

JAKARTA RECOMMENDATIONS

APO International Conference on

Green Productivity to Enhance Competitiveness

4–5 March 2010, Jakarta, Republic of Indonesia

(Parallel with the Eco-products International Fair 2010)

Convinced that Green Productivity, a multidisciplinary concept conceived and promoted by the Asian Productivity Organization (APO), is the key to sustainable development and can help member countries enhance eco-competitiveness and combat climate change, the APO, in collaboration with the Ministry of Manpower and Transmigration, Government of Republic of Indonesia, organized this international conference, attended by participants from 16 countries from the Asia-Pacific, on Green Productivity to Enhance Competitiveness, 4–5 March 2010, in Jakarta, Republic of Indonesia, in parallel with the Eco-products International Fair (EPIF) 2010. The sixth in the series, this EPIF is an eco-business platform for entrepreneurs and a green economy forum for policymakers.

The participants deliberated on Green Productivity practices for low-carbon growth during sessions focused on: 3R policies and programs; eco-finance and eco-business in recognition of the challenge of limiting the global temperature increase to within 2°C compared with the preindustrial level; need to create a low-carbon society through eco-innovation; and capitalizing on the rapid growth of the eco-business market. After their deliberations, the following major recommendations were made by conference participants.

Recommendation No. 1

Green Productivity is a holistic, proven approach for strengthening competitiveness, protecting the environment, achieving sustainable low-carbon growth to combat the adverse impacts of climate change, and alleviating poverty. It should be adopted by all stakeholders including governments and the public and private sectors.

Recommendation No. 2

A paradigm shift is required to create a virtuous cycle of the environment and economy to create a low-carbon, resource-efficient society and promote green growth by the incorporation of Green Productivity practices, such as eco-innovation, green procurement, green supply chains, promotion of eco-products, energy efficiency, renewable energy strategies, conservation of forests, and green

investments for the protection of natural resources, in national development policies and corporate strategies.

Recommendation No. 3

Governments should formulate strict industrial standards for recycled materials and recycled products. Industry should proactively support such initiatives and establish a standard system for reducing, reusing, and recycling waste. Governments should also consider providing incentives to invest in recycling facilities.

Recommendation No. 4

Recognizing that immediate action is necessary for effective waste management, a coordinated strategy and good planning supported by scientific studies should be evolved for effective implementation at national level. Such a strategy should include NGOs and the informal recycling sector, which are integral parts of recycling systems, and be based on public-private partnerships.

Recommendation No. 5

Recognizing their pivotal role as promoters of a sustainable future, financial institutions should devise strategic responses and solutions to stimulate green growth and hasten the creation of a low-carbon society. Financial institutions should enhance their eco-finance activities as well as explore related business opportunities, particularly to support environmental infrastructure, renewable energy, clean technology, afforestation, biodiversity conservation, clean water supply, waste treatment, sustainable cities and buildings, transportation, the energy service company business model, green supply chains, and other projects to mitigate climate change.

Recommendation No. 6

Financial institutions should develop capacity in terms of technology assessment, risk management, loan structuring, nonperforming case management, capital sufficiency, and liability management while building sound partnerships to promote eco-finance and eco-business.

Recommendation No. 7

Governments should develop policies based on green growth and support the eco-related activities of financial institutions. Governments are expected to improve the investment climate for financial institutions so that viable returns on eco-finance projects are possible while reducing hidden costs.

Recommendation No. 8

Full disclosure including global sustainability reporting is indispensable for the evaluation of eco-finance projects. There is an urgent need for governments to evolve a regulatory framework for

such disclosure practices. This would benefit not only institutions dealing with eco-finance but also consumers and citizens and will eventually facilitate better decision making, which is the key to promoting eco-finance.

Recommendation No. 9

Eco-finance projects should capitalize on the huge potential for renewable energy projects utilizing biomass, biogas, and geothermal, solar, and hydro power. Reducing emissions from deforestation and forest degradation is another area that deserves the attention of financial institutions.

Recommendation No. 10

The APO should continue to encourage all concerned, particularly policymakers in governments and decision makers in the public and private sectors, and strengthen their capacity to contribute to Green Productivity practices through all possible means to achieve eco-competitiveness and green growth in the Asia-Pacific region.

Jakarta, 5 March 2010

On behalf of The Committee of Delegates and Experts



Prof. Dr. Payaman J. Simanjutak

Conference Coordinator
