



# PROJECT PROGRESS SHEET

## SMES FOR ENVIRONMENTAL ACCOUNTABILITY, RESPONSIBILITY, AND TRANSPARENCY



### Legend

- ☐ Eligible countries where SWITCH-Asia projects are implemented
- ☐ Eligible Asian countries for the SWITCH-Asia programme
- ☐ Non-eligible Asian countries for the SWITCH-Asia Programme

Project implementation area

- ☐ City
- ☐ Region
- ☐ Country

The boundaries shown on this map do not imply on the part of the European Union any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.



**BRIEF PROJECT  
DESCRIPTION**

The SWITCH-Asia *SMART CEBU* project: SMes for environmental Accountability, Responsibility, and Transparency project SMART CEBU's aim is the increased competitiveness of SMEs in 3 sectors (in the home and lifestyle industries) and a cleaner environment in Cebu.

The project strives for the following results:

- 1) BMOs are capacitated to promote and channel SCP effectively;
- 2) Develop an effective marketing strategy to boost sales of Cebu Green products;
- 3) Production of Cebu home and lifestyle products is made cleaner and more efficient.

Among the activities implemented since 24 February 2010 include:

- 1) Launch and Press Conference of the SMART Cebu Project
- 2) Creation of Steering Committee and completion of Year 1 project staffing
- 3) Creation of SMART Cebu Website, E-Newsletter, and E-circular
- 4) BMO Assessment and capacity strengthening of the BMOs through SCP and Nucleus Counsellor Training, SCP Sensitization of BMO Board Directors and Officers and SCP Advocacy Training
- 5) Assessment of status (benchmarking) of BMOS and level of SCP
- 6) Training/Orientation of Cleaner Production Consultants/Experts
- 7) SCP Workshop of Financial Institutions
- 8) Eco-Design Training of BMOs
- 9) Started SCP advocacy work through dialogues with government offices, media campaign, and liaison with government agencies/ business organizations/ similar projects to promote cooperation
- 10) Facilitation of business links with international and local organizations such as International Finance Cooperation, CBI Netherlands, Development Bank of the Philippines, Land Bank of the Philippines, Bank of Philippine Islands, BDO Banks, etc for creation of synergies in project activities
- 11) Promote SCP awareness of SMEs and started the establishment of Sector Units and Eco Evaluation of SMEs
- 12) Preparations for launching the eco-design training of SMEs

**PROJECT PARTNERS**

sequa gGmbH; Association of Development Financing Institutions in Asia and the Pacific (ADFIAP); Association of Gift, Toys and Houseware manufacturers (CEBU-GTH); Cebu Furniture Industries Foundation (CFIF); European Chamber of Commerce of the Philippines (ECCP) Energieeffizienzagentur NRW (EFA); Fame Foundation

**PROJECT DURATION**

24 February 2010 – 23 February 2013

**PROJECT ABBREVIATION**

SMART CEBU

**PROJECT WEBSITE**

[www.smartcebuproject.com](http://www.smartcebuproject.com)



## TARGET GROUPS

- **Small and Medium sized Enterprises (SMEs) who are the main receivers of improved environmental practices, environmental technology and management**
- The **first direct target group** are the staff and the experts (consultants) of the business membership organisations who will be trained and enabled to support the member companies in their demands, induce technological innovation, facilitate the implementation of cleaner production, advocate the policy framework, create outreach to relevant SMEs and will render services accordingly. The **second direct target group** are the member companies of the participating sector associations that will change their production according to the objectives of the Action. Approximately **400 SMEs** shall be effected directly and change their production.
- The population of Cebu will be the final beneficiaries due to improved environmental standards and employment possibilities. A more efficient use of resources and less pollution, waste and energy consumption but better exportability, employment opportunities and the application of CSR (Corporate Social Responsibility) standards will benefit the whole society of Philippines in the long run.
- The focus SMEs that will be targeted will come from the furniture sector, fashion accessory sector and the gifts and furnishing sector.

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## OUTPUTS UNTIL DECEMBER 2010 TO BE SHARED WITH WIDER AUDIENCE

Website: <http://smartcebuproject.com>

Bi Monthly Newsletters

smartcebu@work – regular online circulars on the latest activities and updates on the project

- Capacity strengthening of Business Membership Organisations (BMOs)
- Hiring of Nucleus Counsellors and Cleaner Production Coordinator
- Awareness raising on SCP matters, specifically



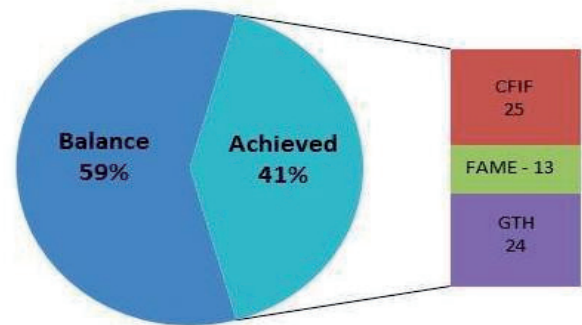
at policy decision making and financial institution level

- Assessment of status (benchmarking) of BMOs and the level SCP
- Workshop on Cleaner Production
- Creation of Clean Production Experts Pool
- SCP Advocacy Workshop
- ECO Design Workshop
- Eco-Assessment of SMEs (Company Walkthroughs) / Clean Production Audit

## RESULTS ACHIEVED TILL JANUARY 2011

The project has been engaged with the target groups as it conducts Capacity Building for the BMO in order to support their respective members with regards to services, internal management and advocacy towards Sustainable Consumption and Production (SCP). Nucleus groups (sector unit facilitators) were established and serve as an ideal entry point to raise awareness and disseminate information regarding cleaner production as well as gather preliminary information and identify priority areas for the implementation of project options in a cost-efficient and sustainable manner. After having this initial assessment, companies are now able to identify some areas that they can improved with minimal investment, how they can conserve energy, and know the importance of implementing personal protective equipment.

**Company Visited  
as of January 2011**



CFIF = Cebu Furniture Industries Foundation

GTH = Gifts Toys and Housewares

FAME = Fashion Accessories Manufacturers and Exporters

To date, sixty two (62) out of one hundred fifty (150) targeted Small and Medium Enterprises (SME) of participating sectors were given an awareness visit and facility walk-through. Figure 1 shows the company visited as well as the distribution of companies visited per industry sectors as of January 2011.

Entrance meeting aimed to review environmental policy, collect and review data and to discuss possible project-company relation i.e. technical support and assistance for the implementation of the project. A facility walk-through was conducted to have a bird's eye view of the existing processes and at the same time identify priority areas for the incorporation and implementation of possible CP options. Three visited companies show interest for a more comprehensive and detailed CP assessment.

The project aimed to provide social, economic and environmental benefits i.e. minimizing environmental impacts under present technological and economic limits. It is hoped that as the project progresses, more companies and stakeholders will adopt the use of Cleaner Production approach towards sustainable development. After the Initial Assessment of the Companies clustering followed. Clustering's main objective is to attend companies' specific needs in line

with Sustainable Consumption and Production Principles & Policies. Clustering was done by CP Coordinator and Nucleus Counsellors depending on a company's specific needs.

As far as direct sustainability gains are concerned, the project is still at the early stage of implementing SCP projects at the SME level. Most SMEs assessed for eco-opportunities are just learning and understanding the options available to start the process of SCP implementation. With regard to replication, the project team is working with other international and local organizations to expand the reach of the project and to engage these organizations in providing parallel support for SCP activities.

The Project Team are working closely with government policy makers, financial institutions and other like-minded organizations to promote and adopt SCP policies. Meetings are being held with government and banks to encourage them to support SCP activities of enterprises.

## LESSONS LEARNT SO FAR

### **Adaptations from original project strategy:**

1. Instead of just hiring one Nucleus Counsellor (or Sector Unit Facilitator) per BMO, the project hired two NC per BMO to ensure faster implementation of the project
2. Instead of hiring technical experts to do the walkthroughs/clean production initial assessment, the Nucleus Counsellors were tasked to do the walkthroughs, under the guidance of the Clean Production Coordinator.
3. Instead of having one technical expert per BMO, the project decided to just have one technical expert as overall Clean Production Coordinator, stationed at the Local Coordination office. More technical experts will only be hired depending on the needs of the companies.

### **Problems encountered:**

4. Stakeholder engagement – BMOs organizational structure

### **Have some stakeholders already proven to be more important to the project than others?**

5. All three BMOS are important. The success of the project relies on their support and their performance in the project.

### **Has it been difficult to achieve/establish local participation/ownership in the project?**

6. To some extent it was difficult the onset. There were some companies who were initially resistant to the idea of the walk-through.

## OUTREACH AND SYNERGIES

### **How this project has been benefiting from the experiences from other projects (Asia Pro Eco, Asia Invest, other SWITCH projects, and previous experiences of partners)**

SMART Cebu builds on previous EU funded projects for the 3 sectors by now incorporating a focus on SCP on top of previously provided technical assistance to the same sectors on efficient production and export promotion.

### **What possibilities for extension and replication have you identified?**

Extension and replication possibilities include offering the SCP services to other sectors and BMOs of these sectors, especially subsectors that are part of the supply chain of the first 3 target sectors of this project. Another possibility is to extend the SMART Cebu project to other regions of the country.

### **What policy linkages are foreseen?**

Policy linkages are foreseen in the areas of trade, financial, investment, and legislative/judicial policies. The project has to look at improving:

- trade policy to ensure that intermediaries and final products that are green are offered more incentives in terms of promotion support from DTI;
- financial and bank policy to support the concessionary loans for green projects and operations; Also to offer incentives those companies with SCP policies and procedures; penalize those without.
- Investment policy to provide better incentives for green investments
- Legislative policy to craft laws that offer better development policies for the growth of green industries and enterprises
- Judicial and enforcement policies

### **How is the continuity of the project achievements guaranteed to last after the end of the project life-time?**

The project is expected to continue after EU funding ends in 2013. ECCP will be providing services in partnership with FAME, GTH, & CFIF as the stakeholder with a profit sharing approach. The main objective is for the companies to become more capacitated in promoting and channelling sustainable consumption and production effectively by: Having a business model of certifying company to be SMEs for Environmental Accountability, Responsibility and Transparency to become a member of BMOs. In doing this ECCP shall provide services such as:

- a) Full Cleaner Production Audit
- b) Cleaner Production Consulting
- c) Eco-Design Consulting
- d) Seminars/trainings/workshop that will develop an effective marketing strategy to for more easier access to European Markets
- e) Work hand in hand in implementing and monitoring of the recommended action leading for a Cleaner Production and Services

### **Are the local population and authorities aware of the project?**

The press conference, launching of the project as well as meetings with government officials have broadcasted the project to the population in general



## ADDITIONAL HIGHLIGHTS OF THE PROJECT

One of the achievements was the recognition of the SMART Cebu project by the Cebu City Council. They invited the project to present along with other organizations in their Environmental Stakeholders Meeting and they lauded the project's efforts and have agreed to support the project.

Likewise, other environmental groups such as Cebu Alliance for Governance in Health and Environment headed by Atty. Gloria Ramos have indicated interest to partner with the project.

Moreover, the project is part of Creative Cebu Council, headed by the Department of Trade and Industry Region 7 and the German International Cooperation (GIZ). The Creative Cebu Council is composed of organizations and agencies involved in projects for the creative sectors of Furniture, Home Decors and Fashion Accessories.

