Regional Sector Report
Green Manufacturing
Focus on Green Business Development

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Outline

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Introduction

- Overall objective of the SAG programme is to support 7 countries to achieve sustainable development as a transition towards an inclusive green economy, based on sustainable consumption and production patterns, while generating growth, creating decent jobs and reducing poverty.
- Focused on four priority sectors and a set of cross cutting issues identified based on the needs and priorities of national stakeholders in the six countries during the inception phase of the project.

Country	IWM	Agriculture	Manufacturing	Tourism
Burkina Faso	✓		✓	✓
Ghana	✓		✓	✓
Kenya		✓	✓	✓
Mauritius		✓	✓	✓
South Africa	✓	✓	✓	
Uganda		✓	✓	✓

Background

- A Survey was developed to capture SCP interventions implemented through the Switch Africa Green programme and the impact of these interventions.
- Design targeted 10% of the 3,000 beneficiary MSMEs.
- Questionnaires were circulated widely for inputs and piloted with the grantees of the programme
- Database containing details of the beneficiaries of the programme was developed and used to prepare the report on IWM sector.

Manufacturing Sector

- The manufacturing sector accounts for 11 percent of employment and about 10 percent of GDP in sub-Saharan Africa, presents opportunities to contribute to economic growth and transformation, and poverty reduction.
- The manufacturing sector in Africa is dominated by small and informal sector enterprises with low productivity, and lack of policy coherence.
- Challenges related to the manufacturing sector in SSA include:
    - low technological capability,
    - low human capital,
    - policy failure
    - water scarcity and stress
    - high input costs
    - low competitiveness of manufactured exports,


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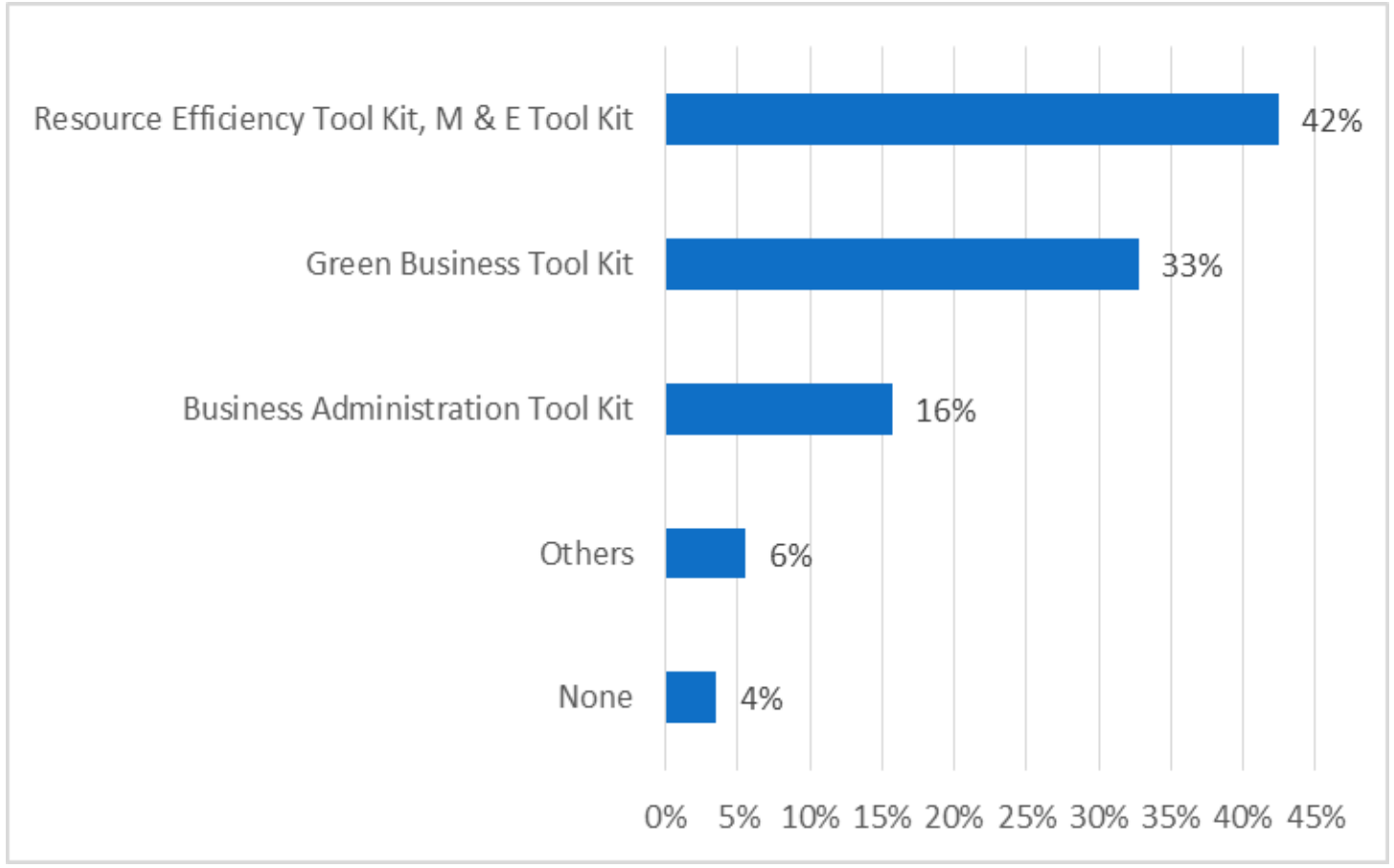
Interventions

- The programme focused on several areas of intervention: Energy efficiency, Water efficiency, efficiency in material use, waste minimization and industrial symbiosis .
- 12 grantee projects focused on this sector each between USD 200,000-250,000 per grant (multi-country project a bit different).
- Interventions in five categories:
  - Development and deployment of knowledge/information resources such as training materials and toolkits;
  - Capacity building through detailed assessments and mentorship;
  - Raising awareness; and
  - Fostering partnerships and market linkages.

Toolkits used in Manufacturing Sector



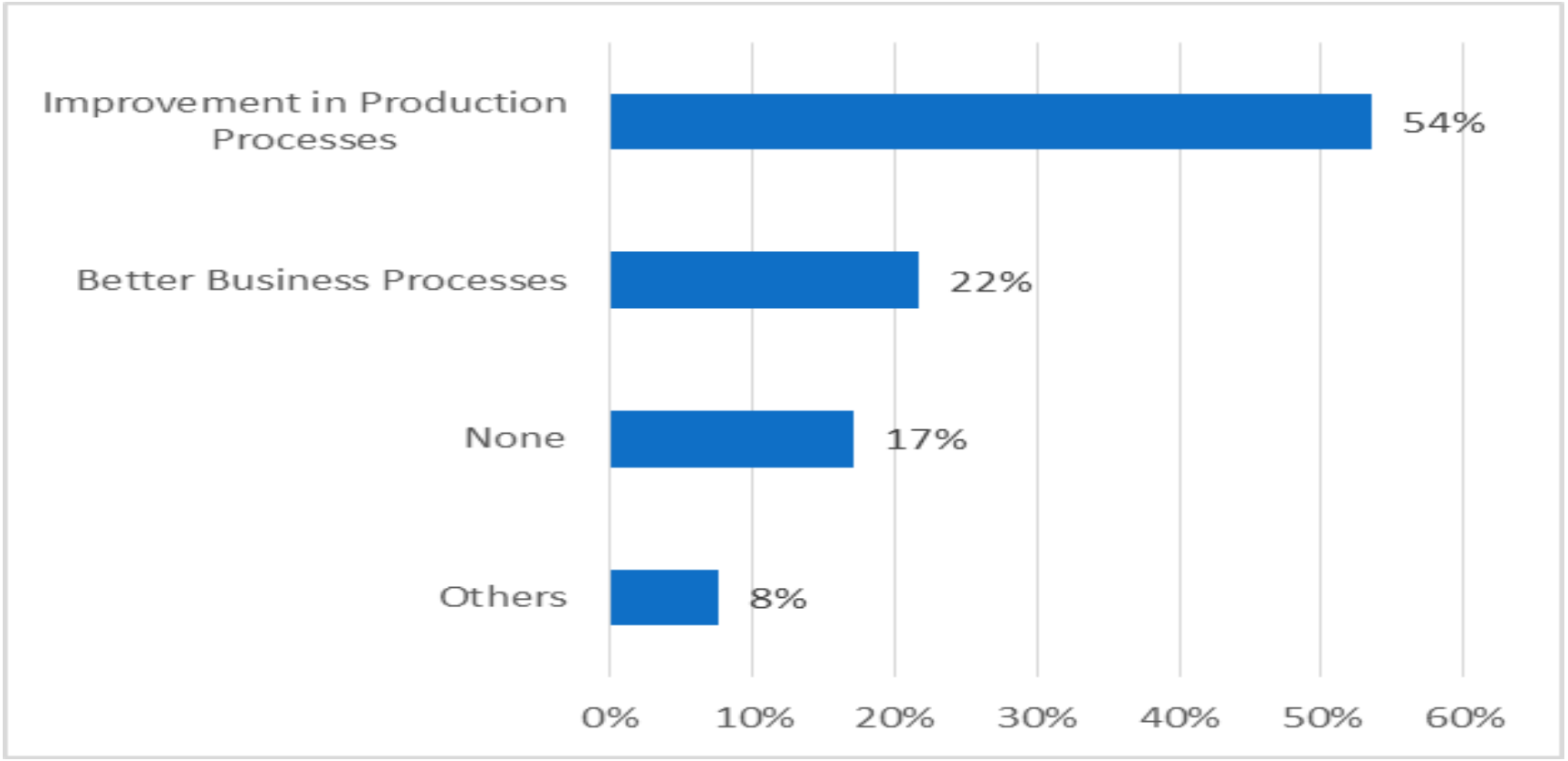
Toolkits were used to address issues related to:

- Inefficient resource use especially energy and water.
- The other key issues include improper waste management,
- Lack of business management skills,
- Marketing challenges, and
- Product development and quality.

Analysis of impacts

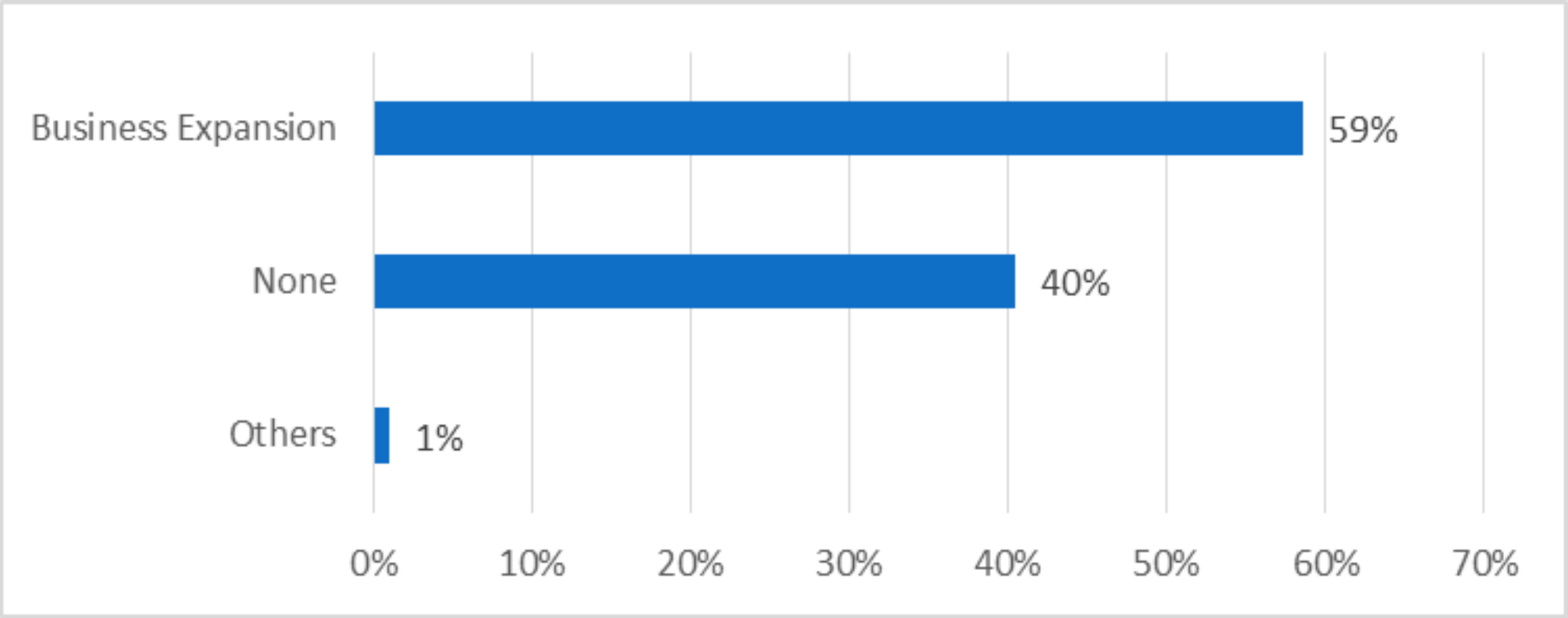
- Economic:
  - Change is sales including change in cost of production,
  - Increased incomes, new business opportunities, etc.
- Social:
  - Employment;
  - Skills improvement,
  - Occupational health and safety, etc.
- Environmental:
  - Implementation of reduce, reuse, recycle waste measures,
  - Implementation of waste management policies, etc.

Change in sales



54% of the enterprises attribute the improvement in sales to improvements in the production process,
22% to improved business processes including marketing strategies.
17% of the enterprises did not report improvement in sales.

New Business opportunities



- 59% of the surveyed enterprises reported new opportunities with potential for business expansion opportunities including new product lines, expanding business networks and partnerships, waste exchange through industrial symbiosis, improved resource management, market opportunities including export markets, improved quality, and access to new technologies.

MSMEs Reporting Creation of New Jobs

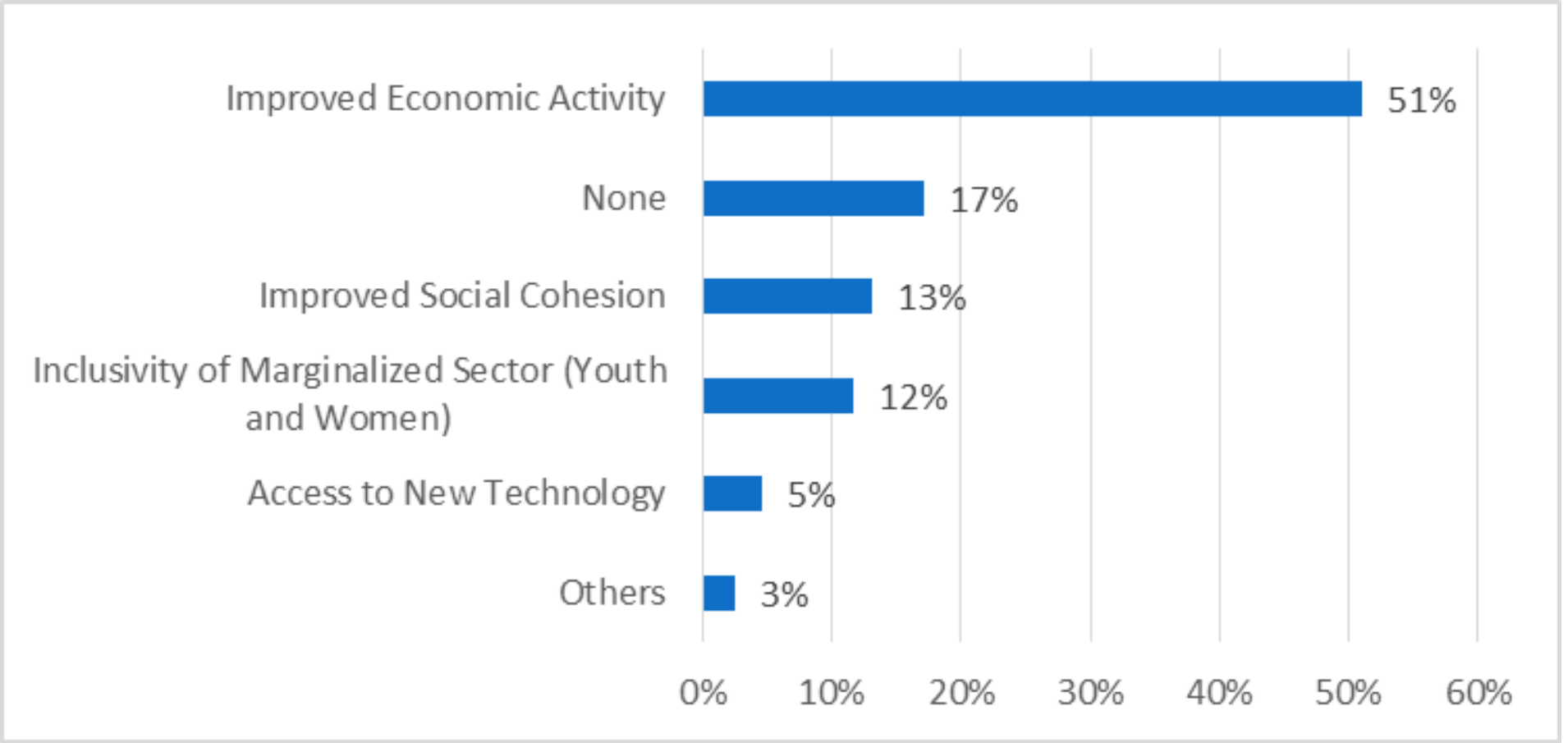
- 58% reported new jobs had been created during the implementation period.
- Sector is dominated by male employees (70%).
- 71% of the new jobs in the manufacturing sector were created by enterprises that implemented energy efficiency practices and practices.
- Data suggests that there is very high correlation between implementation of SCP and new jobs

Job Creation and Change in Production

Job Creation (Rows)	Increased Production (Columns)			
	No	**Partially**	**Yes**	**Total**
Increased Number of Staff	4.4%	4.4%	49.3%	58.1%
None	9.6%	6.6%	25.0%	41.2%
Others	0.0%	0.0%	0.7%	0.7%
Total	**14%**	**11%**	**75%**	**100%**

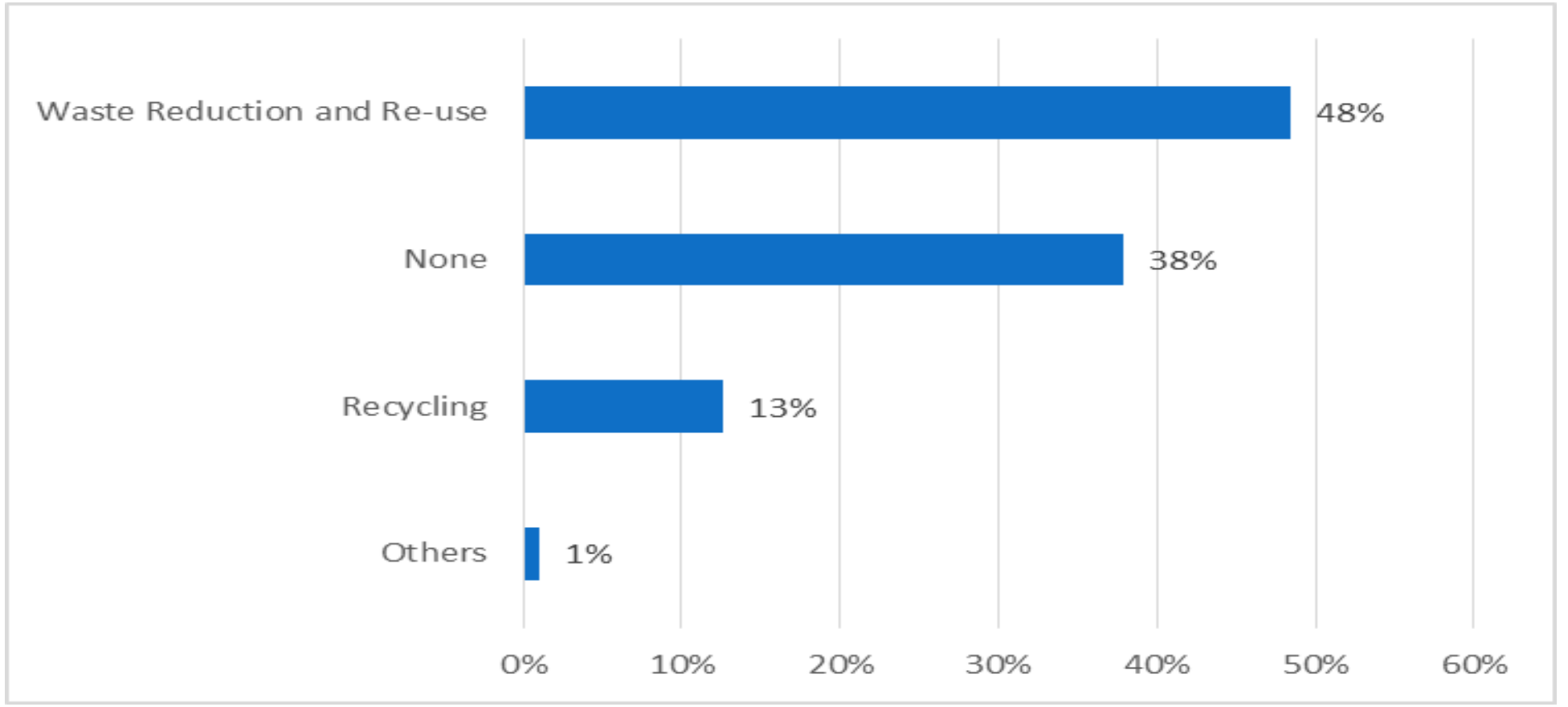
75 % of the surveyed enterprises reported increased production,
11 % reported only a partial increase in production .
25% of the enterprises that reported increased production did not increase employment, which might suggest higher productivity.
Only 9.6 % of the surveyed enterprises recorded no increase in job creation and no increase in production

Other Social Impacts



51% of the surveyed enterprises indicated that they had experienced improved economic activity while improved social cohesion was reported by 13 percent of the responding MSMEs.

Implementation of 3 Rs



About 48% of the MSMEs implementing interventions targeted at waste reduction and re-use measures involving recycling reuse and production of new products; 13 percent implemented recycling interventions.

Ineffective waste water lagoons have been replaced with bio digesters.

Summary of results

- Results indicate a strong uptake of SCP practices by the participating enterprises.
- There were notable positive impacts in the economic, social and environmental pillars.
- The programme specifically supports SDG 8, SDG 12 and SDG 17 but also contributes to a wide set of SDGs

5 Grants ($200,000 – 250,000 each)

Burkina Faso, Ghana, Kenya, Mauritius, South Africa & Uganda

Manufacturing, Agriculture, Integrated Waste Management

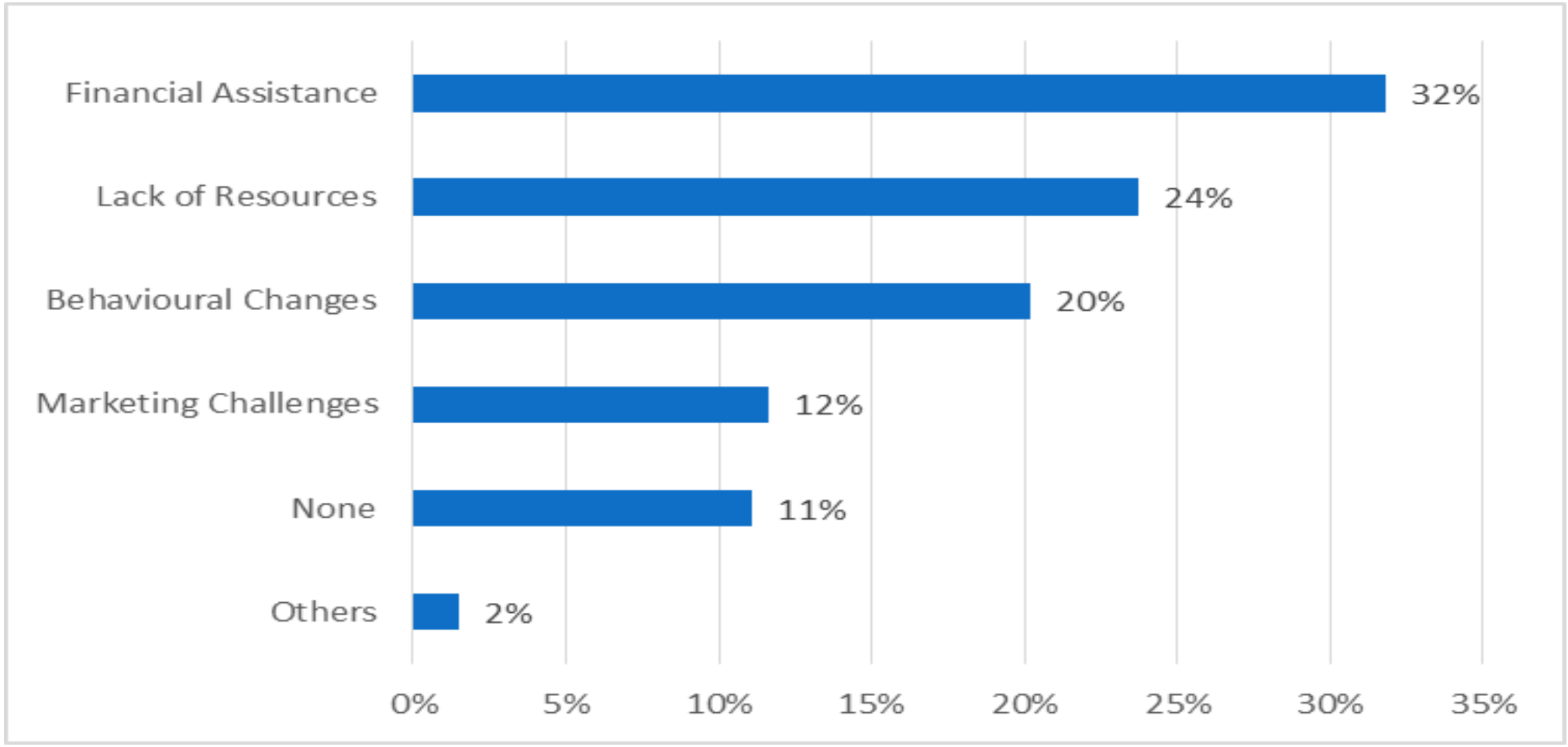
Activities: Training, Mentoring, Workshops, Coaching

Toolkits, manuals, case studies, baseline studies, survey results, research results, project implementation reports, etc.

Uptake of SCP practices - sustainable waste management practices e.g. Reduce, Reuse recycle, industrial symbiosis, etc.

TRANSFORMING OUR WORLD:
THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

Challenges faced by MSMEs



Conclusion and Recommendations

1. **Policy and Regulatory framework**

There is need for an enabling policy and regulatory framework to support investment in sustainable manufacturing.

2. **Capacity building and knowledge sharing**

There are skill gaps and need for awareness creation to support the adoption of SCP practices. Capacity on adoption and adaptation of relevant technologies, health and safety, resource efficiency and clean production (RECP) techniques, and knowledge about certification and relevant product standards is required.

3. **Financial Support**

Green financing mechanisms are needed for small enterprises to implement SCP options. Support to develop sustainable business models and bankable proposals for implementing identified green options is also required.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