

# **Project Progress Report**

**Project full title:** Improving Environmental and Safety Performance in Electrical and Electronics Industry in China

#### Project abbreviation: ESEEC

#### **Project website:**

http://www.switch-china-sme.eu/

#### **Project duration:**

Feb 2009 - Feb 2013

### **Target groups:**

- The improvement of sustainable production patterns and behaviour by mobilising the private sector, along with relevant public sector authorities is the project's main objective. It will engage more than 500 Chinese SMEs in the electrical and electronics industries which already participate in or have ambitions to participate in European supply chains. The SMEs will benefit from developing economically and environmentally sustainable production methods which will increase their competitiveness without affecting economic growth.
- European businesses will benefit from the project activities in the long run by improving the quality of current and potential Chinese suppliers and by encouraging the sustainable development of the industry.
- In addition, the action will support current and future policy development at the national and local level, as well as foster relationships between Chinese and European businesses which adhere to recognised standards.
- Through the project actions, Chinese auditing and certification bodies will be able to benefit from improved capacity on standards management and eco-efficiency, OHS and CSR practices.





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## **Contact of the Project Manager**

# **Brief project description**

During the first year of implementation, the consortium has achieved its main objectives of developing the project technical reference documents, identifying its further needs for expertise, selecting and mobilizing its primary target beneficiaries while establishing a smooth cooperation mechanism among partners/associate, thus laying sound foundations for the project core activities aiming to improve the environmental and safety performance of 500 SMEs in the electrical and electronics sector of China.

With the successful development of the Standards Guidelines and the Conformity Model on eco-efficiency, occupational health & safety (OHS) and corporate social responsibility (CSR), the project activities reached a milestone in the third quarter of 2009. Multiple consultations with Chinese partner organizations and European experts have allowed the consortium to complete a comprehensive document that reflects relevant laws, regulations and standards for Chinese small and medium sized enterprises (SMEs) of the electrical and electronics sector.

Along with the development of the Guidelines and the Conformity Model, the consortium has contacted over 500 SMEs of the electrical and electronics sector and finalized the selection of the 12 Pilot enterprises that will participate in the project's Pilot Training & Assessment Programme. The Regional Awareness Event held in Beijing in April 2009 and the First Pilot SMEs Training Workshop conducted in Shenzhen in December 2009 have both been successful in attracting interest for our project among enterprises and policy makers.

In the upcoming months, the selected Pilot companies will receive further specialized training in the fields of ecoefficiency, OHS and CSR. The experience of the Pilot enterprises will be summarized in case studies and contribute to the development of custom-tailored training materials for the 500 SMEs that will participate in the remaining project cycle.



## Outputs until December 2009 to be shared with wider audience

Project outputs developed until end of last year include technical documents such as the Standards Guidelines, Conformity Model, Training Materials, as well as the following visibility outputs: Project Newsletters, Project Flyers, Fact Sheet & Project Brief.

For regular updates on our SWITCH-Asia project and registration for our quarterly newsletters, please visit the project website at www.switch-china-sme.eu. The latest information about project progress, events & news, status of participating SMEs, as well as a selection of relevant documents (training materials, reports etc.) are available online.

## **Results achieved till January 2010**

Starting from February 2009, a survey of environmental performance of Chinese SMEs in electrical and electronics industry has been conducted by the project. Disseminated through the online governmental portal of the Ministry of Industry and Information Technology as well as the website of the E-waste Comprehensive Utilization Work Committee this initial investigation identified several obstacles and difficulties facing Chinese SMEs in the sector, such as shortage of qualified service providers for E-waste disposal, lack of investment, integration and gap bridging of Chinese and European environmental standards. Preliminary feedback also indicated a real commitment to project objectives from leading Chinese companies of the electrical and electronics industry who could substantially contribute to the SME selection process by providing targeted information and incentives to relevant enterprises in their supply chains. Finally, a significant number of SMEs expressed their interest in the product life cycle approach to upgrading eco-efficiency, OHS and CSR practices.

The Standards Guidelines developed by the project consortium during the first project year serve as a reference guidebook for upgrading the environmental and safety performance of small and medium enterprises in the electrical and electronics sector of China. The document provides manufacturers, policy makers and other stakeholders with a valuable reference base on national, regional and international laws, regulations and standards relevant to the environmental and safety performance of the electrical and electronics industry. In addition, companies are introduced to best practices and case studies of compliance with and adaptation to these laws, regulations and standards by electrical and electronics enterprises in developed countries. By comparing Chinese electrical and electronics SMEs in terms of environmental and safety performance and analyzing their shortages, the Standards Guidelines represent an effective roadmap for improving sustainable production measures of SMEs in the electrical and electronics industry in China.

In line with the Standards Guidelines and Conformity Model the consortium has developed a set of training materials and practical tools for SMEs of the Chinese electrical and electronics industry in the areas of sustainable production and product life cycle management. In order to achieve a sustained impact among participating enterprises, the project's training approach incorporates self learning techniques that are documented in training materials as well as training workshops. The customized training methodology actively supports SMEs in upgrading their standards in the field of eco-efficiency, OHS and CSR. Participating enterprises can benefit from expert support in developing and implementing economically and environmentally sustainable production methods.



In addition an e-learning platform will address needs of SMEs and managers in the electrical and electronics sector thereby contributing to the project's outreach beyond the initial target beneficiary of 500 SMEs.

Moreover the project consortium identified synergies with already established CSR initiatives in China such as the Golden Bee under the Chinese Ministry of Commerce. For the European Policy Tour taking place in the first half of 2010 the participation of representatives from several Chinese ministries was secured. For instance representatives from the Ministry of Finance will take part in the delegation in order to explore funding or green credit options for SMEs willing to invest in SCP technology and consulting.

### Lessons learnt so far

The experience of project partners CIE, CNIS, CSC and project associate Deutsche Telekom in their respective fields of expertise has been a major factor contributing to the successful first year of project implementation. Overall it is fair to say that the partners / associate have demonstrated a strong commitment to the Action and its cooperation mechanism through active participation in all working group and internal steering committee meetings, delivery of expert contributions and availability for project activities and consultations with AHKB.

Since the planned project actions not only aim to strengthen Chinese SMEs but also have great potential in encouraging partnerships between Chinese and European businesses, many European stakeholders have also expressed a strong interest in the project work and future outputs.

Moreover the feedback from Chinese SMEs in the electrical and electronics industry and from industry experts indicates that the project content and especially the planned training programme are highly relevant and address pertinent needs of SMEs in the target sector.

Local participation and support for the project has been achieved successfully through engagement of local institutions. For instance municipal representatives from the Ministry of Industry and Information Technology, Shenzhen Promotion Centre for Enterprise Technical Innovation, as well as the Shenzhen Science & Technology Consulting Centre actively supported the first pilot SME training workshop in December 2009. For the upcoming training workshops and events the consortium seeks to further secure the involvement and participation of local stakeholders in order to contribute to the project's sustainability and outreach.

### **Outreach and synergies**

At the first Switch-Asia Networking Event in June 2009 the project was able to establish links with other projects. The event has fostered networking and synergies among stakeholders of the SWITCH-Asia programme, thereby facilitating potential future collaborations. For example a project in Vietnam aiming to improve the environmental and social performance of local SMEs by promoting corporate social and environmental standards was identified. Due to its comparable approach and activities the two projects decided to share their experiences and engage in an exchange of expertise. For instance the developed Standards Guidelines were sent to the project in Vietnam in order to support synergies between the projects.



Moreover the project consolidated existing best practices in the field of sustainable production and eco-design in China by closely collaborating with Prof. Min Jin from the School of Environment and Natural Resources of Renmin University of China. As the former Chinese Team Leader of the AEDE (Asian Eco-Design Electronics) project funded by the European Union as part of the Asia-Pro Eco Programme, Prof. Min Jin was able to provide substantial contributions to the development of the project's technical outputs.

The project also utilized synergies with other initiatives and projects by establishing links with the China WTO Tribune, supervised by Ministry of Commerce of the People's Republic of China and the Sino-German CSR project implemented by Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). For instance project ideas were exchanged and potential synergies with the CSR initiative 'Golden Bee' were discussed. As the project makes further headways, regular contact, exchange of information and organisation of joint activities with Golden Bee will be pursued with a view to building up on synergies for expanding the project outreach and sustainability.

Already during its first year of implementation the project established useful policy linkages. Ongoing involvement of a number of policy makers from project partner CNIS, Chinese ministries such as MIIT and MEP as well as standards enforcement bodies, such as project partner CSC, supported the incorporation of project outputs into the ongoing political dialogue. Throughout the remaining project cycle the consortium will deploy further efforts to reach out to relevant officials from Chinese ministries and authorities in light of an increased impact and sustainability of the project's training and assessment programme. For instance the European policy tour and regional policy awareness workshops in the 2nd project year will further strengthening the project's linkages to national and regional policy makers in China.

In order to create multiplier effects and reach out to the vast number of Chinese SMEs operating in the electrical and electronics sector, the project intends to develop, with the help of its pool of experts and in consultation with project partners, an E-learning platform on its website. The platform will be continuously developed during the 2nd implementation year and serve as an online tool for Chinese SMEs supporting their implementation of ecoefficiency, OHS and CSR practices. Furthermore a methodology for training trainers will be designed in order to contribute to the sustainability and outreach of the project.

## Additional highlights of the project

Industry support has been gathered beyond expectations since large renowned sector enterprises such as Siemens or Huawei Technologies have expressed their interest in the project as well as helped promoting its activities and objectives down their supply chains in China. Moreover there has been a great deal of positive response to solicitation of enterprises for participating in the project capacity building activities and the consortium is very confident that 500 SMEs will easily be approved for the second stage of training and assessment in the course of Project Year 2.

Already in its first year the project was able to attract leading organizations in the field of sustainable production. The Fraunhofer Institute for Reliability and Microintegration (Fraunhofer IZM), and Business for Social Responsibility (BSR) provide the project with technical assistance respectively on eco-efficiency and OHS and CSR. Experts from these organizations contribute to the design of a comprehensive capacity building program for SMEs including training modules, a methodology for training-the-trainer, and an e-learning platform.



# **Photos**



Visiblity Outputs (e.g. Newsletter, Website, Flyer):







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