

Mission Report

Program: Closed Looped Cycle Production in the Americas

Mission Team: Bibiana Serna (Program Officer) and Walter Araya (Program Coordinator)
Panama, Panama
Sept 15-18, 2014

1. GOAL OF PROGRAM

To contribute to nations in the Americas' capacity to promote and facilitate the adoption and implementation of Closed Looped Cycle Production design and manufacturing methods as mean of promoting sustainable development.

2. SPECIFIC OBJECTIVES

Increased awareness and buy-in on the part of stakeholders in Panama, of the relevance and viability of innovative Closed Loop Cycle Production methods and certification as means for energy efficient and sustainable production in companies with focus on small and medium sized enterprises.

3. OBJECTIVE OF MISSION

- (a) Carry out a Seminar entitled "*Sello Panama Verde: Aplicando Produccion en Ciclo Cerrado hacia una Economia Circular*" hosted at the University of Technology of Panama (UTP) on September 16, 2014;
- (b) Create awareness of the CLCP in the Americas Program among the participants of the event;
- (c) Explain the terms and conditions for the Call for Proposals (CfP) for companies interested in participate in the CLCP Pilot Project;
- (d) Meet different authorities from the new government in Panama such as MICI and ANAM, in order to establish the relationship with the new government and also inform them and update them about the CLCP initiative, the activities carried out with the program, and the activities planned for the coming months. During these meetings the delegation will try to persuade the counterparts about the importance of speeding up the signing of the MOU between the Panama Government and the OAS, which has been on hold due to the change of Government;
- (e) Investigate in more detail available environmental indicators (for review and validation), and details of the consultation regarding Act 76 with the intention to complete and validate the data and information obtained.
- (f) To meet the group of students from the University of Technology of Panama (UTP) that will be collaborating with the development of a survey that will be carried out in the Food and Beverage industrial sector of Panama, with the purpose of preparing a baseline analysis of the companies' performance.
- (g) Establish new strategic contacts and partnerships within the Ministry of Industry and Commerce, the Association of Industrialists of Panama (SIP) and the Cleaner Production Center of Panama to facilitate the implementation process of the CLCP in the Americas program in Panama.



4. MISSION RELEVANT EVENTS

Monday – September 15th, 2014

(a) Meeting with SIP, CoNEP, Ministry of Industry and Commerce (MICI), and National Cleaner Production Centre of Panama (CNP+L).

- This meeting was held at SIP’s headquarters (Association of Industrialists of Panama - *Sindicato de Industriales de Panama*) with members of SIP, CoNEP (*Consejo Nacional para el Desarrollo Sostenible* – National Council for Sustainable Development), Ministry of Industry and Commerce (MICI), and National Cleaner Production Centre of Panama (CNP+L).

Walter Araya (WA) presented the CLCP program and the two alternative roadmaps for the implementation of the CLCP initiative in the country. The two roadmaps were linked, as requested by SIP and MICI to the initiative of developing the *Sello Panama Verde* program (the Green Panama Seal). By analyzing the advantages and general phases of each option, the participants selected the option that involves the process of certification of C2C products. This option would award those companies (through the Green Panama Seal) that implement C2C principles within their manufacturing processes and products.

The main concern on how to link the Green Panama Seal with the C2C certification was clarified. The C2C certification would be used to present products abroad (where the concept is more recognized) while education and awareness on C2C is provided within the country and evaluated and certified by a third party. By using the Green Seal as the local marketing and communication channel of the benefits of C2C, this could facilitate the awareness raising and education process of consumers and enterprises more effectively on this topic in Panama.

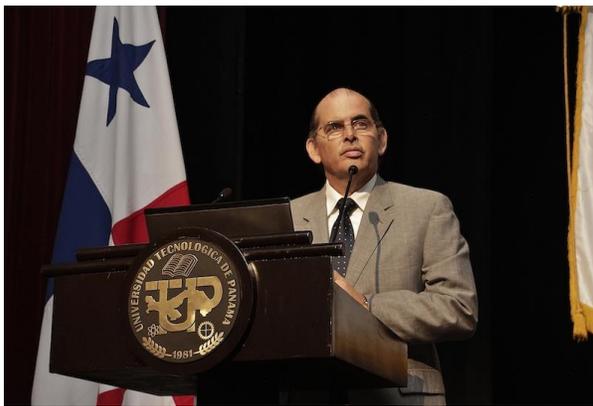
- Mr. Mauro Destro, Executive Director of the Cleaner Production Centre of Panama (CNP+LP), confirmed that there are no studies or statistics of the performance of industrial subsectors regarding the presented environmental indicators. However there is information related to the general sectors of Panama and information about companies that are implementing practices of Cleaner Production. In this case, these could be used upon request due to their similarity to the format of the survey indicators and the possibility to correlate variables from the findings with respect to the running of the survey.
- Since industrial companies in Panama report their environmental indicators to ANAM (National Environmental Authority), the CNP+L recommended contacting this organization to collect information about the environmental indicators. Additionally they suggested reviewing the environmental reports that are published by the companies within the industrial sector (e.g. Annual Reports).

Tuesday – September 16th, 2014

(a) Workshop- Seminar “Panama Sello Verde: Aplicando Producción en Ciclo Cerrado hacia una Economía Circular”

The seminar was an activity led by the OAS Department of Sustainable Development and developed in coordination with the Association of Industrialists of Panama (SIP), the Cleaner Production Center of Panama (CPCP) and the Technological University of Panama (UTP).

The event started with welcome remarks by the OAS representative in Panama, Mr. Pedro Vuskovic; the Sustainable Development Director of the National Authority of Environment in Panama (ANAM), Mr. Yamil Sanchez; Mr. Ricardo Sotelo, President of the Association of Industrialists of Panama (SIP); and Mr. Oscar García, Head of Cabinet of the Ministry of Trade and Industry (MICI).



Opening Remarks by Mr. Ricardo Sotelo, President of SIP



Mr. Pedro Vuskovic (OAS), Mr. Yamil Sanchez (ANAM), Mr. Ricardo Sotelo (SIP), and Mr. Oscar Garcia (MICI)

In his speech Mr. Sotelo highlighted that the presence of so many students in the workshop was very motivating, he stressed that it is important to involve the new generation in these innovative topics for industrial development in Panama because “the industrialization is the transformation of the talent of a country”. In his welcome remarks Mr. Vuskovic, re-affirmed the commitment of the Organization of American States (OAS) through the CLCP Program for promoting Closed Loop Cycle methodologies in the region, to prepare it to start the transition towards Circular Economies.



Mr. Walter Araya, CLCPA Program Coordinator, explaining the concept of Closed Looped Cycle Production

During the technical session (WA) presented the general goals and objectives of the CLCP Program, the background of the initiative and some specifics about the collaboration of OAS regarding the development of the Green Panama Seal. He also introduced the Close Looped Cycle thinking and Circular Economy approach generally. After his presentation participants expressed their interested in learning more details about the development of the Green Panama Seal and to specifically know how the C2C Certification Protocol will be incorporated in it.

Following (WA)'s presentation, Ms. Aracelli Cerrud, Consultant of the Cleaner Production Centre of Panama (CNP+LP) and ANAM Coordinator of Cleaner Production and Sustainable Consumption Committee, made her presentation on behalf of the Cleaner Production Center of Panama. Her presentation was focused on showing the attendees the basic differences between Cleaner Production and Closed Looped Cycle Production, and how these two approaches complement each other. She also presented some of the services that the CNP+L of Panama provides to the industrial sector of Panama and showed some examples of the projects the CNP+LP has carried out and its impacts.

Next, (BS) made her intervention with her presentation named "Cradle to Cradle Design Philosophy: A key Solution to Encourage Growth with Positive Impacts". Her presentation was focused on explaining the participants the basics of the C2C philosophy giving special attention to explaining the importance of design, the differences between the traditional Eco-Efficient and the Eco-Effective approaches, and how the C2C philosophy purpose is to integrate both approaches in a positive, unique an coherent trajectory of continuous improvement where we optimize positive impacts while minimizing negatives impacts.

At the end of (BS)'s presentation people were very interested about learning how the C2C philosophy could be implemented within the Panamanian context, some of the interventions by students highlighted that the CLCP methods require a change of mind on how companies make things and from the customer side a more conscious and intelligent consumption behavior, where Green seals as the C2C and eventually the Green Panama Seal will guide the intention of purchase. The role of the youth plays a key role in all this process, as they will be responsible for promoting an industrial thinking transformation towards more innovative solutions that have positive impacts.

Following the set of presentations (WA) explained the objectives behind the call for proposals for companies within the Food and Beverage sub-sector interested in participating in the CLCP Pilot Project. He explained that the pilot is aimed for those companies interested in getting technical accessory on how to close the loop of one of its products. He also explained that the selected company may opt to certify its product C2C, the C2C Certification of a Panamanian product may serve as validation of the Green Seal Panama Certification since the company will get familiar with the protocol of the certification process. People were told to be on lookout of the OAS website, where all the information regarding participation will be submitted.



Panel Discussion with Mr. Diomedez Velasquez (SIP), Mr. Abdiel Gaitan (CNP+L Panama), Mr. Walter Araya (OAS)

Finally, at the end of the morning, three panelists from the Association of Industrialist of Panamá (SIP), the Cleaner Production Center of Panama (CNP+LP), and the Organization of American States (OAS) participated in a panel discussion moderated by (WA). During the Panel discussion, Mr. Diomédez Velasquez, Secretary of the Environment Commission of SIP and Mr. Abdiel Gaitan, Technical Director of the CNP+LP, talked about the importance of establishing Public-Private associations in order to successfully implement initiatives as the CLCP. In this sense, the SIP plays a key role as ally of the CLCP initiative.

At the end of the panel discussion, all the parts agreed that the development towards a circular economy requires a strategic support of the public sector. These organizations should create policies and instruments that lead to the industrial transformation proposed by the C2C thinking. In this way, both organizations, SIP and CNP+LP may function as facilitators of these processes of change that has as ultimate goal, to promotion of economic growth with positive impacts for the environment and society.



Interviews held after the Seminar with Ms. Bibiana Serna, CLCPA Program Officer, and Walter Araya, CLCPA Program Coordinator

(b) National Directorate of Industries and Business Development, Ministry of Industry and Commerce (MICI).

A meeting was held with Ms. Lucia Ferguson and Ms. Carmen Escudero from the National Directorate of Industries and Business Development from the Ministry of Commerce and Industry (MICI). A general introduction of the CLCPA program was provided with the intention to explain the reason for need for access to any available environmental indicators (e.g. review, validation), and details regarding the consultation process and drafting of the Act 76. The objective was also to complete and validate the data and information already obtained.

Wednesday - September 17th, 2014

(a) Meeting with Students from the University of Technology of Panama (UTP)

During this meeting (WA) and (BS) explained the students the purpose of the survey. Due to the survey includes some questions that require an understanding of CLCP methodologies in particular the C2C philosophy, the meeting started with a presentation made by (BS) where she explained the C2C philosophy. The presentations were addressed at a very detailed level where both (BS) and (WA) gave particular examples to the students to help them understand the C2C philosophy and the importance of closed loop cycle methods for a sustainable development. Following the presentation, (WA) and (BS) explained all the questions of the survey to the students and answered questions and concerns.

Note: 1) In a previous meeting between Dr. Sonia Sevilla (University of Technology of Panama) and SIP, they agreed that the students were going to receive a small retribution for their job helping gather the information for the survey. The costs will be assumed by SIP.

At the end of the meeting with the students and the professor in charge, the following agreements were made:

1. Each student is going to conduct a survey at minimum 3 companies and maximum 5 companies.



2. The information will be collected digitally and will be send to OAS responsible.
3. OAS will speak to SIP representatives in order to gather a list of the potential companies to apply the survey within the subsector of Food and Beverage. This information could also be obtained through the Chamber of Commerce of Panama.
4. Once the survey is done, OAS will give a thank-you note to all students that participate in the activity.
5. OAS team will be available for any questions the students may have while conducting the survey, either via gotomeeting or email.
6. SIP will cover the funds for all the students that participate of the activity. It is important to schedule a meeting with SIP to clarify exactly how much money they will receive for their work and how to proceed on this matter.
7. Once the companies have been elected, OAS will contact Dr. Sonia Sevilla from the University of Technology to inform her team about the names of the companies and contact persons to officially start the survey.

(b) Hemispheric Launch of the Talent and Innovation Competition of the Americas (TIC Americas) and the Eco Challenge 2015

This event was held in late afternoon at Fray Benjamin Ayeche Auditorium at Postgraduates Building from the Catholic University of Santa María la Antigua (USMA).

TIC Americas (www.ticamericas.net) is an international entrepreneurship program developed by YABT (www.yabt.net) that promotes and accelerates the development of competitive and sustainable business, promoting inclusion in the market for young entrepreneurs from 18 to 34 years old from member states of the OAS. The program includes three categories: economic, social and environmental spheres. This last category called Eco-Challenge (www.ticamericas.net/eco.php) is developed with the support of PepsiCo Central American Bottling Corporation.

Important assess at the internal CLCPA team, the possibility of mutual cooperation in the next phases of the program in the various countries of the region, especially at identify young entrepreneurs who qualify under the criteria of the contest to present and mature their project, among others. Similarly, it could assist in integrating the CLCP/C2C methodology within the selection criteria assessment, or possibly laterally into the business model in a basquet of various projects and/or initiatives.

Thursday- September 18th, 2014

Walter Araya (WA) had a follow up meeting with SIP representatives to discuss last minute changes to the objectives and scheduling of the activities for further implementation of the program in Panama. Likewise, a session to consolidate outputs raised/achieved during the mission was held. Furthermore a presentation of the main outputs of the Mission to Panama was shared, including addressing: (i) next steps to follow; (ii) formulation of the final report; (iii) the review of sustainability practices and goals within Panamanian companies. This with focus on the following points:





- Environmental Indicators (in order to review and validate survey questions).
- Review the survey instructions to collect info/data on environmental indicators (KPIs).
- Revise, complete and validate the data and information already obtained.

5. MAIN OUTCOMES OF THE MISSION

- Promoted and created awareness about Closed Looped Cycle Production, Circular Economy and C2C during the event “*Sello Panama Verde: Aplicando Produccion en Ciclo Cerrado hacia una Economia Circular*” in Panama.
 - Promoted and explained the objectives behind the call for proposals for companies interested in participate in the CLCP Pilot Project in Panama.
 - The OAS delegation established relations with new authorities from the MICI, which represent the new government. The team got to know their expectations with the project and also got to introduce awareness about the importance of adopting CLCP methodologies in the industrial sector of Panama.
 - Regarding the Act 76 and its current revision, the representatives of the National Directorate of Industries and Business Development from the Ministry of Industry and Commerce (MICI) mentioned that the Ministry has worked on a draft Decree that gathers the views of CONAP. At this instance it consists of a platform of institutions with the participation of MICI, ANAM, MEF, APEX, CONEP, UNPAP, SENACYT and COMPTROLLER.
- (e) The delegation trained the students on the CLCP and C2C philosophy and also how to conduct a business sector survey. An online refresher session will be necessary previous to running the survey in the selected subsector.

6. STEPS FORWARD/ACTIONS

- Contact the National Directorate of Industries and Business Development from the Ministry of Industry and Commerce (MICI) through the SIP focal point of the program, or possibly through the representation of the OAS in Panama in order to explore the opportunities to participate in the process of providing technical assistance regarding this policy instrument to allow for the development of the Green Seal Panama.
- To update the OAS website with the information regarding the Call for Proposals for Panama.
- Send all documentation of the call for proposals to the counterparts in Panama in order for them to be able to do outreach.
- Follow up with MICI, ANAM and SIP regarding the signing of the Cooperation Agreement.
- Contact SIP in order to gather a list of the companies within the Food and Beverage subsector to participate in the survey.



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