

“Business and Environment”International Symposium 2006

Conference Report

Towards Sustainable Lifestyle and Business Model

～ Policy Trends of “Sustainable Consumption and Production” ～

Date : January 17, 2007(Wed.) 1 : 30p.m. ～ 5 : 15p.m.

Venue : Kobe Portopia Hotel, Kobe, Hyogo Prefecture, Japan

Organizer : Institute for Global Environmental Strategies (IGES)

Sponsors : Ministry of the Environment, Ministry of Economy, Trade and Industry, Hyogo Prefecture, Kobe City, Asia-Pacific Network for Global Change Research(APN), International EMECS Center, Hyogo Prefectural Environmental Create Centre Public Corporation, Hyogo Prefecture Liaison Conference for Air Environment Conservation, Global Environment Forum-KANSAI, Kansai Council, Kansai Economic Federation, The Federation of Chamber of Commerce and Industry in Hyogo Prefecture, Hyogo Environmental Advancement Association, Hyogo Prefecture Association for Corporate Environmental Conservation, Osaka Chamber of Commerce and Industry

"Business and the Environment" International Symposium 2006 Towards Sustainable Lifestyle and Business Model - Policy Trends of "Sustainable Consumption and Production" -

Synthesis

Since the significance of "Sustainable Consumption and Production" was recognized anew at WSSD in 2002, the society has been seeking ways for establishing socio-economic system which can lessen environmental load through the collaboration between consumers and corporations. The International Symposium "Towards Sustainable Lifestyle and Business Model - Policy Trends of 'Sustainable Consumption and Production' -" was organized by the Institute for Global Environmental Strategies (IGES) Kansai Research Centre (KRC) in Kobe, Hyogo Prefecture on 17 January, 2007, with an aim of raising awareness of people about this important issue through the discussion on the most recent policies and its future development from global view point.

The first keynote speech by Mr. Michael Kuhndt (The Centre for Sustainable Consumption and Production), titled "Innovations for Human Development in Global Value Chains," highlighted the potentials of "Human Development through the Market" approach, which can successfully realize poverty reduction and creation of business opportunity along value chains. The second keynote speech by Prof. Takashi Gunjima (IGES Kansai Research Centre), titled "Perspectives of Socio-Economic System Innovation - Messages from BSS Research Project," started with introducing the basic concept of "system innovation," followed by reporting the initial findings of on-going research project at IGES Kansai Research Centre, Business for Sustainable Society (BSS) Project, including "Low carbon solution business model" and "Environmentally-sound business model of Product Service Systems (PSS)."



First part of the Panel Discussion included four presentations, namely: "Future Outlook on Environmental Management Policy" by Mr. Hiroshi Kamagata (Ministry of the Environment), "Business Support Policies from the Environmental Viewpoint" by Dr. Hidefumi Ikeda (Ministry of Economy, Trade and Industry), "Achieving the 3Rs and Sustainable Consumption and Production in Developing Countries through the Informal Sector" by Martin Medina (IGES Kitakyushu Office) and "Community-based Environmental Business for Sustainable Consumption and Production" by Yasuhiro Kanda (IGES Kansai Research Centre).



Second part of the Panel Discussion led by Prof. Gunjima and joined by all the speakers including Mr. Kuhndt deliberated on the efforts made by companies, opportunities for change of lifestyle and utilization of new technologies for achieving both. At the end of discussion, keywords for realizing sustainable consumption and production were presented by each discussant.

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Coordinator:

Prof. T. Gunjima

Panelists:

M. Kuhndt

Hiroshi Kamagata

Dr. Hidefumi Ikeda

Martin Medina

Senior Policy Researcher, IGES Kitakyushu Office

Yasuhiro Kanda

Senior Policy Researcher, Business for Sustainable Society (BSS) Project,
IGES Kansai Research Centre

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Prof. Yutaka Suzuki
Director, IGES Kansai Research Centre

Opening Address

Prof. Akio Morishima

Chair, Board of Director
Institute for Global Environmental Strategies (IGES)

Hello to everyone. And, thank you for such a large turnout for this International Symposium on "Business and the Environment".

As our symposium moderator just said, twelve years ago on this day, January 17, the Hanshin-Awaji Earthquake struck. I was in Tokyo that day, but I remember it vividly. I visited Kobe about two months after the quake. The area where we are right now was totally devastated. Nevertheless, gracious to the strong efforts of everyone, the economy has been restored and, not only that, the environment has been taken into consideration, as Kobe and the Kansai were rebuilt on a balance between economics and the environment. I salute that success from the bottom of my heart.

If I may recount some facts: on that day, January 17, twelve years ago, Dr. Jiro Kondo and other intelligent persons were at the official residence of then-Prime Minister Murayama making their case that the environment had become an issue in Asia, that wide-ranging research was needed to deal with the situation and that an environmental research institute like IGES should be established. The earthquake hit that day at 5:45 in the morning, but if you recall, the scale of disaster was not immediately understood even by the media, so the meeting went on as planned at 10:00. Then, the news arrived of how bad the damage was. The Prime Minister's advisors and the Prime Minister himself realized the importance of environmental problems. Risk had not been well managed, which later led to criticism over what the entire Murayama Administration was doing. IGES was formed two years later from a proposal from an advisory organization to the Prime Minister. Then, three years after that, the Kansai Research Centre was established.

Research at the IGES Headquarters in Hayama, Kanagawa had just begun into various environmental problems in Asia and global environmental problems when the Kansai Research Centre was launched and that was a good opportunity to think what would be the best to research. The Kansai is home to industry, and home to business and traffic. That's why we felt the Kansai Research Centre should develop research in and around "business and the environment". At that time and even now, the industrial world of the Kansai was totally in favor of that direction and, offering their support. They have over the years provided their participation in the form of several part-time researchers.

The theme of today's symposium relates to research projects launched in 2004. The research theme prior to that was perhaps a little too focused: environmental accounting, which looked at how environmental problems could be brought into corporate management and into corporate accounting. The current projects are delving into business for ways to produce and sell with the highest possible environmental efficiency, from the micro approach of corporate management and a macro approach on the regional level. IGES sets three years as the research period, so the current research at the Kansai Research Centre comes to a close this year.

At today's symposium, we will hear from Michael Kuhndt as to how we should be thinking about

business management and the environment from a global perspective. And, Hiroshi Kamagata of the Ministry of the Environment and Hidefumi Ikeda of the Ministry of Economy, Trade and Industry will speak about the policies their ministries are promoting to support business. As I mentioned earlier, the themes of the research projects at the Kansai Research Centre address a broad spectrum of world-wide trends, trends across Japan and trends across the region. Although our time today is limited, I ask everyone to play an active part by also asking questions.

I would like to express my heartfelt appreciation to Michael Kuhndt who came from Germany to be here today and our guests from the Ministry of the Environment and the Ministry of Economy, Trade and Industry who have taken time out for the symposium today. And, I am tremendously grateful to see such a good turnout for the event.

With that, I would like to conclude my message for the opening of this symposium. Thank you for your attention.

Message from the Guests

Hiroshi Kamagata

Director, Environment and Economy Division, Environmental Policy Bureau
Ministry of the Environment

Good afternoon everyone. I am Hiroshi Kamagata of the Ministry of the Environment. I am very pleased to be here and deliver a short message for the opening of this symposium. To begin with, I would like to observe a moment of silence for those who perished twelve years ago today in the Han-shin-Awaji Earthquake.

Now, sustainable production and consumption, lifestyles and business models are the themes of today's symposium. As one of members of Japan's environmental administration, I find it very necessary to consider the importance of this year, 2007. As you well know, an international agreement under the Kyoto Protocol has been implemented to deal with global warming. The first commitment period of the agreement starts in 2008. That is, today in 2007, it gives us just one year left before the period. We are no longer allowed of any delay in taking action against global warming.

As you are all aware, Japan is committed to a 6% reduction in CO₂ emissions, but recent figures put Japan's CO₂ emissions at an increase of 8.1% compared with the 1990 level, generating a further gap of 14.1 % against our target of achievement, which puts Japan in a difficult spot. Given today's themes, when it comes to the lifestyle aspect, the situation is even more tragic as emissions from households show 37% increase over the 1990 level and emissions from businesses are even more, 42% increase. In order to reduce these rates steadily, we have to realize new lifestyles and new business models.

But, by simply forcing changes in lifestyles, business models, production and consumption, it could lead to weakening the economic vitality. Therefore, it is necessary for each of us to make creative efforts to build and spread new lifestyles and new business models.

I believe these creative efforts – putting together the wisdoms of all sorts of people domestically and internationally to create new ways of business – will produce solutions to the serious problem of global warming. In that sense, it is very much desired that we get together our wisdoms and share information elsewhere like today's symposium.

The first commitment period of the Kyoto Protocol starts next year and, though it will not be easy by any means, we must immediately bring our wisdoms together. I am looking forward to this symposium being such an opportunity for us to come up with new and better ways of life and business. With that, I would like to close my message. Thank you for your attention.

Message from the Guest

Dr. Hidefumi Ikeda

Director, Environmental Industries Office, Ministry of Economy, Trade and Industry

Ladies and gentlemen, I am Hidefumi Ikeda of Environmental Industries Office of the Ministry of Economy, Trade and Industry. Most of what I would have wanted to say was already said by Director Kamagata of the Ministry of the Environment, therefore I really have little to add. But, let me say this.

Ideas for the environment and environmental business have recently begun to spread far and wide. In the meantime, the Japanese government is running into budgetary and human resource shortfalls.

I am partaking in today's activities with the hope of talking with stakeholders, hearing your thoughts and ideas about policies and measures, and searching for ways we can work together on some form of voluntary creative efforts.

"For Kobe! For Japan! For the coexistence of the environment and economic activity!" I am looking forward to today's activities.

Message from the Guests

Koichi Ishii

Director General, Environmental Policy Bureau, Hyogo Prefectural Government

Good afternoon, everyone. As you just heard me introduced, I am Koichi Ishii of the Environmental Policy Bureau of the Hyogo Prefectural Government. On behalf of the local area, I would like to give a hearty welcome holding the International Symposium here in Hyogo.

Fixing global environmental problems and establishing a sound material-cycle society are very important issues undertaken by our entire country. As was said earlier, dealing with these issues requires action from the national government to local governments, businesses, NPOs, organizations of all kinds and ultimately each and every resident. This is the situation we find ourselves in.

To these ends, Hyogo Prefecture adopted an “Ordinance on Environmental Protection and Development” in 1995, the year of the Hanshin-Awaji Earthquake you heard about earlier. The truth of the matter is that the ordinance was already in the works and had reached a good point in its preparation before the earthquake. But, this disaster planted greater respect for Mother Nature in all of us and left us with massive demolition work in all corners of the prefecture. In that process, asbestos surfaced as a serious problem and stiff regulations on asbestos had to be written into the ordinance. It is almost ironic that, as a result, the serious asbestos problem of Kubota Corporation was an opportunity to put this ordinance to the test.

With regards to establishing a sound material-cycle society, Hyogo Prefecture adopted a “Sound Material-Cycle Society Vision” and has taken various steps to build a sustainable society.

At the very beginning of today’s activities, we observed a moment of silence for the victims of the Hanshin-Awaji Earthquake. The fact of the matter is that I myself was a victim and here I am twelve years later. I would like to take this moment to express my sincerest appreciation to everyone in and outside Japan for their warm encouragement and generous support. We must never forget the lessons learned from the Hanshin-Awaji Earthquake. We must, out of the respect for Mother Nature I mentioned before, do something about the environment.

As our ultimate objective, Hyogo Prefecture raises the “Establishing eco-friendly society based on harmonious coexistence and sound material cycles” and we will, as a government, make a concerted effort to develop policies and actions to achieve this.

In closing, let me say that it is my wish for this symposium to be a success and the fruits of it shared to help all of Japan and the rest of the world. Though brief, let me end here. I thank you for your attention.

