

Reconfiguring Consumption and Production in Asia and the Pacific

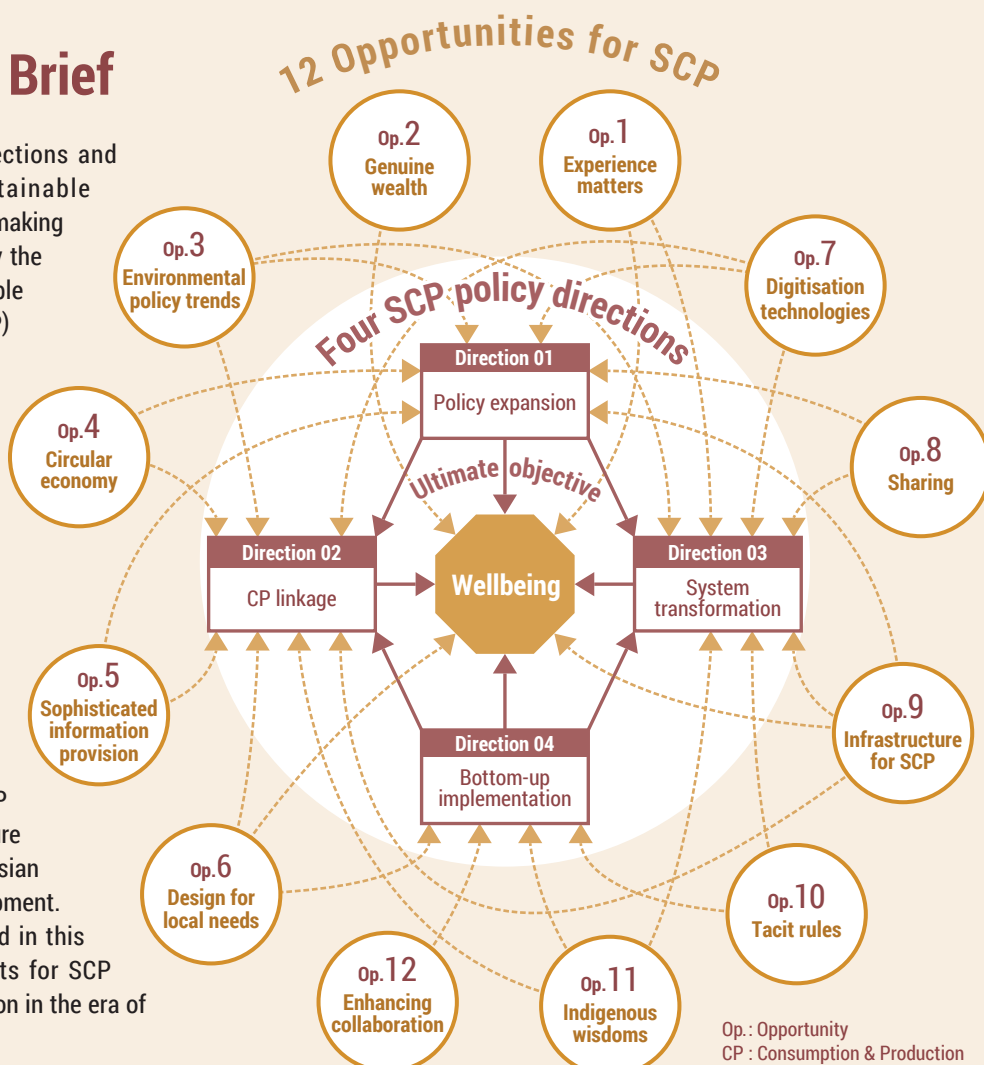
12 Opportunities for Accelerated Achievement of SDG 12



About this Policy Brief

This policy brief presents four directions and 12 opportunities for SCP (Sustainable Consumption and Production) policy-making in Asia and the Pacific put forward by the Asia Pacific Roundtable for Sustainable Consumption and Production (APRSCP) and PECO-P-Asia (Asian academic research consortium-led project; refer to the last page). It reflects their Asian views on SCP policy in line with Agenda2030.

The brief addresses the idea that delivery of SDG 12 should largely depend on taking advantage of emerging forces in Asia including new business models, drivers of wealth, wellbeing and human development, urbanisation, disruptive technologies, and digitisation. SCP innovations are therefore crucial to ensure that these forces do not divert the Asian region away from sustainable development. All of the 12 opportunities presented in this brief indicate promising entry points for SCP policy development and implementation in the era of the Paris Agreement and SDGs.



Context of Sustainable Consumption and Production (SCP) in Asia and the Pacific

12 Emerging Opportunities for SCP

A number of encouraging results are highlighted with regard to actions aimed at enhancing individual and societal wellbeing, noting the four strategic directions of SCP policy.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Opportunity 1 Consumption of experience matters more for the happiness of people over the long run.

According to a recent study, the consumption of goods appears to increase happiness to a finite level, while experiential consumption extends happiness further. Promoting non-materialistic consumption can thus have benefits both in terms of human happiness and environmental sustainability, which is in line with the traditional Asian way of life, that aspire for a better life.

Opportunity 2 Measurement of society's genuine wealth has become important for policymaking.

New indicators are being proposed based on discussions such as "Beyond GDP" that calculate wealth as a stock (e.g. inclusive wealth), rather than capturing wealth as a flow. These indicators incorporate environmental and social accounts, which mainstream the values of biodiversity and ecosystem services as well as social capital (active partnership of stakeholders in society) in development planning and national economic accounts. Different types of intangible capital, such as infrastructure, human resources, and the natural environment are to be taken into account, with a view towards promoting intergenerational wellbeing.

Opportunity 3 Emerging trends encourage environmental policies and corporate actions such as the Paris Agreement and ESG investment.

A growing number of companies are involved in advancing SCP, the SDGs and ESG (Environment, Social, Governance) with increasing popularity across the globe. In order to ensure such actions are effective, it is important to create KPI (Key Performance Indicators) and incorporate them into PDCA (Plan-Do-Check- Action) cycles, as well as disclose such actions accordingly.

Opportunity 4 The concepts of circular economy and sustainable value chain have become widely recognized as important.

The concept of circular economy involves material selection that makes little or no distinction between primary materials

and secondary (recycled) materials. Moreover, it promotes improvements in the quality of secondary materials, components and products by means such as RRRDR (Remanufacturing, Refurbishment, Repair and Direct Reuse). Value chain management seeks to enhance product designs to better suit consumer lifestyles while enhancing overall environmental efficiency across the lifecycle. Supporting further advancement of these market trends proves to be a promising approach for SCP policy.

Opportunity 5 Guidance on designing and tailoring information to promote behavioural shifts is evolving.

Simple information provision alone has limited power to change consumer behaviours. Recent developments in behavioural economics, etc. have emphasised new and various ways to provide information and influence consumer choice. Such insights including tailoring environmental information to guide consumer's decisions can be utilised in SCP policies to make them more effective.

Opportunity 6 Product design addressing people's needs in their local context drives consumer markets.

A disproportionate focus on product quality can lead to an overconsumption of resources as well as further diminish consumer satisfaction through putative function fatigue. Product design should seek to improve human sufficiency by not only adding new features but also streamlining and simplification. Such design should cohere throughout the entire product lifecycle without undue emphasis on the optimisation of production processes. Localised product design is an entry point for SCP to achieve appropriate quality at a reasonable price, prevent resource overconsumption, and employ local resources.

Opportunity 7 Digitisation technologies have emerged as powerful force for changing society.

In regions where the spread of products and development of social infrastructures are ongoing, there is potential to achieve leapfrog

- The Asia-Pacific region is the cradle of production and the centre stage of the world economy today.
- At the same time, the region is a flourishing arena of new socio-economic development driven by digitalisation and servitisation.
- In light of these trends, it is necessary to examine emerging opportunities for transitioning to SCP, expanding the focus beyond simply increasing the efficiency of existing production and consumption systems.
- It is also important for the region to link with efforts aimed at improving people's sufficiency as well as building upon and leveraging existing, albeit scattered good practices for accelerating SCP activities.

development. For instance, the IoT (Internet of Things) and AI (Artificial Intelligence) both comprise promising technologies that effectively link digital opportunities to SCP efforts. Integration of such technologies with renewable energy and appropriate technology, and making data accessible to users formulate new systems for SCP practices in line with the four strategic directions of SCP policy. In addition, such technologies can expand stakeholders' capacities for changing ways to measure and mainstream SCP implementation.

Opportunity 8 Sharing economy can be an entry point linking consumption and production.

With the widespread use of mobile terminals and electronic payment systems, sharing goods and skills have become ever more accessible. Sharing activities could decrease idle capacity in society and associated resource consumption while satisfying consumer needs, thereby linking CP (consumption and production) in a more sustainable manner. Promoting sharing activities and understanding the conditions that such activities can reduce environmental loads are important areas of SCP policy and CP transformation.

Opportunity 9 Urban planning and infrastructure development is crucial to people's sustainable lifestyles.

In many cities within emerging economies, infrastructure systems are often not only insufficient but also are the source of attendant issues such as traffic congestion, and air and water pollution. To ensure people's wellbeing, it is necessary to build efficient, innovative infrastructure such as localised and distributed energy systems. Effective urban planning and the use of digital technology can guide this transition and leap-frog to SCP.

Opportunity 10 Implicit rules and customs influence people's behaviors.

Tacit rules and customs can inhibit people from practicing more sustainable behaviors. Changing behaviors in a socially acceptable

manner is an ongoing direction for SCP policy. One example is the Cool-Biz campaign of Japan, which encourages lighter dress to alleviate the discomfort associated with hotter temperatures brought about from efforts to reduce the energy consumption of air conditioning in offices, trains, and other public spaces. This policy has been guided by multistakeholder partnerships, including railroad companies, apparel industries, retail stores, as well as corporate managers, among others, to be effective.

Opportunity 11 SCP-related indigenous/local wisdoms such as "mottainai (regret for wastefulness)" and "sufficiency economy" already exist.

People may not know the word SCP but recognise the orientations of SCP policies in their daily lives. Conveying key messages of SCP policies in line with such indigenous and local wisdom and embedding them into SCP policies can improve policy effectiveness. New codes of practice for sustainable lifestyles and businesses should reflect people's needs and cultural background. Promoting SCP can be benefited from traditional Asian value of lifestyle with shared social responsibility and environmental stewardship. MFCA (Material Flow Cost Accounting) can be seen as one way to reflect "mottainai" in corporate management processes.

Opportunity 12 Enhancing regional/local multistakeholder collaboration and partnerships is key to success.

Multistakeholder engagement processes and facilitation mechanisms for good governance are vital for implementation of policies and enhance ownership of action (For creating partnership, see a guideline of UNU-IAS & UNESCAP (2018), for example). There has been significant progress in promoting and implementing SCP in the region through stakeholder involvement, through a continuous effort for knowledge sharing and private-public partnerships. Existing regional policy platforms such as APRSCP, SWITCH-Asia SCP Facility, business entities, expert network such as PECoP-Asia as well as leading national governments are valuable channels for driving networking efforts between different SCP-related initiatives.

Reference

- SWITCH-Asia (2014) Engaging with Consumers Towards Sustainable Consumption.
 PECoP-Asia (2018) Policy Report for Reconfiguring Consumption and Production in Asia and the Pacific: 12 Opportunities for Accelerated Achievement of SDGs.
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 UNEP (2012) Global Outlook on Sustainable Consumption and Production Policies.
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Four Strategic Directions of SCP policy

01 SCP policies are expanding from the environmental policy domain to the socio-economic technology policy domain

- Many countries in Asia and the Pacific have strengthened SCP policies, comprising issues such as cleaner production, renewable energy, waste management, consumer information, etc. SCP policies also changed institutional and regulatory structures to some extent as reflected in SCP National Action Plans, providing the platform for inter-ministerial coordination and partnerships with the private sector and other stakeholders.
- Since the formulation of the Paris Agreement and SDGs, there has been a policy trend to emphasise decoupling between the consumption of non-renewable, natural resources, and the welfare and wellbeing of society as a whole.
- SCP is no longer limited to environmental policy domains such as pollution control, waste management and recycling, or green consumerism, instead expanding to socio-economic-technology areas such as infrastructure building and capital formation, including social welfare, business development, local development, and innovation.

02 Strengthening linkages between consumption and production is a key, emerging trend.

- Under globalised mass production and consumption system, value chains have expanded over the world through specialisation and subdivision. Consequently, consumers and producers have become disconnected. Under these circumstances, improvement of efficiency at each point of manufacture and sale will not be sufficient to achieve SCP.
- Five entry points can be considered to address such distance: feedback, circularity, sharing and servicising, consumer to consumer linkages, and industrial symbiosis.
- In Asia-Pacific countries, it is also important to take advantage of the rise of sharing and servicisation in urban areas.

03 Transition to SCP is a socio-technical regime shift requiring successive changes in social practices, technology use in daily life, and associated infrastructure

- This transition should be fostered through both infrastructural and legal development as well as participatory and accountable governance, including capacity building of people and groups (such as knowledge, trust, commitment, etc.).
- Multi-stakeholder support to businesses, community, individuals aimed at shifting existing behaviors and practices will be the key.
- Emerging innovations, such as new business models and technologies should be fully taken advantage of.
- Such transition is a precondition for change in practices of consumers and producers.

04 Bottom up approaches are necessary to enhance effectiveness and acceptance of SCP policies across the region

- Transition to SCP at the local level is possible by identifying and nurturing bottom-up initiatives. It should be linked to solutions of local life concerns.
- There exist huge gaps between international and national agendas (long-term and mid-term goals) as well as local concerns. To address this gap, it is more effective to build linkages between different local initiatives, including through a promotion of localised networks focusing on logistics, information, financial, and material resources utilising advanced information technologies, as opposed to simply upscaling successful initiatives.
- For stronger policy supports, these bottom-up approaches reflecting local concerns should be encouraged to align more with the Agenda 2030 in support with national governments, international agencies and experts.

Asia Pacific Roundtable for Sustainable Consumption and Production (APRSCP) <http://www.aprscp.net/>



PECOP-Asia Research Project <http://www.susdesign.t.u-tokyo.ac.jp/s-16/>