

Environmental Industry Project

Ryokichi HIRONO

Project Leader

1. Project name

Environmental Industry Project (EI)

2. Project period

April 1, 2002 to March 31, 2004

3. Expenditure in FY2001

0 JPY

4. Budget in FY2002

9,130,000 JPY

5. Objectives

5.1 *Overview of Environmental Industry in Four Selected Developing Countries in the Asia-Pacific Region*

It is the intention of this theme to make an overview of those specific policy measures adopted by the governments of a few selected developing countries in the Asia-Pacific region (China, India, Indonesia and the Republic of Korea) for the development and acceleration of environmental technology, management know-how and hardware industry. These countries have been chosen to show the different stages of development of environmental technology, environmental management know-how and the environmental hardware industry in the Asia-Pacific region, analyse the different structures and packages of government policies observed among the four countries and assess the effectiveness of these specific policy measures in advancing environmental technology, management systems and hardware industry. The project also attempts to make some recommendations for the accelerated development of environmental industry.

To write a paper on the following specific issues in the target country during the last decade or two and in the first decade of the 21st century:

- (1) The current status of, and major issues facing, environmental industry development
- (2) Major government policy measures for promoting environmental industry development
- (3) The contributions, positive and negative, of foreign multinational corporations to environmental industry development,
- (4) The contributions, if any, of foreign bilateral and multilateral donors to environmental industry development, and
- (5) Author's recommendations to central government both in the target country and donors, and the domestic and foreign private sector as well.

6. Members and collaborators

[In-house members]

- Prof. Ryokichi HIRONO (Professor Emeritus, Seikei University/ IGES-EI Project Leader)
- Mr. Yoshiaki NAKAUNE (General Manager, International Management Association of Japan (IMAJ), INC./ IGES-EI Visiting Research Fellow)
- Ms. Taeko TAKAHASHI (IGES-LTP Research Associate/IGES-EI Observer)
- Ms. Tomoe KARASAWA (IGES-EI Research Secretary)

[External collaborators]

- Dr. Kozo KIDO (Environmental Cooperation Advisor, Environmental Cooperation Center on

International Environmental Cooperation, Kitakyushu)

- Dr. Lin YAN (Environmental and Development Center Institute of Quantitative Technique and Economics Chinese Academy of Social Sciences, P.R. China)
- Prof. Taek-Whan HAN (Professor, Seo Kyeong University, Korea)
- Mr. Harpreet Singh KANDRA (Research Associate, Centre for Environmental Studies, Tata Energy Research Institute, India)
- Dr. RTM SUTAMIHARDJA (Senior Adviser, Minister of Environment, Government of Indonesia, Indonesia/ IGES Trustee)

[Advisers for Study Group Meetings]

- Akinori OGAWA (Director, Environmental Cooperation Office, Global Environmental Bureau, Ministry of the Environment)
- Tadahiro MITSUHASHI (Professor, Chiba University of Commerce Faculty of Policy Informatics/ IGES Board member)
- Hiroshi OHTA (Professor, Aoyama Gakuin University School of International Politics, Economics and Business, SIPEB)

[Lecturers for Study Group Meetings]

- Manabu TANI (Director, Green-blue Co. Ltd)
- Senro IMAI (Senior Advisor, Institute for International Cooperation, Japan International Cooperation Agency)
- Hiroyuki FUJIMURA (Director/President, Ebara Corporation)
- Shinichi IMAI (Matsushita Electric Industrial Co., Ltd., Corporate Environmental Affairs Division /IGES Visiting Senior Research Fellow)
- Takayuki YAMAMOTO (Director, Environmentally Sustainable Development Group, Development Bank of Japan)

[Observers for Study Group Meetings]

- Kazumasa KATO (Department of The Japan Fund for Global Environment, Japan Environment Corporation)

7. Major activities and achievements

7.1. Study Group Meetings

[Schedule]

May 27, 2002:	Selection of lecture themes and scheduling of lecturers
June 25, 2002:	Industries for environmental monitoring in China
July 16, 2002:	Environmental industries in China
August 22, 2002:	Contribution and challenges of the private sector toward the environmental industry
September 18, 2002	Measures undertaken by Matsushita Electric Industrial Co. Ltd. in its overseas subsidiaries
October 31, 2002:	Eco-Financing

[Objective]

Study group meetings were held monthly where outside lecturers were invited from such areas as private sector corporations, consulting organisations, development institutions and government banks. Each lecturer was an expert in the chosen field and shared their rich practical experiences and knowledge for improving the planning and implementation of the current project. Members of the advisory group as well as an observer participated in the study group's discussion, based on their own perspectives.

8. Plan by the end of FY2003

All the researchers will revise their 1st drafts on the basis of discussions at the 1st International Workshop on Environmental Industry held on 14-15 December, 2002.

9. Assessments of major outputs (April 2001- December 2002)

EI project held 6 study group meetings at the IGES Tokyo office from May to October, and held one international workshop at IGES headquarters in December. At these study group meetings, the Japanese team members of EI project discussed the current state and problems of the environmental industry in Asian developing countries, especially China, India, Indonesia and the Republic of Korea. The discussion in the study group meetings was found to be quite essential in enhancing the quality and perspectives of the outcome of EI project. The 1st drafts that were presented at the 1st International Workshop on Environmental Industry, were as follows:

- Environmental Industry in Korea – Current State, Prospects and International Cooperation Potentials.
- Environmental Industry Development in Developing Asian Countries – India.
- Promoting Technology and Business Partnership for Sustainable through Environmental Industry in the Asia – Pacific Region in the 21st Century: Indonesia
- International Environmental Cooperation between Kitakyushu and Asian Cities – Fostering Environmental Industries.
- Japan's Environmental ODA and it's Effects on Environmental Industry Development
- Environmental Performance of Small and Medium-Sized Enterprises (SMEs).

The discussion at the 1st International Workshop was also quite useful in improving the understanding of the study group members regarding the current state and major issues of promoting Environmental Industry in each of the target countries, as well as to come to a consensus on what and how to revise their 1st drafts. The 1st Workshop also contributed to identifying the commonality of policies and issues on the development and the acceleration of Environmental Industry among target countries.

10. Suggestions for improving the overall project performance in FY 2003

Three research members participated from India, Indonesia and the Republic of Korea in the 1st International Workshop. In the original project plan, the study team was expecting a paper presentation by the Chinese colleague, although participation of Germany and USA/UNDP in the EI project had already been cancelled due to their eventual inability to join the study team. At that time the study group had not yet received a first draft from the Chinese member. The research secretary tried in vain to expedite the procurement of the first draft from the Chinese participant. The papers presented at the 1st International Workshop and the summary of the discussion at the 1st Workshop were sent to the Chinese member so that she would be able to see what had taken place at the workshop in terms of papers and discussion, and hopefully would send her paper at the earliest possible time.

As far as the papers presented at the 1st Workshop were concerned, not all papers followed the suggested themes as originally planned in the project document, in spite of the fact that the project leader had initially informed all the study group members about the objectives, themes and possible questions to be answered in their respective papers. It was fortunate, however, that there was a consensus on what and how to revise their respective first drafts. There was also a delay for some study group members in completing their first drafts, in spite of the clear deadline for their papers and the repeated requests by the research secretary. This compelled us to allocate some time during the 1st Workshop for reading the drafts to be presented at the Workshop in order to make the discussion more useful to the writer of each paper and more effective in achieving the expected goal of the study group at this point in time during the project cycle.

These experiences would suggest that the project leader and the research secretary would have to make sure that reminders be sent more often so that the study team members follow the agreed formula exactly and meet the deadlines for their respective papers. In this connection, the project leader's face-to-face meeting with the Korean team member long before the deadline date for his first draft was found extremely effective in ensuring both the substantive and timely contribution of his draft. This may be a good lesson to remember in pursuit of the second drafts from all the study team members including the paper from the

Chinese study team member.

At any rate, it was found quite valuable and even essential for improving the quality of work of each of the study group members and for coming to a consensus on what and how to redraft papers to have a workshop where drafts are presented and discussed frankly among themselves and those interested in the subject. The second Workshop planned for June 2003 should be based on these lessons learnt from the experiences so far encountered by the study group, and should be able to bring about better performance for the project output and outcome.

11. Self-evaluation of the overall performance of the project (April 2001-December 2002)

Details omitted.