



Policy Brief – Cambodia’s Roadmap for Sustainable Consumption and Production (SCP)

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Disclaimer: This document is a Draft and is not to be considered as the final version.

Contents	Key Messages
<ul style="list-style-type: none">• Key Messages• What is Sustainable Consumption and Production?• Why is Sustainable Consumption and Production important to Cambodia?• What is Cambodia’s Roadmap for SCP?• What are the priority actions in Cambodia’s Roadmap SCP?	<ul style="list-style-type: none">• Cambodia is designing a 14-year roadmap to increase the sustainability of its consumption and production systems. ‘Sustainable Consumption and Production (known as ‘SCP’) is about doing more with less and enabling economic activities to become more environmentally sustainable.• Under the <i>United Nations’ Rio Convention</i> in 1992 countries agreed to reduce and eliminate unsustainable patterns of production and consumption. This global commitment was reinforced under the global agreement on the Sustainable Development Goals (SDGs) in 2015, which established a specific global goal on SCP, SDG-12 ‘to ensure Sustainable Consumption and Production by 2030.• SCP is a holistic framework to minimize the environmental impacts of the economy through increased resource efficiency, controlling pollution, and encouraging sustainable lifestyles and consumption.• Cambodia’s SCP Roadmap includes 5 strategic pillars, 23 strategies, and 108 priority actions to be delivered over the short, medium, and long-term. Many of the actions have been already initiated.• Cambodia’s draft SCP Roadmap has been designed by the Department of Green Economy, GSSD, with support from the EU SWITCH-Asia Regional Policy Advocacy Component (RPAC), in consultation with the NCS’s SCP Technical Working Group and multiple other stakeholders.

WHAT IS SUSTAINABLE CONSUMPTION AND PRODUCTION?

'Sustainable Consumption and Production' (known as 'SCP') is about doing more and better with less. It is also about decoupling economic growth from environmental degradation, increasing resource efficiency, and promoting sustainable lifestyles. The world is facing unprecedented challenges from the emergence of multiple crises related to resources and the environment – pandemics, climate change, water security, food security and biodiversity loss. These crises impact the economy and human well-being. The global economy is currently based primarily on

resource-intensive consumption and production practices, and despite resource efficiency improvements, the use of resources is continuing to increase.¹

Recognising that current consumption patterns and production systems based on traditional practices are generally not sustainable, countries agreed at the 1992 United Nations' *Conference on Environment and Development* in Rio de Janeiro (the 'Rio Convention'), "to achieve sustainable development and a higher quality of life for all people, States should reduce and eliminate unsustainable patterns of production and consumption". In 2002, world leaders further agreed to "development of a 10 Year Framework of programmes in support of regional and national initiatives to accelerate the shift towards SCP". World leaders recommitted to SCP under the Sustainable Development Goals (SDGs) in 2015 through the 12th SDG, which is "to ensure sustainable consumption and production" by 2030.

SCP is a holistic approach to minimising negative environmental impacts from consumption and production systems, while promoting quality of life for all.² SCP involves de-coupling economic growth from environmental degradation by reducing the material and energy intensity of current economic activities, and reducing emissions and waste from extraction, production, consumption, and disposal. SCP requires improvements to the entire consumption and production system – from investment to product design, distribution, marketing, and consumption – as well as the engagement with the values underpinning consumption behaviour and social relations (see Figure 1).

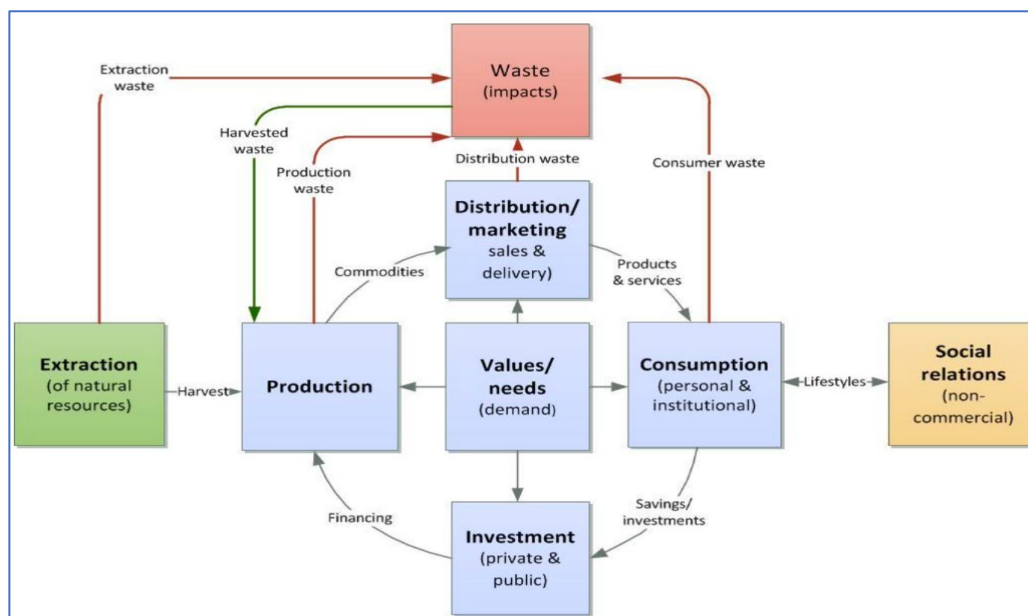


Figure 1. The Sustainable Consumption and Production System (source: Barber, 2014).

¹ UNEP. 2011. *Paving the way for Sustainable Consumption and Production: the Marrakech Process Progress Report*. <http://www.unep.fr/scp/marrakech/pdf/Marrakech%20Process%20Progress%20Report%20FINAL.pdf>

² United Nations Environment Programme (UNEP). 2011. *Paving the way for Sustainable Consumption and Production: the Marrakech Process Progress Report*.



WHY IS SCP IMPORTANT TO CAMBODIA ?

Cambodia's economy and societal well-being are closely linked to the quality of its environment and natural resources. Cambodia's primary economic sectors – agriculture, tourism, construction, and manufacturing – all rely on the environment and natural resources. Cambodia is also amongst the countries that are the most vulnerable to global environmental crises, such as climate change. For these reasons, Cambodia has a strong interest in protecting its environment and natural resources for the well-being of the people of Cambodia and contributing to

global efforts to address environmental crises. Current pressures on natural resources from socio-economic changes are pushing the sustainability of ecological systems to their limits. For example, land degradation from the expansion of agricultural development and growth in agricultural production is reducing the provision of ecosystem services and has estimated to be the cost of 677 million USD, which is equivalent to about 8% of Cambodia's GDP.³

Economic growth and sustained poverty reduction in Cambodia will require increased levels of resource consumption, particularly for meeting the basic needs of the poorest communities. However, through technology improvements and increased resource efficiency, growing the economy no longer requires consumption practices that degrade the environment. New cleaner technologies and production processes present opportunities to produce products and services that reduce costs, generate new jobs, create new markets, and achieve competitive business advantages. Moreover, global supply chains are currently shifting towards a greater awareness of sustainability across all dimensions – ecological, social, and economic – driven by consumer demand. This global shift will result in Cambodian suppliers into global markets to have an increasing focus on, and greater transparency around environmental, social, and corporate governance, as the industrial sector grows and diversifies.⁴ Therefore, to achieve sustainable development over the coming decades, Cambodia has the opportunity to reorient its investment environment and its business models for production to achieve these dual goals of (1) economic growth and poverty reduction, and (2) environment and natural resources protection, through a range of policies, regulations, incentives, and information campaigns.

³ UNCCD. 2018. Country Profile: Cambodia - Investing in Land Degradation Neutrality: Making the Case - An Overview of Indicators and Assessments. The Global Mechanism, United Nations Convention to Combat Desertification.

⁴ Silk, D.M., Niles, S.V., Lu, C. X.W., Wachtell, Lipton, Rosen & Katz, 2020. *The Other "S" in ESG: Building a Sustainable and Resilient Supply Chain*. Harvard Law School Forum on Corporate Governance.

WHAT IS CAMBODIA'S SCP ROADMAP

Cambodia's SCP Roadmap provides a 14-year plan to strengthen the sustainability of Cambodia's consumption patterns and production systems through practical strategies and actions. Cambodia's SCP Roadmap builds on a range of initiatives already underway in Cambodia by both the private and public sectors and prioritizes future actions that build on this foundational work. The SCP Roadmap identifies short, medium, and long-term actions that the Cambodian government can take to enable SCP, alongside Cambodian and international businesses, and civil society organisations, and supported by development partners. Measures to support sustainability can be

implemented across the entire SCP system within the economy: (1) Production, (2) Distribution, (3) Consumption, (4) Investment and (5) Values, as seen in Figure 2. Cambodia's SCP Roadmap comprehensively considers SCP strategies for all sectors, including the industrial sector, building construction, tourism and services, energy consumption, water, solid waste, agriculture, fisheries, forestry, protected areas, transport and logistics, mining, and education.



- **Production system:** industrial ecology, lifecycle analysis, clean production/pollution prevention, sustainable manufacturing, extended producer responsibility, product design
- **Distribution system:** advertising reform, eco-labelling, fair trade, certification, sustainable packaging, full cost pricing
- **Consumption system:** lifestyles/voluntary simplicity, consumer information, right to know, education for sustainability, consumer action, ethical shopping, waste minimization
- **Investment system:** socially responsible investment, institutional procurement, subsidy reform, eco tax/tax shifting, ethical investment guidelines, financial institutional reform, philanthropy
- **Values:** redefining progress, happiness research, well-being research, defining and measuring sustainability, national sustainability strategies, new narratives, and visioning.

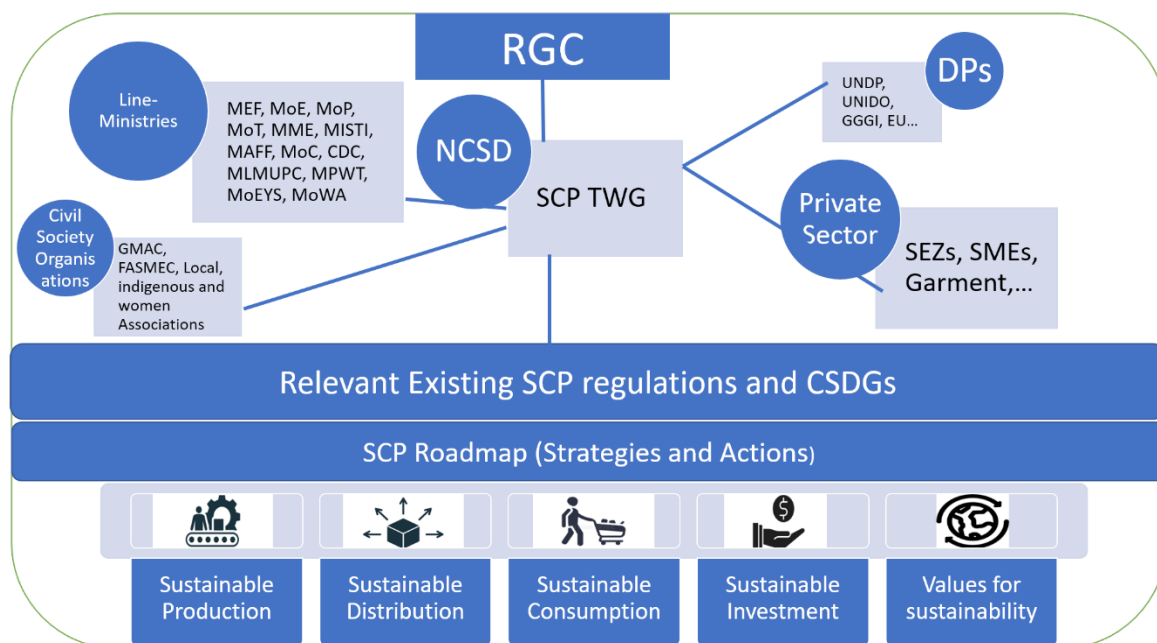
Figure 2. The Sustainable Consumption and Production System (source: authors, adapted from Barber (2014)).

Cambodia's SCP Roadmap is an important communications tool that will be used to promote the efforts of the Royal Government of Cambodia (RGC) on SCP. It will be used to mobilise new partnerships and financial resources for specific strategies and actions identified in the SCP Roadmap. Cambodia's SCP Roadmap will also be used to track progress on the achievement of the specific strategies and actions in the roadmap and raise awareness both within the government of Cambodia at national and sub-national levels and amongst the population. Implementation of the SCP Roadmap requires multi-stakeholder collaboration, including between the RGC's line ministries, the private sector and with development partners (see figure 3).

The SCP Roadmap was designed by the General Directorate of Policy and Strategy (Formerly known as General Secretariat for Sustainable Development (GSSD)) of, which supports Cambodia's leading inter-ministerial body for sustainable development policy, the National Council for Sustainable Development (NCSDD). The design of Cambodia's SCP Roadmap was supported by UNEP and the European Union (EU) under the SWITCH-Asia Programme.⁵ In

⁵ European Union Switch-Asia Policy Support facility: <https://www.switch-asia.eu/>.

developing Cambodia's SCP Roadmap, GSSD commissioned a scoping paper⁶ which was reviewed by line-ministries and development partners (DPs) and facilitated multi-stakeholder consultations to discuss and prioritise the strategies and actions identified in the draft SCP Roadmap. Progress on the implementation of Cambodia's SCP Roadmap will be monitored through NCSD-led annual meetings of NCSD's Technical Working Group for SCP, and an annual public-private forum on SCP to share knowledge amongst stakeholders on SCP action in Cambodia.



Note: SCP is Sustainable Consumption and Production, RGC is the Royal Government of Cambodia, NCSD is the National Council for Sustainable Development, DPs is Development Partners, SEZs is Special Economic Zones, SMEs is Small-to-Medium Enterprises.

Figure 3. SCP Roadmap stakeholder cooperation for implementation of Cambodia's SCP Roadmap strategies and actions.

⁶ Lord F., & Leang, S., (2021), Scoping Paper for the design of Cambodia's SCP Roadmap.

WHAT ARE THE PRIORITY ACTIONS IN CAMBODIA'S SCP ROADMAP

Some key examples among the 108 actions identified in Cambodia's SCP Roadmap are discussed below.

Eco-labelling

An environmental labels or eco-labelling program in Cambodia is currently being designed by NCSA, in collaboration with relevant line ministries and with support from GIZ. Eco-labelling is a voluntary method of environmental performance certification and labelling that is practiced around the world. An eco-

label identifies products or services proven to be environmentally preferable within a specific category.⁷ Under the SCP Roadmap, Cambodia plans to design an eco-labelling program for products manufactured or produced in Cambodia, such as garments and textiles, footwear, food, and beverages. The RGC under the Ministry of Mines and Energy (MME) is also designing a standards and labelling program for energy efficient electrical appliances and equipment, including testing and certification procedures. The introduction of these environmental labelling programs will encourage increased consumer awareness and can influence consumer behaviour towards selecting more environmentally friendly products and services.

Green buildings

Cambodia's Green Building Guidelines and Certification system is currently being designed by NCSA with support from the Korean Institute of Civil Engineering and Building Technology (KICT), under the support of the Mekong-Republic of Korea (ROK) Cooperation Fund. Cambodia's SCP Roadmap identifies the need for design and piloting of Green Building Guidelines and Certification system, as well as establishment of the institutional arrangements for their implementation. The SCP Roadmap also includes the action of updating Cambodia's building codes and construction regulations with minimum green building requirements and delivering capacity building among architecture and planning professionals on green building design. Green building design increases the environmental sustainability of buildings through all phases of their lifecycle, including their construction, occupancy, renovation, and demolition. Green buildings design improves the sustainability of buildings through efficient use of energy, water, and other materials, and reducing waste.

Green public procurement

Cambodia's SCP Roadmap includes an action to set up a sustainable (green) public procurement standard, which includes environmental criteria and performance requirements for priority products and services to be procured by the government. Sustainable procurement standards can be established for common use supplies and equipment procured by the government (e.g., paper, furniture, lightbulbs, cleaning products). Sustainable procurement standards consider the product life cycle, their energy consumption, carbon emissions, waste going to landfill and recycling options, packaging, water use, and the use of hazardous substances. The introduction of sustainable (green) procurement standards will promote a market for more environmentally friendly products and services within Cambodia and encourage market innovation.

Extended Producer Responsibility schemes

With increasing volumes of plastic waste in Cambodia, the introduction of Extended Producer Responsibility (EPR) schemes will encourage companies producing products made of plastic to consider the end-of-life impacts of their products. Under an EPR scheme, producers are given a significant responsibility – financial and/or physical – for the treatment or disposal of post-consumer products. This responsibility provides an incentive to reduce waste at the source and promote product design for the environment. Cambodia's SCP Roadmap includes an action to establish EPR schemes by 2022, to be led by the Ministry of Environment (MoE). EPR is one of

⁷ International standards for eco-labelling have been established under *ISO 14024:2018 Environmental Labels and Declarations—Type 1 Environmental Labelling*.

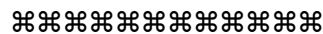
many initiatives being introduced by the RGC to encourage environmentally sustainable packaging and reduce solid waste, alongside the introduction of plastic production standards.

Low-emissions vehicles

The uptake of electric vehicles has recently been incentivised through the RGC's *Sub-Decree No. 18 on reduced taxation for imported vehicles* established in February 2021. Under this Sub-Decree, electric vehicles are given preferential tax treatment compared to other imported vehicles. Beyond this measure, Cambodia's SCP Roadmap identifies the need to further encourage the use of low-emissions vehicles, including electric motorbikes and cars, through other fiscal and regulatory incentives. The SCP Roadmap also identifies the need to study options to phase out the use of old vehicles. Most vehicles used in Cambodia are second-hand and have low-efficiency and consequently high emissions. Using low-emissions vehicles will reduce air pollution from vehicle exhausts and contribute to climate change mitigation.

Rural and Eco-tourism

Promotion of Rural and Eco-tourism is supported by Cambodia's SCP Roadmap, through the action of expanding rural and eco-tourism projects with community benefit sharing and payments for ecosystem services. While the tourism sector has slowed down due to the Covid-19 pandemic, it remains a key sector for economic development in Cambodia, which has the potential to deliver local livelihood benefits for communities, particularly in rural areas. Cambodia's SCP Roadmap also identifies the need to enable eco-tourism through destination planning and management, and establishment of funding mechanisms to strengthen eco-tourism, particularly community-based eco-tourism. It also identifies the need for the RGC through the Ministry of Tourism to partner with private sector tourism companies, to deliver an eco-tourism certification program, which is aligned to international eco-tourism certification programs.



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