

## PROJECT REPORT:

### ASEAN-ITALY FORUM ON SUSTAINABLE CONSUMPTION & PRODUCTION (SDG 12): BEST PRACTICES & IDEAS

*CONSUMO E PRODUZIONE SOSTENIBILI :  
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in collaborazione con



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## Overview

The UN Sustainable Development Goals (SDGs) link economic, social, and environmental dimensions of development, moving beyond the narrower focus on generic poverty and human development, and integrating the environment agenda as the core for SDGs. At present, the combined agenda now includes a focus on achieving sustainable consumption and production (SCP) patterns (SDG 12).

In fact, there are various dimensions to identify actions that lead to the achievement of SDG 12. Indeed, SCP requires a fundamental shift in the way consumers and producers use services and products, including product lifecycle thinking. SCP means trying to “[do] more and better with less” – increasing quality of life while decreasing the impact of production on the environment due to pollution, waste, and degradation.

Indeed, the regional approach is necessary to effectively implement SDG 12, especially in Southeast Asia where the pace of consumptions and production among citizens of ten nations member of the Association of Southeast Asian Nations (ASEAN) has been growing rapidly. Rapid economic growth, including in the Lower Mekong countries (LMCs), is expected to contribute to increased consumption in the region. Debt-fuelled consumption is on the rise along with the region’s rapid development; consumer debt in Thailand is the highest in the LMCs and the Asia-Pacific region. While promoting household consumption is often an important part of national policies on economic growth and poverty alleviation, increased consumption also has significant environmental impacts. Obviously, public policies need to address both continued economic development and poverty alleviation while ensuring environmental sustainability and responsible consumption and production in the region.

Globally, it is quite evident to witness the relationship between regional economic growth and the patterns of unsustainable consumption and production that make inequality and environmental degradation worse. Regional progress on SCP has gone backwards, and the region urgently needs to reverse material consumption and footprint trends to meet SDG 12, despite progress on individual targets.



Within the Southeast Asian region, progress has been stagnant for SDG 12. However, the importance of the concept is recognized by member countries and SCP is one of the five named priority areas for the ASEAN Vision 2025. ASEAN countries also issued a joint statement on the implementation of SCP among ASEAN countries in 2013. A variety of initiatives have been developed to support implementation of the goal. One important aspect is to promote lessons learnt among business sector in the region as well as partners of ASEAN. Issues such as reporting system for SCP, innovation for sustainable production, as well as awareness raising for young consumers in the region can be promoted to accelerate the achievement of SDG 12.

This forum, therefore, is timely and relevant to the regional and global changes in sustainable consumptions and production. The forum will encourage actors from the region and Italy to discuss and identify emerging trends and strategic gaps, demonstrate and showcase the benefits of sustainable consumption and production to build greater momentum for change, and guiding and supporting the implementation of policies and practices.

## ASEAN and Italy in the SCP Context

Italy is a global player, actively contributing to the frameworks for sustainable development. It has developed a national strategy to implement the 2030 Agenda, submitted a voluntary national review of SDG progress in 2017, and shared its experience on introducing well-being indicators to guide national budgeting with UN member states.

Italy is also contributing to the follow-up of the Paris Agreement on climate change and the Sendai Framework for Disaster Risk Reduction which plays a pivotal role in advancing SDG 12 worldwide. Apart from that, Italy's commitment to sustainable production and consumption can be witnessed in various dimensions. Italy's profile on the global sustainability stage has been cemented in recent years as it has embarked on a path to net zero. The commitment to take a proactive role as the co-chair (with the UK) for the UN Climate Change Conference (COP26) confirms Italy's commitment to sustainable actions from both consumers and producers' sides. When we closely examine the country's public policies, manufacturing has been identified as a target area, and powered by new technology and industrial innovation across the country, on SCP.

Italy has committed to raising the share of renewable energy to 30 per cent of the national gross final consumption of energy and to steadily reducing energy consumption by 2030. Foreign and domestic investment, particularly from SMEs, has been attracted to the sector by recent incentives, such as the 'Industria 4.0 plan', and funding for companies investing in research and development with a focus on smart machinery.



Policymakers and businesses alike have recognised the need for change, with major players in Italian industry embracing new methods of de-carbonising their operations and citing carbon-neutral production as a serious target. Recent developments in industrial processes, a renewed commitment to sustainable industry and an increased focus on carbon footprint management are transforming Italy's manufacturing sector. Process innovation in factories across the country is offering Italian companies the opportunity to develop and use environmentally friendly materials, reusing goods and packaging to avoid landfill, de-carbonising processes and using technology and different forms of innovation to increase the efficiency of plants. It is, therefore, obvious that there are plenty of 'best practices' to learn from Italy. Setting priorities that match SDG 12 in Southeast Asia and Italy, and create a regional platform to collaborate with the members of ASEAN would enable Italy to link its global competencies and local wisdoms, bring Italian learning and expertise to the table and more easily build coalitions across Southeast Asia.

As the development partner of ASEAN, the Embassy of Italy in Thailand (with a strong support from Italy's Ministry of Foreign Affairs and International Cooperation, and ASEAN Centre for Sustainable Development Studies and Dialogue (ACSDSD), in conjunction with regional and Italian stakeholders, initiated a public forum to discuss and showcase how business organisations from Italy and members of Southeast Asian nations plan, execute, and promote sustainable production and consumption.

## Key Issues from the Forum

There were participants from various industry (i.e. tourism, food, fashion) from Italy and ASEAN nations. Issues addressed at the event included: the reduction of food waste, raising the awareness of school and university students on the adoption of new production and consumption paradigms, and sustainable production by innovative companies. Lastly, a group of Indonesian and Thai researchers presented a study on the transformation of consumption patterns among young people in some ASEAN countries. These are key messages from the forum.

## CONSUMERS AND PRODUCERS: MINDSET AND CONTEXT

Purchasing and consumption choices are very important both from an environmental and social point of view. It is evident that consumer demand toward products from sustainable business organizations has drastically changed in recent years in most developed countries, including Italy. Consumers take more interest in aspects like quality, origin and organic production and apparently less interest in ‘strictly’ environmental concerns that are more “altruistic”

Consuming responsibly, wondering what the true cost of the products we buy is, recognizing that what we buy is the result of the work of a chain of people that can affect the health and well-being of people and the planet, is now a practice popular among Italians. In Italy, consumers are increasingly demanding ‘good’ products: both good in terms for the consumer and good for the community and/or environment. This growing trend represents an opportunity for companies, both in terms of greater sales potential, and also to create the basis for the company’s sustainable growth.



Participants from Italy agreed that younger consumers ponder sustainability aspects when they consider buying products. Delegates from the fashion industry raise their concerns on how quickly the young consumers can adapt to, and search for, sustainable fashion in Italy. The dimensions of ‘sustainable fashion’ that trigger modern consumers can be multi-facet, i.e. animal rights, fair trade, human rights due diligence, environment, and economic issues. In fact, similar issues were raised by the speakers from Thailand when we focus on reaction and roles of consumers in the current global environment and economic issues. It is clear that sustainable mindset has been instilled in the mindset of this generation globally. The matter of how industry can respond to them should be acted immediately.

There are several issues from Italy regarding how policy makers, the industry, and the community can work together to promote sustainable production and consumption. An example includes the Milan Food Policy, a sustainable food system that promotes inclusiveness, sustainable, and actionable policies. Indeed, this is a good example how first step can be taken by the municipality to make its food system more sustainable, resilient, and equal for all.

The policy is the result of growing awareness among relevant actors and civil society of the challenges presented by climate change and the need for responsible management of resources. We also learn that the Milan Urban Food Policy Pact is an international agreement among cities from all over the world, committed "to develop sustainable food systems that are inclusive, resilient, safe and diverse, that provide healthy and affordable food to all people in a human rights-based framework, that minimize waste and conserve biodiversity while adapting to and mitigating impacts of climate change".

The key point that links producers and consumers in the setting such as urban is one important message from the pact: Acknowledging that cities which host over half the world's population have a strategic role to play in developing sustainable food systems and promoting healthy diets, and because while every city is different, they are all centres of economic, political and cultural innovation, and manage vast public resources, infrastructure, investments and expertise.



### Innovation for Sustainable Consumption and Production

We learn from all presenters that collaboration at both local and international levels must be initiated at certain point of time. In fact, if we need to response to changes in production and consumption, it is important to think about changes at different levels. A case study of City of Milan helps us to understand that leaders and leadership can promote social innovation through policies and social collaboration such as sustainable supply chain for food, planning for resources and consumption, and joint efforts among leaders who are action-oriented in their leadership on sustainability.



In case of Indonesia (Jakarta), we learn that Indonesia is the second-largest contributor of food waste in the world after Saudi Arabia. Similar to most developing countries worldwide, industrialisation, urbanisation and the growing middle-class population may contribute to changes in food consumption patterns among Indonesians. Marketing tactics such as the promotion of impulse buying, marketing and “buy one get one free” promotions may contribute to such change. The situation is getting worse since the outbreak of Corona Virus worldwide that promote unsustainable consumption, and the usage of non-recyclable plastic containers among Indonesian consumers. Among the researchers from Southeast Asia, ideas related to social innovation such as the promotion of traditional local markets, mobile vegetable vendors, and direct green platforms to farmers in the region can offer a solution to reduce the over-purchasing and unsustainable consumption habit. These types of retailers may help consumers curtail impulse buying by providing seasonal offerings and options to buy food in small amounts.

Social and product innovation through engagement with the local producers and consumers were raised by participants from Italy, Thailand, and Indonesia. For instance, Miomojo, an Italian brand that creates a kinder, more sustainable world. The focus from this company is to produce innovative, cruelty-free products that never harm animals. This point goes in line with the need from young consumers worldwide who also search for sustainable producers and products.

Another example is Orange Fiber from Italy has developed technology that patented and produces sustainable fabrics from citrus fruit by-products. They engaged with the producers from Catania as well as the designers worldwide to reconfirm the quality and value of sustainable production. It is important to be innovative in their fully traced and transparent supply chain, in order to transform this by-product into the perfect ingredient for conscious designers.



We also learn from the presenters that what accelerate sustainable consumption and production may include: the regulatory framework with a clear aim of improving coherence and consistency with the overall objectives, business actions that promote a simplification process, the implementation of economic instruments to support the transition towards a circular economy and business model (in Southeast Asia), and ongoing communication and awareness raising to promote ownership and active participation of citizens, central and local administrations, to show case the opportunities and benefits linked to sustainable production (i.e. activities related to policy, actions on circular economy), and enhance cooperation and support among different actors (public, private, research, academia) will help the region to successfully achieve the national and regional goal on SDG 12. It is suggested that research to foster innovation and new technologies, to increase competitiveness in industrial sectors, energy, and services in order to meet the new needs of the new system such as circular economy, sustainable consumption, and technology disruption.

Lastly, stories from Moreloop and Sivatel from Thailand also confirm that inclusive business model that support engagement among producers and consumers will promote adaptability and potential benefits and incentives for both sides. For instance, Moreloop can generate good image and revenues at the same time by buying high-quality waste at a fair price, then resells them for profit as input to new products, pursuing a circular economy model. This business model certainly prevents surplus fabrics ending up in Thailand's landfill. It also promotes sustainable production by creating values for surplus fabrics. This model allows business to engage with young fashion designers or small-medium enterprises, repurposing surplus fabric as products for corporate clients, and creating its own products for consumers.

## Conclusion

The event was closed by the Ambassador of Italy in Bangkok, Lorenzo Galanti. He underscored that the presentations and discussion had highlighted the key role played by the private sector, not just in identifying opportunities and innovative technologies to tackle the issue of waste but also in contributing, along with civil society organisations, to the creation of an informed market.



Professor Vichita Ractham, the executive director of ACSDS addressed that it is important for organization such as ACSDS to promote collaboration among stakeholders in the region and the world, if we are serious about achieving our target by 2030. This forum is one mechanism to promote dialogues and best practices among members of ASEAN and Italy. This forum can be seen as a platform that engage producers, consumers, and the the global citizens who aim to make a true sustainable world for the next generation. In sum, we must rethink commercial and residential energy use, transportation, and food waste. The more we discuss and act, the more we will elevate this important issue to the next level.



## Il Forum di Produzione e Consumo Sostenibile (SDG 12)

Oggigiorno, le risorse consumate dalla popolazione mondiale sono più di quelle che gli ecosistemi sono in grado di fornire. Affinché lo sviluppo sociale ed economico possa avvenire in un quadro di sostenibilità, la nostra società dovrà modificare in modo radicale il proprio modo di produrre e consumare beni. È importante a supportare i Paesi in via di sviluppo nel potenziamento delle loro capacità scientifiche e tecnologiche, per raggiungere modelli di consumo e produzione più sostenibili.

L'Ambasciata d'Italia a Bangkok, in collaborazione con l'Associazione delle Nazioni del Sud-est asiatico (ASEAN), ha organizzato la scorsa settimana un seminario dedicato a consumo e produzione sostenibili, spreco alimentare, economia circolare e sviluppo.

Il Forum "Sustainable Production and consumption, Best Practices and Ideas from Italy and ASEAN" moderato da Nattavud Pimpa, Chair in sostenibilità presso la Mahidol University di Bangkok, è stato introdotto da Gabriella Biondi, Direttrice Centrale per i Paesi dell'Asia e il Pacifico, e Usana Berananda, Direttrice Generale del Dipartimento ASEAN del Ministero degli Affari Esteri thailandese. Berananda, nel suo intervento, ha ricordato il modello Bio-Circular and Green (BCG) thailandese, modello nazionale di sostenibilità, fondato sulla "sufficiency economy philosophy" coniata da re Rama IX dopo la crisi finanziaria del 1997. Diversi i temi al centro dei lavori: la riduzione dello spreco alimentare, la sensibilizzazione all'adozione di nuovi paradigmi di consumo e produttivi presso studenti delle università e delle scuole e le produzioni sostenibili di aziende innovative.





ACSDSD sincerely thank our partners for this event:



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