

Development of green industry necessary: ASEAN

ASEAN member countries see the promotion of green industry in the region as necessary for creating a sustainable economic community and increasing competitiveness in the future. The development of green industry would be very important to establish a sustainable economic community, ASEAN Economic Community (AEC) deputy secretary general S. Pushpanathan said Monday.

“The key for the AEC would be a single market and production base, in which the manufacturing industry would be an important aspect,” he said. “However, we need to pay attention to eco-efficiency and environmental management in the development of ASEAN in the long term.”

Puspanathan was speaking at a press conference on green industry organized by the United Nations Industrial Development Organization (UNIDO) and the ASEAN Secretariat in Jakarta. ASEAN countries are currently enhancing their cooperation toward the establishment of the AEC in 2015.

To remain competitive over the long run, ASEAN countries should expand green industry in their production processes, Pushpanathan said.

UNIDO cleaner and sustainable production unit chief Rene van Berkel shared a similar view, saying that in a few years the competitiveness of a product manufactured in a country would be based on its green content.

“You can only compete if you offer products with a high green blue print in terms of production, and ASEAN countries will have to prepare themselves to be competitive in a proactive way,” he said, adding that following the green path and implementing low-carbon production processes would be key to getting ahead in the competition. Puspanathan said that at the national level, ASEAN countries should develop legislative frameworks and provide incentives to promote green industry.

“At the regional level, member countries can share their experiences in developing green industry. We have to work together to integrate environmental awareness into the economy,” he said.

Berkel said that ASEAN member countries needed to strengthen environmentally-friendly industrial production processes by offering incentives for businesses and opening access to finance, technology and trade markets.

Deputy industry minister Alex Retraubun said that as an ASEAN member, Indonesia would immediately start developing green industry.

He said the government was revising the 1984 Industry Law to cater to contemporary issues, including the promotion of green industry.

“We may give fiscal as well as non-fiscal incentives for business players who develop green industry,” he said.

“Indonesia has plenty of natural resources, but we need to develop efficient green industry for long term interests.”

Alex said Indonesia was part of the international community and should cope with environmental issues.

He pointed to the “palm oil problem last year”. A number of large foreign buyers, including Nestle and Unilever, suspended future purchases of palm oil from Sinar Mas in 2010 because of allegations that the palm oil producer failed to implement sustainable practices. The draft bill revising the 1984 law on industry would be submitted to the National Legislation Program (Prolegnas) this year to be deliberated at the House of Representatives, Alex added.

The draft bill was actually submitted to the Prolegnas in 2010, but the House and government have yet to analyze and deliberate its contents. (Ind)