

Ready and (c)a(pa)ble



2019

ANNUAL REPORT
METABUILD COMPLETION
YOUR PROJECT
& UNIDO PROJECTS



9 INDUSTRY INNOVATION
AND INFRASTRUCTURE

11 SUSTAINABLE CITIES
AND COMMUNITIES

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

13 CLIMATE
ACTION

17 PARTNERSHIPS
FOR THE GOALS

2019

OUR FOCUS POINTS

2019 represents a successful year for us. In signification of our project Metabuild completion in February 2020, Metabuild is presented as a case study in this report. Beside Metabuild, we partnered with a new project in Central Asia. Last but not least, more projects have been evaluated for UNIDO.



METABUILD
A CASE STUDY



YOUR PROJECTS
EVALUATION
& GOAL SETTING



UNIDO PROJECTS
& EVALUATION



METABUILD

A CASE STUDY ON ENHANCING A RESOURCE EFFICIENT SUPPLY CHAIN FOR METAL PRODUCTS IN THE BUILDING SECTOR IN SOUTH ASIA



STATUS

BEFORE PROJECT START &
CHALLENGES

South Asia's rapid infra-structure growth has triggered an increased demand for metal components (e.g. structural steel) in the building industry.

The metal industry in Bangladesh is among 11 growth sectors consisting of 31 clusters. Building sector related products are door and window security bars, door and window frames, collapsible gates as well as bathroom fittings.

There are around 150 steel mills with a total average output of 2,4 million tons/year.

The metal processing industry is one of the most important business sectors in Nepal. Iron and steel products present major export goods. Products identified for export by the Nepal Trade Integration Strategy (NTIS) include galvanized iron sheets (GI Sheets), pipes and rolled iron bars.

In Sri Lanka, the metal/fabricated metal industry accounts for 8% of the economy. The country seeks to attract increased foreign investments in the steel industry given the expected construction demand. In the past, scrap metal exports were banned to meet the raw material requirements of local SMEs. Metal foundries manufacture aluminum and wrought iron products like gates, railings, security bars; and the light engineering sector produces building materials such as fasteners.



THE CHALLENGE

PROBLEM STATEMENT

The need for adopting sustainable practices is spearheaded by customer demand for better quality at low cost, more stringent environmental standards and the costs incurred to meet them.

So far, the South East Asian industry focus relied on a competitive advantage of cheap and abundant labour, favourable exchange rates and a concessional duty structure. However, due to increasing pressure on resources like water, energy etc., it is becoming evident that an economic edge is only sustainable by ensuring high resource efficiency. Specific problems include: lack of modernization, sub-optimal operating ability leading to

inefficiencies, insufficient technical and financial support with which to improve operations - coupled with a traditional mindset and unskilled labour. This inevitably results in poor economic and environmental performance, greater vulnerability to external factors and impeded competitiveness.



OBJECTIVES

RECP-MEASURES

The implementation of Resource Efficient Cleaner Production (RECP) measures in 400 enterprises in Bangladesh, Nepal and Sri Lanka

The creation of a local pool of trained RECP consultants

The engagement of different stakeholders to build a supportive framework for resource efficient SMEs

THE TEAM

THE METABUILD TEAM

The team consists of the consortium leader **TERI** (The Energy & Resources Institute) India, **Austria Recycling** (resource efficiency consultancy & training, training methodologies) - Austria, **adelphi** (think tank, Green Finance, Policy Advice) - Germany, **Stenum Asia** (environmental consultancy & training) - India and the three local project partners **SEED Nepal** (environmental consulting) - Nepal, **NCPC Sri Lanka** (Cleaner Production Center, sustainability consulting) - Sri Lanka, **DCCI** (Dhaka Chamber of Commerce) - Bangladesh.





WHAT THE METABUILD CORE TEAM ACHIEVED



Hired young people with a technical background (e.g. university degree)

Trained them alongside multipliers as technical consultants (in total 59), with an average of 30 working on the project at the same time. The training covered RECP, material flow analysis, client acquisition, collaborating with clients in support of the RECP implementation on ground, communication, conducting assessments, presenting options, motivational training, coaching and more – approximately 160 days of classroom trainings and experience exchange – onsite as well as virtually.

Conducted 1.360 joint (i.e. by local consultants and experts of the project team) **industry visits** in all 3 countries

Identified 50 pioneer companies, in consultation crafting case studies to facilitate more companies to join the project.

Onboarded more than 400 companies in total and consulted on the implementation of 3.766 RECP measures.

Trained workers and employees in RECP on shopfloor level: concerning security measures, basic technical knowledge like thermal loss/insulation, leakages, etc. plus when and how to take action.

Prepared and conducted Technology Fairs in support of company networking with their technology suppliers

Facilitated customer roundtables, where stakeholders linked to the building and construction industries learned and held dialogues on improved metal component production processes with a strong focus on environmentally sustainable supply chains

Initiated and held a 3-day Regional Policy Dialogue to provide an opportunity to facilitate exchange between policymakers, practitioners, sector experts and development experts from the project countries and India.

In addition to best practices based on successful Indian RE policy variants, the participants were able to design customized prototypes for a resource efficiency policy.

Facilitated access-to-finance support for 133 SMEs in the metal sector – around 25 % of which received financing for their RECP activities already during project period.

Build up an effective and cohesive team of project partners and local consultants.

Prepared financial and narrative reports for the donors.

Maintained and upheld contact and communication with the donor organization.

Assisted in and tackled challenging situations whenever they arose.

Held numerous meetings onsite and virtual (Kick-off, Interim, Closing, Status, Topic, Problem-Solving, Preparation...).

Contrary to what is usually reported in the media regarding meetings, these were appreciated, necessary, constructive, productive and inspiring. Not only did they tackle the challenges and managed work, but also served as the glue for a cohesive team, a common understanding and the agreed upon development and alignment.

Did all the big and small things related to good project management



RESULTS:
DELIVERED VALUE
FINANCIAL

RECP Measures were initiated in 403 metal product industries supplying the construction sector across three countries. 3,766 measures were implemented, leading to aggregated annual savings of € 2.9 million through increased resource and energy efficiency. The investment in the 4-years Project equated to € 2.75 million. The basic financial Return on Investment (ROI) over the project period translates to 5.5 %. Given that the project accomplished these savings with measures completely counted in year 4 only, it can be assumed that 50% of these savings were gained in the previous 3 years already. Conclusively, the actual ROI over 4 years would be 58 %. Safely speculating that the project will continue to reap these savings annually (discounted by 10%), the ROI over 4+1 years is projected to be 153.1 % and ongoing.

SME'S INVOLVED
IN THE PROJECT

403

NUMBER OF
IMPLEMENTED
MEASURES

3766

MONETARY (€)
SAVINGS /ANNUM

2.943.875

SME'S SUPPORTED IN
ACCESS TO FINANCE
(A2F)

133



RESULTS:
DELIVERED VALUE
ENVIRONMENT

Simple measures at little to no cost to the companies could achieve impressive savings. Moreover, an excess of 3.000 personnel in the industries were sensitized to RECP's, finding and implementing the new measures as their businesses are evolving.

With ongoing local support, the concept will be expanded to more companies in this industry - ready to be introduced to diverse other industries.

ENERGY SAVED
PER ANNUM (KWH)

33.953.817

WATER SAVED PER
ANNUM (LITRES)

48.978.140

CO2 EMISSION
REDUCTIONS
ANNUALLY (TONS)

13.222

WASTE MINIMISED
PER ANNUM (KG)

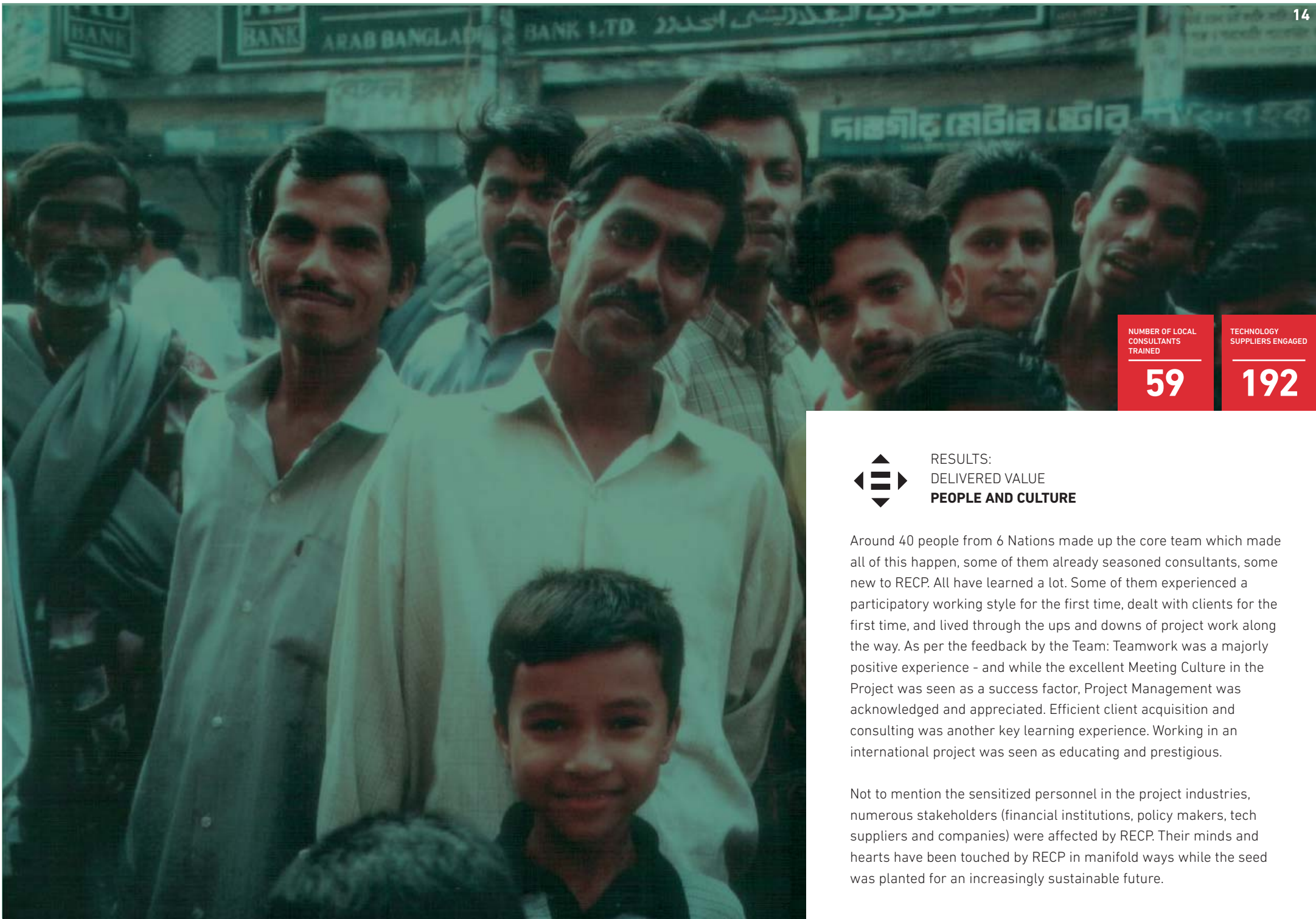
700.436

MATERIAL SAVED
PER ANNUM (KG)

4.434.782

INDUSTRY
PERSONNEL
SENSITISED ON RECP

3049



NUMBER OF LOCAL
CONSULTANTS
TRAINED

59

TECHNOLOGY
SUPPLIERS ENGAGED

192



RESULTS:
DELIVERED VALUE
PEOPLE AND CULTURE

Around 40 people from 6 Nations made up the core team which made all of this happen, some of them already seasoned consultants, some new to RECP. All have learned a lot. Some of them experienced a participatory working style for the first time, dealt with clients for the first time, and lived through the ups and downs of project work along the way. As per the feedback by the Team: Teamwork was a majorly positive experience - and while the excellent Meeting Culture in the Project was seen as a success factor, Project Management was acknowledged and appreciated. Efficient client acquisition and consulting was another key learning experience. Working in an international project was seen as educating and prestigious.

Not to mention the sensitized personnel in the project industries, numerous stakeholders (financial institutions, policy makers, tech suppliers and companies) were affected by RECP. Their minds and hearts have been touched by RECP in manifold ways while the seed was planted for an increasingly sustainable future.

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AND INFRASTRUCTURE



7 AFFORDABLE AND
CLEAN ENERGY



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11 SUSTAINABLE CITIES
AND COMMUNITIES



8 DECENT WORK AND
ECONOMIC GROWTH



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FOR THE GOALS



WHAT ABOUT YOUR PROJECTS



Some of our articles have already elaborated on project evaluations - which we were entrusted with to carry out for UNIDO - as well as the findings from them (see ARECs blog).

Also in 2019 (and even earlier in the year) we were able to conduct further evaluations (now totalling 7 projects in 3 different countries) and gain more experience.

Not only do we employ the experience and the "lessons learnt" in our own large and small projects, but also strive to implement it with our business clients outside of the projects.

In general, it can be said that, if regarded from the outside by an evaluator - all efforts are definitely worthwhile, especially in view of larger projects and those with a long runtime.

This is not about pointing out errors or even exposing project employees, it is about development and growth. In every long-term project - just like in every organization - blind spots tend to creep in after a while, making an outside view of invaluable support.

By conducting a mid-term evaluation, the goals and the means to measure the achievement of these goals can be refined. Any omissions can be identified and made up for, while important course corrections can still be implemented in due course.

As a brief example: One of the projects we evaluated was extremely successful - but no one outside of the team knew about it. By forming a marketing task force and being actionable, the project was made visible to the public, which significantly increased the likelihood of continuation of the new value system after the end of the project.

The person evaluating a project has to be an expert in project management.

Content does not require you to be a sector expert, but a good understanding of the topic helps, of course.

Together with the project team (or the task team if not a project), the current project documentation, interim reports and results are analysed and improvement measures agreed upon. The main (project) stakeholders are always included in this analysis, e.g. in the form of interviews.

A project evaluation is an additional resource for a project, making project success more likely - sometimes even increasing the success. This is equally true for tasks inside organizations.

Ready and able

Be proud of yourself!
Thank you!

find us:

www.austriarecycling.at/en

verein@austriarecycling.at



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