

Key to move economy forward

Environmental Management to ensure sustainable industrial development

by Channa Kasturisinghe

Speedy development of the industrial sector has been identified as the key to move the country's economy forward by the Government and the business community in Sri Lanka. As an initial step the Government will set up five economic zones in a bid to extend the industrial sectors to all parts of the country. At the same time, it is essential to implement an action plan to minimise the consequences of higher resource consumption and environment pollution in order to ensure a sustainable industrial development and overcome technical barriers to trade.

According to the United Nations Industrial Development Organisation (UNIDO) statistics 80 percent of industries in Sri Lanka are in Colombo and Gampaha districts.

At present, about 2,000 industries have Environment Protection Licences for discharging pollutants and emissions. Six percent of these industries are considered high polluters.

It has been found that only 50 percent of industries have some form of pollution control and the water sources in industrialised areas are highly contaminated.

These industries account for about 3,500 tons of solid waste daily and 40,000 tons of hazardous waste is discharged annually.

Although regulations exist the lack of a proper system to dispose of hazardous waste and the absence of landfills for disposal of waste threatens some of the industrialised areas of the country.

While the challenges faced by the enterprises from global competition are becoming more complex day by day stringent conditions and trade barriers imposed upon them by different stakeholders have made them

to fight to maintain their market share. Stakeholders such as governments, local authorities and buyers expect the enterprises to behave in a more responsible manner towards the society and the environment. In order to survive under these circumstances the country's industrial sector should be aware of many managerial tools, techniques, concepts and standards which are already being practised internationally.

According to UNIDO Consultant Nigel Bauer, careful planning, responsible management and environmentally sensitive shareholders can mitigate against this negative impact and help in minimising unnecessary environmental degradation.

"All too often it is only as a result of legislation that an organisation puts in place certain environmental controls.

Many businesses like to convey the impression that they are environmentally responsible, whereas in practice they rarely go beyond what legislation actually requires," Bauer told a seminar on Environmental Management System (EMS) in Colombo last week.

The EMS project commenced in January 2001 under the UNIDO Integrated Industrial Development Support Program. The program also funded by NORAD is aimed at developing national capability in setting up EMS based on ISO 14000 with the participation of the Sri Lanka Standards Institute (SLSI) and the Industrial Technology Institute (ITI). ISO 14000 is a standard, which ensures that an organisation acts in a responsible manner towards the environment.

Bauer said that the major outcome of the project has been a group of Sri Lankan companies which can set an

example to others in implementing world class environmental management in a cost effective manner.

"There are several tangible and intangible benefits to companies which implement EMS. Decreased supply chain costs, minimising energy used within the company and lower costs associated with waste materials disposal and processing are among the tangible benefits.

Among the intangible benefits are reduced punitive fines, lower environmental clean up costs, increased sales due to customer goodwill, less interference from external agencies and increased staff efficiency.

The company's environmental reputation would ultimately lead to the ability to win contracts from environmentally sensitive customers," Bauer said.

Cleaner production is another approach used in many parts of the world to improve the eco-efficiency of an organisation, V.R. Sena Peiris, Director, National Cleaner Production Centre said.

"It was initially introduced as a tool to reduce the harm caused to the environment by minimising the waste, discharge and emissions from industries. The enterprises are in existence to make profits by providing a product or a service to the people. Environment protection is not their main aim. Therefore the initial goal of protecting the environment using Cleaner Production is not adequate to motivate businessmen to practise it in their organisations. The time has come for them to think positively about the environment factor in conducting their businesses.

The concept of Cleaner Production yields many benefits in practice. It helps an organisation to save their resources and increase production," Peiris said.