

CASE STUDY

Developing an Action Plan for Sustainable Consumption and Production in the Philippines



The rapid rise in waste in the country has pushed to the limit the capacity of the environment to assimilate waste without long-term damage. Photo exclusively licensed to ADB until 2024.

Consultations with stakeholders helped create a well-rounded sustainable and consumption action plan with broad support.

Overview

Goal 12 of the Sustainable Development Goals (SDGs)—ensure sustainable consumption and production patterns—covers a wide range of topics that could facilitate the decoupling of economic growth from natural resource use. Complementary to the concept of sustainable consumption and production (SCP) is that of the circular economy (CE)—requiring the redirection of energy and material flows from a linear to a circular direction, the transformation of waste into productive inputs, and a reduction in pollution and greenhouse gas emissions.

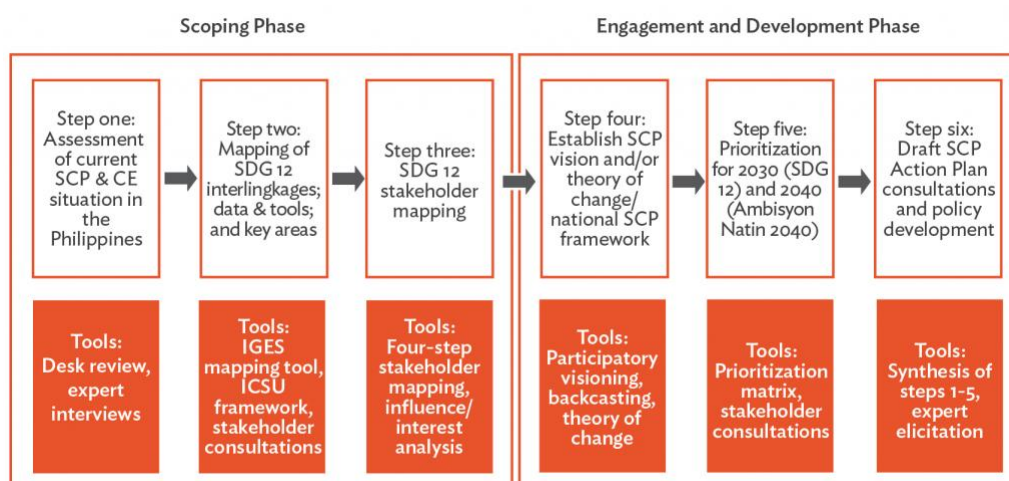
In 2018, supported by an Asian Development Bank technical assistance, the National Economic and Development Authority (NEDA) of the Philippines started formulating an action plan for sustainable consumption and production that supports the country's long-term vision of *AmBisyon Natin 2040*—for the average Filipino to have a strongly-rooted, comfortable, secure and peaceful life by 2040. Realizing

this vision requires a healthy environment and the sustainable use of natural resources to be achieved whilst pursuing continuous economic progress. However, in talking about a sustainable future for Filipinos, many are still not clear what this looks like and what needs to be done, not only at an institutional level, but also at a community and individual level.

The resulting action plan is the product of a year of research and consultation that helped achieve the following:

1. Understand the issues related to consumption and production in the Philippines, and the applicability of a circular economy model;
2. Identify pathways for intervention, and draft the action plan; and
3. Consult with stakeholders in order to refine the action plan and facilitate its adoption.

Figure 1: Methodology for Development of the Action Plan on Sustainable Consumption and Production Plan



Source: National Economic and Development Authority. 2020. Inputs to the Philippine Action Plan for Sustainable Consumption and Production (PAP4SCP) – Consultant's Report. Mandaluyong City.

Challenges

The scoping study which informed the action plan identified that the Philippines faces five key challenges in relation to achieving sustainable consumption and production:

1. Continued economic, population, and urban growth, resulting in increasing demand for and pressure on natural resources in terms of stocks and pollution.
2. The exponential rise in waste generated by the country in the absence of effective solid and hazardous waste management systems, meaning the waste assimilation capacity of the environment has been pushed to the limit.
3. Weak enforcement of environment-related laws and regulations, and policy gaps.

4. Lack of data and an effective monitoring system to evaluate the impacts of policies and programs on the environment and natural resource use.

Context

Decisions being made now are locking in resource-intensive consumption and production patterns for generations. The United Nation's 2030 Agenda for Sustainable Development calls for fundamental changes in the way countries produce and consume goods and services in order to minimize the impact of economic progress on the environment.

An Asian Development Bank stocktake of national responses to the environmental dimensions of the SDGs in Asia and the Pacific, including consideration of SDG 12, notes that this is a complex goal with environmental, social, and economic targets. Achieving it will require collaboration between sectors, such as energy, water, industry, and urban development. The stocktake suggests the need for ministries of finance, economy, planning and industry to share responsibility for SDG 12 with environment ministries or agencies to achieve the necessary integration.

The Philippines is one of the countries in the region developing an appropriate institutional response to SDG 12 through the formulation of an action plan for sustainable consumption and production. The Philippine Development Plan 2017-2022 has sections that address environmental issues. However, the need for an integrated approach where these environmental issues are considered by different sectors alongside the need to address other development objectives remains to be addressed. Following a sustainable consumption and production approach to economic progress should reduce the threats to the state of the environment and natural resources in the Philippines in the long-term.

Figure 2: Aspects of SDG 12



Source: National Economic and Development Authority. 2020. Inputs to the Philippine Action Plan for Sustainable Consumption and Production (PAP4SCP) – Consultant's Report. Mandaluyong City.

Solution

It was envisioned by NEDA that the outcome of changes in the behavior of consumers and producers would result from the adoption of a sustainable consumption and production action plan, as captured in two sub-outcomes, namely: valuing the economic, social, and environmental impacts of production and consumption processes; and enhancing the efficient and equitable resource use of firms, households, and individuals.

The first sub-outcome has two intermediate outcomes: institutionalizing natural capital accounting, and determining ecological limits and negative externalities. It refers to the need for the internalization of the economic, social, and environmental costs and benefits from consumption and production processes, in order to accurately reflect the value of impacts—both costs and benefits—of economic activities on society and the environment. The environmental and social impacts of economic processes must be assessed, and the value of natural capital and ecosystem services recognized and accounted for in order to successfully reach this sub-outcome.

The second sub-outcome has two intermediate outcomes: increased innovation and investment in green technologies and systems, and the establishment of sustainable resource allocation and equitable sharing schemes. Its intent is to initiate and enhance current efforts to promote the efficient and equitable use of resources by different stakeholders, especially firms, households, and individuals. Renewable resources must be utilized within ecological capacities and with negative externalities from extraction minimized; and innovation and investments in green technologies and facilities, and business

operations/systems must be increased in order to reach this sub-outcome.

Informed by the findings of a scoping study and a review of applicability of the circular economy model to the Philippines, NEDA identified pathways for intervention under four action types:

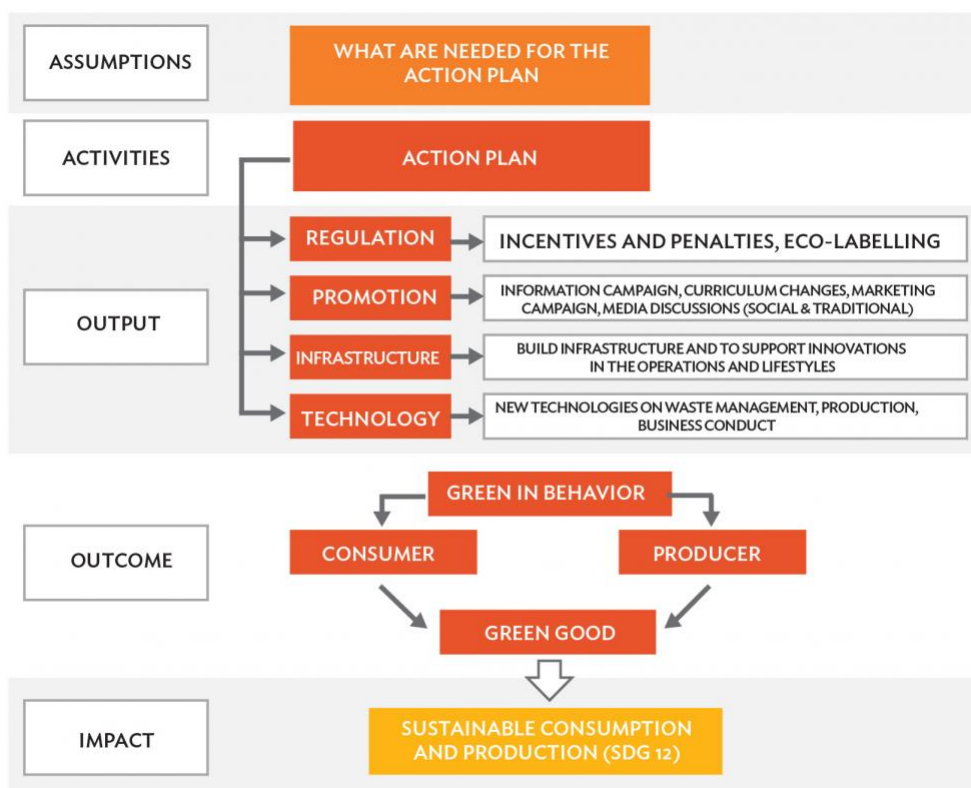
1. Promotion of sustainable consumption and production;
2. Research, technology, and innovation;
3. Infrastructure and the installation of green infrastructure standards, and enhancement of speed of mobility; and
4. Policy creation and implementation of reforms.

Actions and activities required to achieve sustainable consumption and production were then identified, and organized into the following thematic areas:

- Resource conservation, efficiency, and cleaner production,
- Waste management, and
- Sustainable business and lifestyle.

The actions and activities were further categorized in terms of time frame (short-term, medium-term, and long-term) for planning and budgeting purposes.

Figure 3. Sustainable Consumption and Production Action Plan



Source: National Economic and Development Authority. 2020. Inputs to the Philippine Action Plan for Sustainable Consumption and Production (PAP4SCP) – Consultant’s Report. Mandaluyong City.

Outputs

The action plan for sustainable consumption and production has received broad support from other national agencies, local governments, private sector, academe, and civil society organizations. Through consultations with stakeholders, the formulation of the action plan has heightened awareness of environmental issues in the Philippines, and galvanized sectoral support for the immediate integration of the action plan into the country's development plan.

Lessons

The decision of NEDA to use a participatory approach to formulate the action plan increased awareness, reduced potential objections, and enhanced buy-in from stakeholders. Local governments were involved as NEDA realized early on the need to "localize" the action plan, requiring both horizontal and vertical policy coherence. In addition, it was important to include the private sector.

The creation of an inter-staff group within NEDA to spearhead the consultations and to facilitate the process of refining draft actions and activities enriched the action plan because it benefitted from the perspectives of different sectors. The Philippine Council for Sustainable Development (PCSD) was also reinstated and convened several times to provide overall guidance on, approval and endorsement of the action plan. It had been inactive for a long time, following its establishment to oversee the formulation of the Philippine Agenda 21 immediately after the 1992 Earth Summit, and formulation of the action plan provided a meaningful reason for its reinstatement.

Resources

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Emma has over 20 years experience in the fields of environmental and sustainability assessment. Her current responsibilities include undertaking environmental safeguard compliance reviews for ADB projects, and managing preparation of the ADB Sustainability Report. Prior to ADB she worked in environmental consultancy, where she managed and coordinated environmental impact assessments, strategic environmental assessments and sustainability appraisals of policies, plans, and projects in the energy, water and urban sectors.



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Agustin L. Arcenas obtained his PhD in Agricultural Economics from Michigan State University. He has worked for the World Bank and the World Food Programme. He is currently a professor at the University of the Philippines in Diliman. He has worked on and has written about various environmental and natural resource issues.



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Amelia Dulce D. Supetran is an environmental management expert with more than 35 years of experience. She worked in various capacities for the Philippines' Department of Environment and retired from the United Nations Development Programme after 15 years as team leader. She is currently a Senior Technical Adviser of the Climate Change Commission of the Philippines.



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Jon Alan Cuyno has more than a decade of experience with Geocycle, the waste management unit of Holcim Philippines, Inc. He has led Geocycle teams handling pre-processing, logistics, strategy development, project and technical management. He holds a Chemical Engineering degree from the University of the Philippines in Los Baños.



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