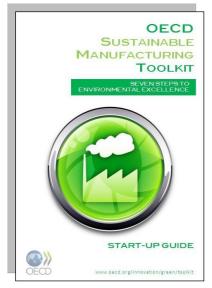


A business guide to seizing green growth opportunities

The OECD launches a Sustainable Manufacturing Toolkit



"Sustainable manufacturing" – products and production with a reduced environmental impact – has become a business imperative in many sectors. The global market for low-carbon products already exceeds USD 5 trillion and companies which demonstrate green credentials are gaining higher financial value. However, the large majority of businesses, particularly many small and medium-sized enterprises (SMEs) which account for approximately 99% of all enterprises, have not yet embraced these opportunities.

For both OECD and non-OECD countries aiming for a greener growth, it is critical to engage businesses in sustainable manufacturing practices. The OECD Committee on Industry, Innovation and Entrepreneurship (CIIE) decided to develop a resource to enable manufacturers to understand and improve their environmental performance. An advisory expert group (Chair:

Dr. Nabil Nasr, Rochester Institute of Technology), which consists of corporate practitioners, academics and other stakeholders, guided the development of a tool through a two-year consultation process.

The OECD Sustainable Manufacturing Toolkit is designed to help businesses, particularly supply chain firms and SMEs, develop a more sustainable approach to growth. Concise and practical, the OECD Toolkit enables businesses to make the most of green growth by:

- · making their operations more efficient
- reviewing the materials they acquire for production
- rethinking their products' benefits and challenges
- motivating and driving continuous improvement in their teams

The OECD Sustainable Manufacturing Toolkit has been developed in the two following components:

- Start-up Guide: Seven Steps to Environmental Excellence ...
 A 54-page booklet with easy-to-read guidance on the basic issues
 and how to start measurement step by step.
- OECD Sustainable Manufacturing Portal (www.oecd.org/innovation/green/toolkit) More details on indicators, performance management and links to other tools and guidance.







If you can't measure, you can't manage

Measuring and benchmarking performance is the vital first step to improve any aspect of a business. Despite the prominence of many environmental management, accounting and reporting standards (e.g. ISO 14001, ISO 26000, GRI Guidelines, GHG Protocol, lifecycle assessment), there has been no unified approach to compiling basic environmental data and analysing performance. Major efforts for developing the OECD tool were thus devoted to establishing common terminology, standard process and methodologies for measuring environmental performance with the development of benchmarkable key indicators.

The 18 OECD Sustainable Manufacturing Indicators illustrate the impact of typical manufacturing activities – inputs, operations and products – on the environment. These indicators can be applied by businesses of any

size and in any sector to measure, benchmark and improve their environmental performance. framework owes much to the existing variety of environmental and CSR initiatives around the world and aims to promote compatibility. This offers a potential for future standardisation in this area and the OECD would welcome comments and suggestions from users and experts on how to extend, update and improve the indicators and the measurement process.

Inputs **O**perations **P**roducts **O1** Water intensity P1 Recycled/reused content **O2** Energy intensity **P2** Recyclability O3 Renewable proportion of energy P3 Renewable materials content **O4** Greenhouse gas intensity P4 Non-renewable materials intensity **O5** Residuals intensity P5 Restricted substances content **O6** Air releases intensity P6 Energy consumption intensity **O7** Water releases intensity **O8** Proportion of natural land P7 Greenhouse gas emissions intensity

Overview of the OECD Sustainable Manufacturing Indicators

Showing what works in practice

It is important for businesses to have the right tools, and learn from what others are doing. The OECD Toolkit also compiles **good practice case studies** that illustrate the many benefits of sustainable manufacturing - saving money, improving products, making operations more efficient and increasing sales. The Web Portal helps businesses to go beyond the OECD Indicators and obtain more tailored advice by providing links to existing national, sectoral and issue-specific tools and initiatives.

The *Start-up Guide* can be downloaded from the <u>OECD Sustainable Manufacturing Portal</u>. It is one of the key elements of the *OECD Green Growth Strategy* (<u>www.oecd.org/greengrowth</u>) launched in May 2011.

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