

1. What is APEIS-RISPO?

Research on Innovative and Strategic Policy Options (RISPO) is one of the three sub-projects of the Asia-Pacific Environmental Innovation Strategy Project (APEIS), an Asia-Pacific region-wide research project initiated as a Type 2 partnership/initiative of World Summit on Sustainable Development (WSSD)¹ in 2002². RISPO, together with other sub-projects of APEIS, aims to contribute to the policy dialogue on sustainable development in the region by providing scientific knowledge-based tools for sustainable development.

1.1. Objectives and Scope

RISPO is a region-wide research project to be conducted in collaboration with various research institutes and key international organizations working in the fields of environment and development in the Asia-Pacific region. RISPO aims to jointly develop two knowledge-based reference tools, namely *Good Practices Inventory* and *Strategic Policy Options*, which can help policy-makers who seek better solutions for the sustainable development challenges they face. These two items will become available as common regional assets by March 2005. RISPO considers policy-makers to be the primary audience/users of these tools, but intends to invite wider audiences to further promote international discourse among a wide variety of stakeholders and enhance informed decision-making to lead our society toward sustainable development.

RISPO has the following four research themes:

- Promoting Eco-Markets and Eco-Industry
- Developing Innovative Urban Systems
- Appropriately Using Community Resources
- Networking Stakeholders for Action.

These themes are identified as key research areas for RISPO, considering their great potential to ignite and accelerate the process of environmental innovation in the Asia-Pacific region. Under these four themes, there are eight sub-themes with further specific focal points. International research teams are organized to collect good practice examples and explore policy options for each

sub-theme.

One of the unique characteristics of RISPO is its approach. Environmental innovation is the overarching theme for three sub-projects of APEIS, and the sub-projects address sustainable development issues of urgent priority in the Asia-Pacific region, taking different approaches that complement each other. Although the Integrated Environmental Monitoring sub-project (IEM) and the Integrated Environmental Assessment sub-project (IEA) take bird's-eye-view approaches, adopting research methodologies such as satellite monitoring and computer modeling, RISPO emphasizes the importance of ground-based field-studies. By these practices, RISPO intends to develop a sound understanding of the factors promoting or hindering sustainable development in various settings and share the lessons learned among policy-makers and wider audiences.

1.2. Expected Outcomes

*Good Practices Inventory*³ and *Strategic Policy Options* are two major expected outcomes of RISPO. Draft outcomes are planned to be available to the public by March 2004 (Preliminary Proposal). Refined versions will be ready by the end of the RISPO research phase, i.e. March 2005.

Good Practices Inventory (GPI)

Good Practices Inventory is an easily searchable database on the RISPO website, consisting of a number of good practice examples that are rich in lessons and potential for replication or application. Good (or unsuccessful) practices identified and analyzed by each research team are compiled into *Good Practices Inventory*. Information on each good practice includes the critical and innovative instruments that make the practice successful, lessons learned, and potential for application.

The general criteria for selecting good practices include such rules as:

- leads to an actual change that contributes positively to improvement in the specific area considered, or breaking new ground in unconventional approaches to the issue
- involves indicators of some visible or measurable change in the area of concern, with improvement in the environmental situation and at least no

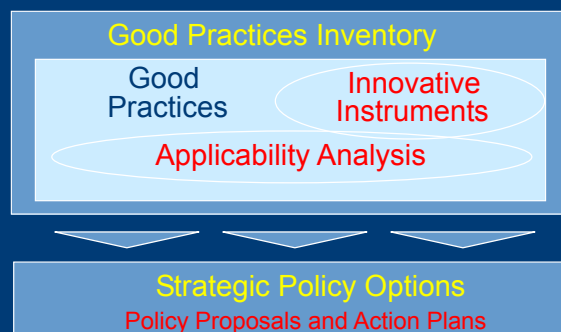
¹ APEIS was proposed by the Ministry of the Environment of Japan in collaboration with a number of governments, research institutes, and key international organizations in the Asia-Pacific region.

² Duration of RISPO is April 2002 – March 2005.

³ A prototype *Good Practices Inventory*, containing about 50 good practice examples with potential for replication/application, is now available.

Steps to Develop GPI & SPO

- Good practices are collected, analyzed, and compiled into *Good Practices Inventory*.
- Innovative instruments extracted from good practices and their applicability are highlighted
- Strategic Policy Options* are formulated based on the analyses on information accumulated in *Good Practices Inventory*.



deterioration in the socio-economic situation, or vice versa

- demonstrates an innovative (uniqueness of either the product or process) and replicable approach.

Strategic Policy Options (SPO)

Strategic Policy Options is a set of proposals – clues for maturing sustainable development policy – primarily targeting policy-makers at local, national, and/or regional or international levels. Proposals will be developed for each sub-theme of the RISPO research areas. Through a close look at the critical and innovative instruments extracted from good practices, the political implications of further promoting actions toward sustainable development will be examined. Taking the diverse social, cultural and economic backgrounds in the Asia-Pacific region into account, the policy measures necessary to put each strategy into practice will be described.

Strategic Policy Options may include proposals on strategic approaches to the issues of concern, policy options, and action plans focusing on the following

components:

- technology measures (development, transfer, diffusion)
- financial measures
- governance (regulatory measures, institutional arrangements, capacity building)
- awareness raising and partnership

Capacity Building and Pilot Projects

It is important to put significant efforts into making active use of RISPO research outcomes instead of just leaving them as the simple database and proposals. RISPO recognizes the importance of providing policy-makers with the necessary capacity-building opportunities, as well as examining the feasibility of its proposals through pilot projects.

Although most of the capacity-building activities will be activated after March 2004 along with the preliminary proposals of *Good Practices Inventory* and *Strategic Policy Options*, some of the RISPO research sub-themes involve pilot project development in research activities.

Themes and Sub-themes of APEIS/RISPO

Themes	Sub-themes
Promoting Eco-Markets and Eco-Industry	Innovative financing for renewable energy development
	Creation of inter-boundary market for recyclable materials
	Improving environmental performance of small and medium-sized enterprises (SMEs)
Developing Innovative Urban Systems	Development of environmentally sustainable transport systems in urban areas
Appropriately Using Community Resources	Promotion of biomass energy
	Facilitating community-based tourism in protected areas
Networking Stakeholders for Action	Promoting environmental education by NGOs
	Promoting local/indigenous knowledge-based sustainable resource management

2. What are the Expected Products, Scientific Contributions and Current Progress?

2.1. Themes and Sub-themes of RISPO

RISPO aims to develop policy proposals to be used as the reference for policy-makers in the Asia-Pacific region who face challenges to lead our region, nations, and local areas toward sustainable development. The region contains diversity in geography, eco-systems and stage of socio-economic development, as well as in culture, values and beliefs. Therefore, the demands of the people who live in the region are diverse. Taking such diversity into consideration, RISPO selected the following four research themes that were common to the needs of many countries in the region. They are considered to constitute the essential approach to the promotion of environmental innovation in the Asia-Pacific region. The sub-themes in each of them address further specific issues of urgent and common concern.

Promoting Eco-Markets and Eco-Industry

The future of the environment in the Asia-Pacific region will be determined in significant part by the pace and quality of industrialization. The average annual growth of industry for East Asia and the Pacific between 1990 and 1999 reached 9.8 percent, far exceeding that of other regions. Asia's industrialization is highly energy intensive and involves high costs to the environment. As part of this growth, industrial wastes are growing in quantity and becoming more difficult to dispose of or degrade. Moreover, small- and medium sized enterprises (SMEs) play a critical role in the process of industrialization, and are responsible for most industrial pollution in certain countries. Many of the challenges facing the region will therefore depend on how the growth of markets and industry can be shaped in an environmentally sustainable fashion.

RISPO identified three sub-themes in this research area. The sub-theme *Innovative Financing for Renewable Energy Development* explores new financing mechanisms that hasten the development of the renewable energy industry and markets for renewable energy products/technologies in order to meet the growing energy demand through clean sources of energy. The second sub-theme is *Creation of Inter-boundary Market for Recyclable Materials*. Because of limited demand for recyclable materials on domestic markets, recyclable materials sometimes end up in landfills. On the other hand, because of limited supply of recyclable materials on domestic markets, firms sometimes end up using costly virgin materials. Creating an effective inter-boundary market can be a breakthrough for this situation so that it reduces waste and also production costs. The third sub-theme is *Improving Environmental*

Performance of Small and Medium-sized Enterprises. In consideration of the critical roles that SMEs play in socio-economy, it is imperative to make policies that guide society in a sustainable manner and give SMEs the appropriate means of implementing environmental practices.



Developing Innovative Urban Systems

Urbanization is one of the most significant issues facing the Asia-Pacific region. In 2000, one in three people in this region lived in an urban area, compared with one in five in 1960. Urbanization in the Asia-Pacific region is predicted to continue to grow at an average rate of 2.4 percent per year between 2001 and 2015. This trend of rapid urbanization is posing burdens on the environmental capacity of urban areas. Major issues that cities in the Asia-Pacific region are facing are air pollution from industrial activities and transportation, waste management, and water and sanitation. The common denominator of these urban environmental issues is that they will not be solved by piecemeal approaches. Therefore, RISPO aims to develop innovative policy options to improve urban environment from a holistic viewpoint.

RISPO focuses on transport, one of the major sources of air pollution, as a sub-theme in this research area⁴. Air pollution from the transport sector is expected to rise owing to an increase in traffic demand and motorization in the

⁴ Good practices related to urban issues, such as *Improving Urban Environmental Services through Private Sector Participation* and *Community Related Initiatives for Urban Environmental Management*, are also collected in collaboration with the Kitakyushu Initiative for a Clean Environment. These cases will be incorporated in *Good Practices Inventory*.

Asia-Pacific region. This sub-theme examines the innovative paths the cities in this region can take in order to develop *Environmentally Sustainable Transport Systems*, which can break the current trend.



Appropriately Using Community Resources

The unsustainable consumption patterns prevalent in Asia and the Pacific region remain a formidable obstacle to sustainable development. Rural communities are particularly vulnerable to environmental degradation resulting from unsustainable consumption patterns. Rural communities often lack access to the resources that can promote environmentally sound activities and lifestyles. Moreover, rural areas can be rich in natural resources and are often targets of overexploitation and environmentally destructive development strategies. Therefore, rural villages often face a breakdown in the traditional subsistence economy because of limited access to land and natural resources, lack of human and financial resources, and sources of employment.

Against this background, the objectives of the research conducted in this strategic research area are to formulate ideas to better utilize natural and community resources in order to realize sustainable development in Asia and the Pacific region, focusing in particular on rural communities. *Promotion of biomass energy* will draw out ideal energy mix



options for countries in Asia and the Pacific by actively making use of biomass-derived residual wastes currently not in use, in order to sustainably use natural resources. *Facilitating Community-based Tourism in Protected Areas* will propose innovative ways to involve communities living in and around protected areas in tourism, in order to effectively use natural and community resources for integrated protected area management.

Networking Stakeholders for Action

Many Asian countries are now in the process of democratization and decentralization, which have brought about the need to reconsider the style of environmental governance. The multi-stakeholder approach has become increasingly important, as the state can no longer exert the strong leadership it used to in many cases. In other words, increased participation of non-state actors such as local authorities, businesses, NGOs, and local people is necessary to enhance environmental governance in terms of legitimacy and resources. However, it has been observed and reported that there are various obstacles to forging such partnerships between actors.

RISPO studies the networks among stakeholders as a way to overcome such obstacles and promote a multi-stakeholder approach. Two sub-themes have been identified, and both of them make the most of non-state resources by networking stakeholders, resulting in the enhancement of environmental governance. One is *Promoting Environmental Education by NGOs*, which focuses on the roles of NGOs in raising public environmental awareness. The other is *Promoting Local/indigenous Knowledge-based Sustainable Resource Management*, which focuses on the significant roles of local people who provide in-situ knowledge of sustainable resource management.

