

**Australian Intervention**  
**Industrial Development and Natural Resource Management**  
**4 May 2006, 3pm**

In Australia, 96% of businesses are in SMEs and 35% of these are located in rural areas. As you can imagine, one of the significant challenges Australia faces is how to encourage these businesses to improve their environmental performance beyond meeting generic environment standards and legislative requirements.

We do not have a history of prescriptive regulation so we have worked on building a range of voluntary and flexible tools that businesses can apply to meet their own needs and circumstances.

These include tools such as voluntary corporate sustainability or Triple Bottom Line Reporting, cleaner production strategies, Environmental Management Systems (EMS), life cycle assessment techniques, environmental management accounting and supply chain management.

These tools are being used at the business level, but generating sustainable production across an industry is also a challenge, which we have found needs additional tools.

Australia has worked with Industry Associations to develop voluntary eco-efficiency agreements which enable industry associations to go beyond standard practice and work with their members to implement practical, effective strategies for change that bring both financial and environmental benefits.

More broadly, we all face challenges in relation to improving sustainable production and consumption thematically, say on reducing energy use or greenhouse gas emissions from the big end of town. This might require a mix of instruments, such as standard setting, labelling schemes or regulation.

- We introduced MEPS in 1999 for residential appliances and commercial and industrial equipment. This is supported by a mandatory energy labelling system which forces the suppliers to declare, on a standardised basis, the energy consumption of their products so that consumers are able to compare them
- These measures have resulted in significant energy savings – for example since labelling requirements and MEPS were introduced, energy consumption of refrigerators and freezers has been reduced by 67%.

And finally, we have also found challenges in creating sustainable production and consumption in industrial complexes where many businesses work in close proximity.

- “industrial symbiosis” is where businesses work together to exchange of wastes, by-products and energy among closely situated industrial enterprises, so that one company’s waste (materials/ water/energy) becomes an input to another company’s manufacturing operations. The Kwinana Industrial Area of Western Australia is reported to have one of the largest number of industrial symbiosis waste exchanges for an industrial area anywhere in the world with 106 interactions between industrial enterprises.

A case study has been prepared for CSD14 on this example of industrial symbiosis which may be of interest to other countries, which we are pleased to share.