

# IFC's Cleaner Production Program in Europe and Central Asia Region



IFC, a member of the World Bank Group, launched its Cleaner Production Program in Europe and Central Asia region in July 2008. The program will be implemented over five years.

## Program Objective

The program is designed to stimulate investment in cleaner production projects and promote cleaner production best practices and policies in ECA region. It helps to improve the economic and environmental performance of industry in the ECA countries.

## The ECA Cleaner Production Program Helps Companies to:

- use resources more efficiently
- reduce and prevent pollution
- increase profitability
- reduce expenditure on waste disposal
- improve product quality and operational performance
- help mitigate climate change by reducing greenhouse gases.

## The program will focus on:

- The machine-building industry, foundries in particular

- The chemical industry
- Agribusiness
- Wood processing
- Municipal water and energy efficiency improvements
- Generic industrial cleaner production technologies

### **Why is Cleaner Production Important for the ECA region?**

- Production processes in the ECA region historically developed with little regard to economic efficiency and the effects they had on the environment. A high rate of equipment obsolescence and limited adherence to best practices result in high energy and resource intensity. At the same time, enterprises are increasingly under pressure to modernize equipment and lower operational costs.
- Companies often focus on addressing environmental problems at “the end of the pipe” – that is, on what to do with waste after it has already been generated, rather than on introducing cleaner production methods to prevent pollution in the first place.
- There are no clear economic, fiscal or administrative incentives to introduce cleaner production technologies and principles.
- Company managers and technical experts have only limited information about modern resource-saving technologies and cleaner production methods.
- A lack of long-term financing is constraining resource efficiency modernization.

### **The IFC Approach**

The program has three components: 1) information, 2) advice, and 3) financing.

#### **Information**

To raise awareness and appreciation of cleaner production and management techniques among managers of industrial enterprises and among policymakers, the program plans to:

- Conduct sectoral benchmarking and market studies,
- Adapt good practice guides and information on best available technologies,
- Capture case studies on implementing cleaner production initiatives in the ECA region,
- Conduct seminars for company managers and technical specialists.

#### **Advice**

The program supports cleaner production programs at partner companies. The advisory support package, for which IFC can cover up to 50 percent of direct costs, can include:

- Scoping visits by IFC technical specialists to identify cleaner production opportunities,
- Full-scale cleaner production audits or technical reviews by independent teams of consultants,
- Advisory support during implementation of the measures identified as necessary,
- Final evaluation of the results that the cleaner production intervention has achieved.

#### **Financing**

IFC will provide dedicated financing for cleaner production investments directly to large industrial and municipal enterprises. It will also extend credit lines to local financial institutions so that they can on-lend to medium-size entities that want to make cleaner production improvements.