Forum on
Identification of Key Products as Pioneers of the Carbon Footprint Labelling Scheme in Malaysia

ABOUT THE PROJECT

Sessions:
FMM (14 March 2013), MGBC (15 March 2013), BMDAM(19 March 2013)

Presented by:
Wan Mazlina WH
SIRIM SWITCH-Asia Team
SWITCH-ASIA: Promoting Sustainable Consumption and Production

- SCP-approaches has neither been replicated adequately nor widely adopted by SMEs
- Lack of access to information and customised approaches
- Resulted in:
  - Ineffective involvement of business network
  - Ineffective communication and collaboration within supply chain
  - Weak dialogue structures between industry, government and civil society
  - Inadequate policy frameworks; insufficient push-pull incentives to simulate SCP uptake
SWITCH-Asia Programmes

- **SWITCH-Asia Projects**
  - Projects are based on local demand-driven actions aiming to promote SCP in Asia and encourage EU-Asian partnerships

- **SWITCH-Asia Network Facility**
  - Established by the Commission in 2008 for the provision of services related to facilitating internal exchange and external communication of project results and activities. This is managed by the Centre on SCP, based in Wuppertal, Germany

- **SWITCH-Asia Policy Support Component**
  - Designed to support the policy development in the field of SCP

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Project Title

Environmental Declaration Scheme for Construction and Building Materials

21 Dec 2012 – 20 Dec 2015
# Chronology of Project Initiative

<table>
<thead>
<tr>
<th>Timeline</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 March 2012</td>
<td>Concept notes submitted (deadline 23 March 2012)</td>
</tr>
<tr>
<td>21 May 2012</td>
<td>Concept notes pre-selected</td>
</tr>
<tr>
<td>21 June 2012</td>
<td>Full proposal application submitted (deadline 26 June 2012)</td>
</tr>
<tr>
<td>6 August 2012</td>
<td>Full application provisionally accepted</td>
</tr>
<tr>
<td>24 August 2012</td>
<td>PADOR information completed for eligibility check (deadline 24 August 2012)</td>
</tr>
<tr>
<td>19 October 2012</td>
<td>Grant award notification received from the Commission</td>
</tr>
<tr>
<td>21 December 2012</td>
<td>Contract signed between SIRIM and the European Commission</td>
</tr>
<tr>
<td>27 February 2013 (29 January 2013-kick off)</td>
<td>Contract signed between SIRIM and project partners</td>
</tr>
</tbody>
</table>
Project’s Partners & Implementation Period

- Collaborating Organisations (Partners)
  - SIRIM Berhad
  - The Carbon Trust
  - FMM
  - MGBC
  - BMDAM

- Effective duration:
  - 21 Dec 2015 – 20 Dec 2015

- Implementation period:
  - 36 months (3 years)
Project’s Grant Value & Implementation Period

- **Project’s Grant Value:**
  - Total Cost: EURO 2.043 million (RM 8.172 million)
  - Funded Cost: EURO 1.634 million (RM 6.538 million)

- Estimated grant distribution (from EU funding, 80%):
  - SIRIM Berhad ~ 42%
  - The Carbon Trust ~ 40%
  - FMM ~ 8.4%
  - MGBC ~ 5.8%
  - BMDAM ~ 3%
SIRIM Berhad (ETRC)

- 37 criteria documents (as of Sept 2012)
- Categories of:
  - Cleaning
  - Construction/Building
  - Home Appliance
  - Home Care Products
  - Lights
  - Office Supplies (not paper specific)
  - Package Container (not paper specific)
  - Paper Products/Inks
  - Personal Care Products
  - Food, Plants
  - Adhesives
  - Others

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The Carbon Trust

- UK’s leading independent authority on carbon reduction
- helps companies, organisations and policy makers move towards a low-carbon future
- has in-depth expertise in working with business to reduce carbon emissions
- has experience and intellectual property in product footprinting, certification services, policy, green technology and sector-specific projects.
The Federation of Malaysian Manufacturer (FMM)

- the biggest manufacturing association in Malaysia
- represents over 2,000 manufacturing and industrial service companies
- industry groups directly associated with the building sector
  - Aluminium Industry
  - Ceramic Industry
  - Concrete Products
  - Insulation Materials
  - PVC pipes and Fittings

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The Malaysian Green Building Confederation (MGBC)

- memberships of companies and individual architects
- products listing publication “GreenPages Malaysia”
  - Greenpages Malaysia (2011)
  - Green products and service directory for building materials since 2011
- 121 listings (as of 2012)
Building Materials Distributors Association of Malaysia (BMDAM)

- membership of nearly 150 companies - producers or distributors

Product lines
- masonry, cement, lime ceramic, clay products, concrete
- doors & windows, finishes
- iron manger & hardware
- roofing products
- steel products
- timber plywood
- water tanks
- polyethylene sheets.
Overall Objective

To drive continued improvements in the sustainable production, manufacture and use of materials for the construction and building sector within Malaysia and its export markets.

Specific Objectives

Produce guidelines, tools & the supporting mechanism for product footprinting and labelling (meeting the needs of the local & international market)

Create the recognition & preference for sustainable products from SMEs (construction and building materials sector - CBS)

Catalyse continued improvements in the sustainability and economic performance of our SMEs (supplying CBS materials)
Overall Objective

Specific Objectives

Key Results

Expected result 1: Increased adoption of best practice and technology
Expected result 2: Procurement of sustainable products supported
Expected result 3: A certification and labelling scheme developed
Expected result 4: Environmental performance of C&B materials continuously improved

Main Activity 1
Main Activity 2
Main Activity 3
Main Activity 4

Activities
Activities
Activities
Activities

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Key Results and Activities

**Expected result 1:** Increased adoption of international best practice and technology by businesses in the Malaysian construction industry.

**Main Activity 1:**
Design and coordination of the methodology and scheme framework for the certification and labelling scheme for Malaysian construction and building materials.

1.1 Project kick-off and team member engagement

1.2 Selection of product categories, agreed by all partners

1.3 Generic environmental declaration scheme (Umbrella framework)

1.4 Application of scheme to carbon footprinting and tools

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**Key Results and Activities**

**Expected result 2:** Support and encourage the procurement of sustainable products

**Main Activity 2:**

Pilot the scheme with 10 different construction and building materials

- 2.1 Selection criteria for pilot SME companies
- 2.2 Call for pilot project participation
- 2.3 Selection of SMEs
- 2.4 Product category rules (PCRs)
- 2.5 Execution of pilot projects
- 2.6 Training of auditors / verifiers
- 2.7 Improvements to scheme

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Expected result 3: A certification and labelling scheme that meets the needs of the local and international business stakeholders

Main Activity 3:

Promotion of the scheme using case studies from the pilot programme within Malaysia and international business customers

3.1 Launching of declaration and labelling scheme

3.2 Outreach programmes for dissemination of the scheme to SMEs (case study; PCF labelling schemes)

3.3 Publication of projects information via newsletters and/or advertorials

3.4 Participation in exhibitions and other international promotion avenues
Expected result 4: A continued improvement in the environmental performance of construction and building materials produced in Malaysia

Main Activity 4:
Development of mechanism for long-term sustainability of the environmental declaration scheme

4.1 Business partnership network - Malaysian and International construction industry

4.2 Establish a business partnership platform for certification

4.3 Awareness programme for the policy makers and financial institutions

4.4 Policy scenarios and instruments for the continued success of the scheme

4.5 Action plan for next in line environmental performance declaration schemes
Selection of Product Categories

(Project’s Activity 1.2)
## Principal Statistics of Construction Sector 2000-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Establishments</th>
<th>Values of gross output (RM '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010**</td>
<td>4</td>
<td>91 341 685</td>
</tr>
<tr>
<td>2009</td>
<td>21</td>
<td>70 599 755</td>
</tr>
<tr>
<td>2007</td>
<td>7</td>
<td>60 715 626</td>
</tr>
<tr>
<td>2005**</td>
<td>12</td>
<td>53 960 259</td>
</tr>
<tr>
<td>2004</td>
<td>9</td>
<td>45 775 525</td>
</tr>
<tr>
<td>2002</td>
<td>8</td>
<td>41 755 583</td>
</tr>
<tr>
<td>2000</td>
<td>16</td>
<td>39 872 025</td>
</tr>
</tbody>
</table>

Source: Economic Census Construction 2011

** refer to census

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### SWITCH-Asia Promotion of Sustainable Consumption and Production
- Environmental Declaration Scheme for Construction and Building Materials

<table>
<thead>
<tr>
<th>No.</th>
<th>Product category</th>
<th>*Estimated no. of Companies</th>
<th>Economic Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Masonry units</td>
<td>4</td>
<td>?</td>
</tr>
<tr>
<td>2.</td>
<td>Roofing tiles</td>
<td>21</td>
<td>?</td>
</tr>
<tr>
<td>3.</td>
<td>Flooring tiles</td>
<td>7</td>
<td>?</td>
</tr>
<tr>
<td>4.</td>
<td>Frames (metal)</td>
<td>12</td>
<td>?</td>
</tr>
<tr>
<td>5.</td>
<td>Concrete</td>
<td>9</td>
<td>?</td>
</tr>
<tr>
<td>6.</td>
<td>Insulation</td>
<td>8</td>
<td>?</td>
</tr>
<tr>
<td>7.</td>
<td>Ceiling board</td>
<td>16</td>
<td>?</td>
</tr>
<tr>
<td>8.</td>
<td>Piping systems</td>
<td>43</td>
<td>?</td>
</tr>
<tr>
<td>9.</td>
<td>Lighting systems</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>10.</td>
<td>Sanitary wares (shower /accessories)</td>
<td>? (10)</td>
<td>?</td>
</tr>
<tr>
<td>11.</td>
<td>Paint</td>
<td>19</td>
<td>?</td>
</tr>
</tbody>
</table>

- FMM industry Directory, Building Materials 3rd edition

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Product Categories Selection based on Partnering Associations

- Nomination of product categories
- Vote for products or consensus selection
- Shortlist 10 product categories (at least)
- Shortlisted product categories (at association) go to final selection on 21 March 2013 at SIRIM’s forum