Institute of Policy Studies

Climate Change is Everyone's Business

By Kirthika Selvakumar
IPS Research Assistant Intern

A year after the first commitment period of the Kyoto Protocol (2008–2012), we live in a "dirtier" planet than before. Global carbon emissions are steadily rising and big players such as the US and Canada have not ratified the second commitment period of the Kyoto Protocol (BBC 2011; EIA 2011; UNFCC n.d.). While improvements have been made, mostly by European nations, to reduce their carbon emissions, the road ahead is still hazy. As a non-Annex 1 Party, Singapore is not subject to binding agreements to reduce its greenhouse gas (ghg) emissions of the Kyoto Protocol. Nevertheless, Singapore has voluntarily acceded to a number of multilateral treaties on the environment, a clear indication of a desire to contribute to the global effort to combat climate change. Keeping in line with this desire, Singapore's National Climate Change Secretariat (NCCS) has pledged to reduce ghg emissions by 7–11% below "business as usual" (BAU) levels by 2020 (NCCS 2012a).

International agreements, by virtue of their nature, involve a large number of signatories and often carry with them issues of free-riding, lack of co-operation and moral hazard (Perman et al. 2011). Therefore, this raises the question of who else can be enablers of change, apart from international organisations and state governments.

In his TED talk, Ray Anderson, the late founder and chairman of Interface Inc, identified businesses and industry as a big enabler of addressing climate change. And rightly so. Private enterprises have the capacity and most importantly the funding to create and sustain a movement that encourages sustainable business practices, should they want to. They are present in large numbers and can access and mobilise resources more efficiently than state governments and international organisations. Anderson's business leads by example — initially conceived to produced floor coverings, Interface Inc is now a sustainable business that is committed towards the goal of Mission Zero, which is to eliminate any negative impact it may have on the planet by 2020.

So why should industries in Singapore bother?

APART from the fairly obvious reasons of being responsible for the damage caused by the production processes of industries and mitigating the effects of the throw-away culture that industries nurture, it is also good business. Sales increased and profits doubled when Anderson's business went green. Hence, businesses have potential benefits in the form of savings and increased profits to gain from going green.

This also matches up with the Economic Development Board's (EDB) strategy on a macro-level: it has identified the clean technology industry as a key economic growth area for Singapore. EDB predicts that the clean technology industry is expected to experience robust growth in Asia, which Singapore is poised to capitalise given its experience and capabilities in the semiconductor, industrial and chemical sectors (EDB 2012). It has the appropriate expertise, skill and talent to capitalise on being a centre for clean technology. Therefore, lucrative business opportunities lie in wait for industries as it is predicted to be a new market that is set to develop in the near future.

But isn't there a paradox?

It appears to be incongruous to want to attract clean technology operators and become a hub for clean energy, but not to be a clean nation. While we certainly pay attention to our toilets and hawker centres in matters relating to hygiene, there can be a better state-wide effort to become a greener nation. When deconstructed, waste statistics indicate that industrial waste such as construction debris and used slag have the highest recycling rates (96–99%). In contrast, household waste recycling rates are paltry. Plastic recycling is currently at 10% and food waste, which can be used as compost, is only at 12% (NEA 2012).

Furthermore, Singapore's emissions per capita are higher than other developed societies such as Japan and Hong Kong (NCCS 2012b). While concessions can be made for Singapore's largely urban environment and dense population, more can be done to help mitigate the effects of climate change.

Ultimately, the *raison d'être* of clean technology is intertwined with a sense of responsibility of wanting to leave less of a negative impact on our planet. Cultivating an attitude of being more eco-friendly at an individual level can have economy-wide repercussions. Refusing plastic bags, actively recycling and improving our energy efficiency are small steps that help to signal to industries to shift towards a more sustainable production process and to innovate to use clean technology. It also signals to multinational corporations looking to base their operations in Singapore that it is not merely a base that is technically sound and has the appropriate expertise for it to export their goods and services, but also that there is domestic demand for clean technology, stemming from the desire to help reduce its national carbon footprint.

It takes two hands to clap

ONE should not discount the significant headway Singapore has made in becoming an environmentally conscious nation. We have, amongst many other developments, an eco-friendly shopping mall (City Square Mall), Housing and Development Board towns (Eco-Town in Punggol) and industrial park (CleanTech Park). However, top-down government-led projects can only go so far in helping to reduce emissions. While industries and businesses can be enablers, they are ultimately drawn to demand and consumers have the omnipotent ability of signaling demand. Consequently, consumers and businesses need to work hand-in-hand to mitigate the effects of climate change.

Ultimately, the simple act of cultivating an attitude of being environmentally conscious can change consumer behaviour, which has the potential to create a movement that is not only effective in achieving national targets but is also sustainable in the long term. As journalist

Grace Chua aptly puts it, with reference to recycling, "Singapore should aim to be a society where recycling is seen as part of one's basic social duty, and an act of national if not global citizenship, to conserve the finite resources of the Earth" (Chua 2010).

In sum, the benefits of a Singapore that is environmentally conscious are manifold: it signals demand for sustainable businesses practices, encourages businesses to innovate, enhances EDB's strategy of attracting MNCs in the clean technology industry, and most importantly, reduces our national carbon footprint.

All we have to do is to be a little (eco) friendlier.

Bibliography

BBC. (2011). Canada to withdraw from Kyoto Protocol. Retrieved 15 August 2013 from http://www.bbc.co.uk/news/world-us-canada-16151310.

Chua, G. (2010). Recycling: Time to get our act together. *The Straits Times*. Retrieved 6 August 2013 from http://wildsingaporenews.blogspot.sg/2010/05/recycling-time-to-get-our-act-together.html#.Ug2judI9Hig.

Economic Development Board [EDB]. (2012*).* Clean Energy: Factsheet 2012. Retrieved 2 August 2013 from http://www.edb.gov.sg/content/dam/edb/en/resources/pdfs/factsheets/Alternatve%20Energy%20-%20Clean%20Energy%20Factsheet.pdf.

Energy Information Administration [EIA]. (2011). International Energy Statistic. Retrieved from 29 July 2013 from http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=90&pid=44&aid=8&cid=ww,&syid=2007&eyid=2011&unit=MMTCD.

National Climate Change Secretariat [NCCS]. (2012a). Mitigation: Reducing Emissions. Retrieved 31 July 2013 from http://app.nccs.gov.sg/nccs-2012/mitigation-reducing-emissions.html.

NCCS. (2012b). Per Capita Emissions. Retrieved 29 July 2013 from http://app.nccs.gov.sg/page.aspx?pageid=158&secid=157.

National Environment Agency [NEA]. (2012). Waste Statistics and Overall Recycling. Retrieved 2 August 2013 from http://app2.nea.gov.sg/energy-waste/waste-management/waste-statistics-and-overall-recycling.

Perman, R., Ma, Y., Common, M., Maddison, D., McGilvary, J. (2011). *Natural Resource and Environmental Economics*. Harlow: Pearson Education.

TED. (2009). Ray Anderson: The business logic of sustainability. Retrieved 1 August, 2013 from http://www.ted.com/talks/ray_anderson_on_the_business_logic_of_sustainability.html.

United Nations Framework Convention on Climate Change [UNFCC]. (n.d.) Kyoto Protocol. Retrieved 30 July 2013 from http://unfccc.int/kyoto_protocol/items/3145.php.

*****

The views expressed are the author's and do not represent those of the Institute.

If you have comments or feedback, please email ips.enews@nus.edu.sg