



Conselho Empresarial Brasileiro
para o Desenvolvimento Sustentável

CLEANER PRODUCTION NETWORK IN BRAZIL

BCSD Brazil and SMEs: A successful CSR case due to the implementation of eco-efficiency.

Introduction

The idea of working with the SME dates from 1998, approximately one year after the Brazilian Business Council started its operations.

The importance of SMEs to the Brazilian economy should by no means be underestimated. They account for almost 98% of the total income of enterprises, 60% of the employment rate, and 43% of the income of the industrial, commercial, and services sectors. Another important factor is that these enterprises do not have the means and infrastructure to implement the eco-efficiency principles that would allow them to enhance their efficiency, productivity, and competitiveness.

Based on this analysis, we decided to promote the implementation of a network that would allow the dissemination of existing information and good practices. In November 1999, we signed an agreement to implement the partnership on the following basis:

- The technical support is provided by **CNTL** (National Center for Clean Technology), which was established in 1995 in southern Brazil. **CNTL** is linked to the program for National Cleaner Production Centers (NCPC), a joint initiative by the United Nations Industrial Development Organization (UNIDO) and the United Nations Environment Program Technology, Industry and Economics Unit, located in Paris (UNEP TIE);
- The **CNI** (the Brazilian National Confederation of Industries), and each of the State Federations of Industries should supply the physical infrastructure and the trained personnel necessary for the operation and maintenance of the Centers in order to establish the network;
- **SEBRAE** (the Brazilian Supporting Institute for Micro and Small Enterprises) should provide financial and logistic support for the project;
- **BNDES** (the Brazilian National Bank for Economic and Social Development) should provide small-amount loans for those who requested them in the future.

Finally, the institutional loop was closed when **FINEP** (the Brazilian Government Research Financing Agency), joined the partnership.

All along 2000, in accordance with the agreement, four centers were created in different regions of Brazil: in the states of Bahia (in the Northeast), Minas Gerais (in the Southeast), Mato Grosso (in the Midwest), and Santa Catarina (South). Today, these Centers are already in operation and their activities include: in-plant demonstrations, training, information dissemination, and policy assessment and advice. Seventy-six consultants have been trained in a six-month pilot project that involved forty small industries.

In general terms, the economic benefit attained due to the implementation of cleaner production measures in these plants has shown that on an annual basis, for each dollar invested, they have got four dollars in return. The global economic benefits amount to US\$ 2.4 million. Besides that, there have been significant reductions in major environmental indicators: cuts in energy consumption varied between 10% –25%; the decrease in water consumption, between 10% –24%; there has been a dip in raw materials consumption from 15% – 25%; and above all, residues generation dropped between 15% and 50%. Some cases are shown below.



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Today, the network involves more than 100 Brazilian companies, and is being expanded to other South American countries, like Paraguay and Ecuador, and even to Mozambique.

Moreover, BCSD-Brazil has signed an agreement with **Banco do Nordeste** (Northeastern Development Bank) and two more Centers were implemented in the poorest region of Brazil – the northeastern region - in August/September 2001. The focus areas of these centers will be on tourism and services (hotels and restaurants) and agro industries.

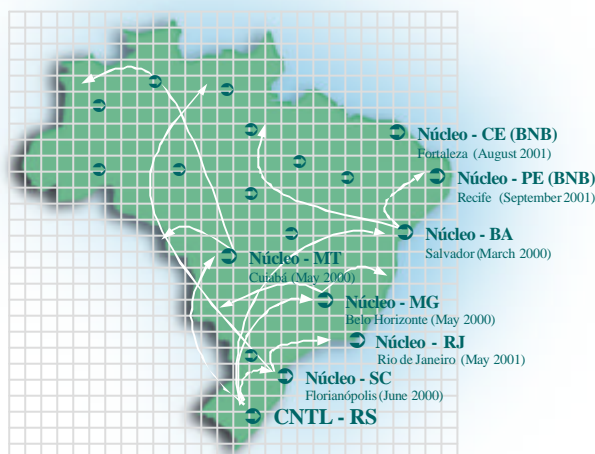
As part of the second phase of the program with **SEBRAE**, the Center in Rio de Janeiro opened last May, and ten new centers of cleaner production will start their operations in the period between 2002 and 2003, in a pioneer initiative to take the whole concept to the Amazon region.



Cleaner Production Network

Reneawal SEBRAE Project–
10 centers

Partnership Banco do
Nordeste (BNB) – 2 centers



President Executive

Eco-efficiency in Hospitals

BCSD-Brazil is also trying to enlarge the scope of cleaner production application, initiating a project that aims to expand the concept of eco-efficiency to the health sector.

Nowadays, most of the health infrastructure in Brazil – which comprehends hospitals and clinics – is not only an instrument of cure but on the other hand, most unfortunately, constitutes a tool to disseminate contamination, in many cases. This is due to the non existence of liquid effluents and residues treatment and secure final disposal. In addition to that, data published in the media points to the absence of more reliable inventory controls, which leads to a significant loss of medical materials.

Therefore, the idea is to apply the methodology of our successful eco-efficiency program “Cleaner Production Network” in the most populated area of Rio de Janeiro State - Baixada Fluminense – by means of a partnership with the Ministry of Health and the Municipalities Consortium of the region. This could represent a breakthrough to a new horizon for the poor in the developing countries.