

SPEECH DELIVERED BY SETPHEN AGUGUA, THE NATIONAL PROJECT COORDINATOR FOR THE INTERNATIONAL LABOUR ORGANISATION (ILO) JUST TRANSITION AND GREEN JOBS PROJECT FOR NIGERIA, AT THE MANUFACTURING ASSOCIATION OF NIGERIA (MAN) STRATEGIC WORKSHOP 'ENVIRONMENTAL SUSTAINABILITY IN THE MANUFACTURING INDUSTRY', HOLDING ON TUESDAY 21st MAY 2024 AT MAN HOUSE, 77 AWOLOWO WAY, IKEJA, LAGOS.

SUSTAINABLE MANUFACTURING FOR A SUSTAINABLE ECONOMY; REGULATORY COMPLIANCE IN VIEW

PROTOCOLS

1.0 Distinguished ladies and gentlemen, I wish to start by thanking the Manufacturers Association of Nigeria (MAN), and the Lagos State Environmental Protection Agency (LASEPA) for organizing this event. This initiative is key to national development due to the dire need for Nigeria to fulfill her obligations for the Sustainable Development Goals (SDGs), especially as it relates to **Goal 12**: Ensure sustainable consumption and production patterns, which is key to sustain the livelihoods of current and future generations.

2.0 'ENVIRONMENTAL SUSTAINABILITY IN THE MANUFACTURING INDUSTRY'

According to the U.N. Environment Programme, environmental sustainability involves making life choices that ensure an equal, if not better, way of life for future generations. Environmental sustainability aims to improve the quality of human life without putting unnecessary strain on the earth's supporting ecosystems. We can do this by living in a way that doesn't waste or unnecessarily deplete natural resources.

Environmental sustainability is the responsibility to conserve natural resources and protect global ecosystems to support health and wellbeing, now and in the future.

What are the environmental considerations in manufacturing?

Environmental considerations in manufacturing include

1. minimising waste,
2. reducing energy consumption,
3. limiting emissions and effluents,
4. utilising renewable resources,
5. recycling materials, and
6. designing products for end-of-life disposal or reincorporation into the manufacturing process.

What is an example of sustainable production?

Here are some examples of sustainable products:

1. Furniture made with recycled or reclaimed wood.
2. Electronics made with recycled materials and energy efficient components.
3. Renewable energy sources, such as solar or wind power.
4. Green building materials, such as low-VOC paints and recycled insulation.

What is an example of a sustainable manufacturing system?

A good example of a company implementing sustainable manufacturing;

1. powered by renewable energy sources.
2. Have waste recycle plant
3. Use recycled materials in production
4. Buy back waste from consumers

3.0 SUSTAINABLE MANUFACTURING; according to US EPA, Sustainable manufacturing is the creation of manufactured products through economically-sound processes that minimize negative environmental impacts while conserving energy and natural resources. Sustainable manufacturing also enhances employee, community and product safety.

A growing number of companies are treating "sustainability" as an important objective in their strategy and operations to increase growth and global competitiveness. This trend has reached well beyond the small niche of those who traditionally positioned themselves as "green," and now includes many prominent businesses across many different industry sectors. In many cases, these efforts are having significant results.

There are a number of reasons why companies are pursuing sustainability:

- Increase operational efficiency by reducing costs and waste
- Respond to or reach new customers and increase competitive advantage
- Protect and strengthen brand and reputation and build public trust
- Build long-term business viability and success
- Respond to regulatory constraints and opportunities

Companies engaged in sustainability efforts include those of all sizes, ages and sectors. Companies move forward along the path to sustainability by improving performance and reducing their resource footprint. Ways that companies progress further on the path to sustainability include:

- Address sustainability in a coordinated, integrated and formal manner, rather than in an ad hoc, unconnected and informal manner
- Focus on increased competitiveness and revenues rather than primarily focusing on cost-cutting, risk reduction and improved efficiency
- Use innovation, scenario planning and strategic analysis to go beyond compliance
- Integrate sustainability across business functions
- Focus more on the long term
- Work collaboratively with external stakeholders

How to make manufacturing more sustainable?

1. Reduce Energy Consumption. Energy consumption is a significant contributor to the carbon footprint of manufacturing facilities. ...
2. Adopt Renewable Energy Sources. ...
3. Control energy consumption in plants and offices. ...
4. Extending the life of assets. ...(make more durable)
5. Responsible waste management, use Recyclable Materials. ...
6. Optimize industrial production. ...
7. Efficient resource management. ...
8. Promote environmental education. ...
9. Partner with Sustainable Suppliers.
10. Report sustainability performance i.e., ESG

4.0 SUSTAINABLE ECONOMY: Economic sustainability refers to practices that support long-term economic growth without negatively impacting social, environmental, and cultural aspects of the community.

What are the characteristics of a sustainable economy?

1. For sustainable economies, governments must ensure individual and social autonomy and equity, maintain competitive markets, and create and maintain stable values of currency.
2. markets are efficient means of ensuring mutually beneficial trade.
3. achieving the objectives of development to increase economic growth;
4. improving both the natural environment through pollution reduction and
5. the internal environment of a country through creating employment opportunities; relying on local means of production as much .

How does sustainable manufacturing influence the economy?

1. When sustainable development is used to help industries grow and adapt to new challenges, it can provide protection for natural resources and increased availability of materials – which spur

additional savings, revenue growth, and further economic development.

2. Sustainable manufacturing is the creation of manufactured products through economically-sound processes that minimize negative environmental impacts while conserving energy and natural resources. Sustainable manufacturing also enhances employee, community and product safety.
 - Creates new jobs – ILO 24million new jobs to be created globally
 - Reduces resource depletion – long time economic growth

5.0 REGULATORY COMPLIANCE: Regulatory compliance is the process of complying with applicable laws, regulations, policies and procedures, standards, and the other rules issued by governments and regulatory bodies i.e., at the federal level NESREA, Ministry of Environment, at the state level, LASEPA, etc. Regulatory compliance is an organization's adherence to laws, regulations, guidelines and specifications relevant to its business processes. Violations of regulatory compliance often result in legal punishment, including federal fines.

There are different regulations under NESREA:

1. National Effluent Limitation Regulation which requires industry facilities to have anti-pollution equipment for the treatment of effluent.
2. National Environment Protection (Pollution Abatement in Industries and Facilities Producing Waste) Regulations (1991) which prevents the release of hazardous substances into the air, land or water of Nigeria beyond approved limits set by the Agency.
3. Federal Solid and Hazardous Waste Management Regulations (1991) This act compels industries to identify solid hazardous wastes which are dangerous to public health and the environment and to research into the possibility of recycling them
4. Environmental Impact Assessment Act 1992
5. Harmful Waste (Special Criminal Provisions) Act 1988
6. Oil Pipelines Act 1956
7. Environmental Sanitation Law of Lagos State
8. Environmental Pollution Control of Lagos State

Importance of Regulatory Compliance

1. Compliance is part of your organization's duties to its community and stakeholders.
2. Avoid reputational damage, helps protect the company's reputation by ensuring ethical conduct and responsible practices
3. Avoid litigations and saves cost at the long run
4. Can serve as a driver of change and innovation
5. Compliance enhances consistency and quality

6.0 Why is sustainability important?

Environmental sustainability is important because of how much energy, food, and human-made resources we use every day. Rapid population growth has resulted in increased farming and manufacturing, leading to more greenhouse gas emissions, unsustainable energy use, and deforestation.

In other words, we will need more energy and materials than ever before. For this reason, businesses must step in and do their part. A scenario of business as usual will be catastrophic and posing more danger to the future generations.

Challenges of Sustainability in the Manufacturing Industries

1. Resource Efficiency: One of the main challenges is optimizing the use of resources, including raw materials, energy, and water. Reducing resource consumption and waste generation is critical.
Emissions and Pollution: Sustainable manufacturing aims to reduce emissions and pollution.
2. comply with regulations,
3. meet customer demands.
4. technological barriers,
5. operational changes, and
6. market uncertainties
7. Increasing cost and capital limitations

Overcoming These Barriers (Opportunities)

1. Innovative green financing, IFC, various climate financing opportunities i.e., green bonds

2. Government incentives, tax waivers
3. Awareness creation, training and capacity building for workers
4. Increasing global acceptance of sustainable products

7.0 Distinguished Ladies and Gentlemen, the Federal government has demonstrated high-level commitment on climate actions in Nigeria, as contained in the Nationally Determined Contributions (NDCs), the Climate Change Act, 2021; and some provisions of the Petroleum Industrial Act (PIA). These are in agreement with the country's 2060 net zero carbon emission year for Nigeria.

8.0 Once again, I congratulate you and other stakeholders who have contributed variously to the successes recorded so far on sustainable manufacturing in Nigeria.

9.0 Thank you all for listening and God bless you.