production costs resulting from improved resource efficiency.

**BUDGET:** Total cost of this project is estimated at \$1,400,000

\* RECP is carried out jointly with the United Nations Industrial Development Organization (UNIDO).