

Mission Report

Program: Closed Looped Cycle Production in the Americas

Mission Team: Kevin de Cuba (Program Manager) and Andrea Herrera (Program Officer) Panama City, Panama March 18-21, 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 one means 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) Open, through the keynote speech given by the CLCP Program Manager Kevin De Cuba of the Department of Sustainable Development of the OAS (OAS/DSD), the 9th International Symposium on Cleaner Production in Panama City:
- (b) Launch the development of the Panama Green Label and the Closed Looped Cycle Production Program in Panama at the 9th International Symposium on Cleaner Production;
- (c) Validate and discuss the proposed plan for the development of the Panama Green Label with the Industrial Association of Panama (SIP); and
- (d) Define the areas of collaboration and expectations of the Ministry of Commerce and Industry (MICI), the National Environmental Authority (ANAM), SIP, and the Cleaner Production Center of Panama (CNPMLP) for the development of the Panama Green Label and identify steps and actions to be taken.

4. MISSION RELEVANT EVENTS

Tuesday - March 18th, 2014

- (a) Meeting with the Ambassador Abigail Castro de Perez, Representative OAS in Panama.
- Upon arrival in Panama, Kevin De Cuba (KDC) and Andrea Herrera (AH) held a meeting at the OAS's offices in Panama to discuss with the Ambassador Abigail Castro (AC) the





requirements by the Ministry of Commerce and Industry (MICI) to sign a Memorandum of Understanding (MOU) between OAS and MICI. Since a final review and modifications from MICI were needed, it was decided that the signing of the MOU by the parties will take place at a later date to March 19th (opening of the 9th International Symposium of Cleaner Production). An agreement was reached with SIP and ANAM to officially hand at the opening of the Symposium, the 1st edition of the Production Sector Diagnostic of Panama prepared by the OAS/DSD to MICI, SIP, and ANAM in order to symbolize the commitment of the parties for the development of the Panama Green Label. This last minute decision was communicated with colleagues at the Energy and Climate Change Mitigation (ECCM) section to make modifications to the draft press releases being prepared to be released by SEDI on behalf of OAS/DSD.

KDC and AH reviewed and commented on the OAS-Panama Office press release and helped in preparing the OAS Representative's opening speech regarding the collaboration between OAS, MICI and SIP for the development of the Panama Green Label and the launch of the Closed Looped Cycle Production in the Americas initiative in Panama.

Wednesday - March 19th, 2014

(a) Opening of the 9th International Symposium on Cleaner Production

The Industrial Association of Panama (SIP) opened the 9th International Symposium on Cleaner Production; this annual event is co-hosted by the National Environmental Authority Panama (ANAM). Please see the **Symposium** Agenda http://www.industriales.org/uploads/simposio.pdf. The theme of this year was: "Industry's response to the Environmental Challenge". The Department of Sustainable Development of the Organization of American States had a critical role in supporting the organization and the agenda of this year's event with (1) the launch of the Sello Panama Verde linked to the Department's Closed Looped Cycle Production in the Americas program; and (2) the hosting of the afternoon sessions on the 2nd day of the symposium through the Pathways to Prosperity in the Americas initiative managed by the Department.





Opening ceremony of the 9th International Symposium on Cleaner Production in Panama City on March 19, 2014 (source: Pathways Outreach Team¹)

The opening ceremony was attended by the Minister of Commerce and Industry (MICI), Mr. Ricardo Quijano, the OAS Representative in Panama, Mrs. Abigail Castro de Pérez (AC) and the General Manager of ANAM, Mr. Silvano Vergara. AC handed the Production Sector Diagnostic of Panama report to the president of SIP, the Minister of Commerce and Industry, and ANAM's manager.



¹ See: https://www.flickr.com/photos/116295466@N05/sets/72157642949308063







(From left to right) Amb. Castro de Perez (OAS Rep. Panama), Minister Quijano (MICI), Mrs U. de Maduro (President, SIP), and Mr. Vergara (General Manager, ANAM), (source: Pathways Outreach Team²)

The president of SIP, Aida Michelle Ureña de Maduro reiterated the commitment of the chamber in supporting the government efforts related to the environment and continue making investments in the industrial sectors towards a sustainable development of the country. Likewise Minister Quijano expressed his support on the cleaner production projects and the development of the Panama Green Label.

KDC before starting his keynote speech at the opening of the symposium, KDC explained the involvement of the OAS/DSD through the Closed Looped Cycle Production program, the Energy and Climate Partnership of the Americas, and the Pathways to Prosperity in the Americas, in assisting Panama achieving its sustainable development goals.



² See: https://www.flickr.com/photos/116295466@N05/sets/72157642949308063









Keynote presentation by Kevin de Cuba, Program Manager, Closed Looped Cycle Production in the Americas (OAS/DSD) during the 9th International Symposium on Cleaner Production in Panama City, March 19, 2014 (source: Pathways Outreach Team³)

KDC during his keynote presentation explained the Closed Looped Cycle Production in the Americas Program, the Cradle to Cradle (C2C) concept and outlined the phases for the development of the Panama Green Label. KDC aroused the interest of the audience especially when explaining the differences between the Cleaner Production concept and C2C by focusing on the difference between eco-efficiency versus eco-effectiveness.

Thursday, March 20th, 2014

(a) Dialogue on competitiveness and environmental performance of SMEs:

This dialogue took place at one of the dining/meeting rooms of Hotel El Panama. It was organized by Pathways to Prosperity in the Americas Initiative and lead by Oscar Ceville and Nicolle Brolo of the Department of Sustainable Development of the OAS. Among the participants were representatives of the National Cleaner Production Centers of Panama,



³ See: https://www.flickr.com/photos/116295466@N05/sets/72157642949308063



- Colombia and Guatemala, and Tecnológico de Costa Rica. Each participant presented their experiences in implementing Cleaner Production projects especially in SMEs.
- Carlos Cadavid (CC) of the Cleaner Production Center of Colombia and consortium partner in the Closed Looped Cycle Production in the Americas program, explained their experience in Colombia of existing mechanisms for facilitating access to financing for SMEs to invest in retrofits, technologies, consultancies for improving the environmental performance and increasing competitiveness of companies. This captured the attention of all participants regarding similar needs in their respective countries.









Pathways dialogue on competitiveness and environmental performance of SMEs in Latin America (source: Pathways Outreach Team⁴)

(b) Meeting with the representatives of the Cleaner Production Centre of Panama:

- KDC and AH accompanied by Carlos Cadavid (CC) of the Cleaner Production Center of Colombia, met the Executive Director Mauro Destro (MD), the technical Director Abdiel Gaitán (AG) and the manager Alfredo Du Bois (ADB) of the Cleaner Production Centre of Panama (CNPMLP) to identify the role of the centre on the development of the Panama Green Label. By analyzing different scenarios, it was agreed that the CNPML would act as an assessor for those companies interested in applying to the Green Panama Label and the Cradle to Cradle Certification. Therefore the CNPML has been identified as the suitable local organization that would lead/monitor the CLCP Capacity Building Program in Panama and potentially become the auditing entity on behalf of SIP regarding compliance to the future Green Panama Label program.
- All agreed that having the Green Panama Label in place is not sufficient since access to financing is a critical challenge for SMEs in Panama. CC explained in more detail how the financing mechanism in Colombia was set up and how it has successfully been functioning for the past several years. All agreed that this is a good opportunity for both Cleaner Production Centers to work together with other key stakeholders on how to set up a similar mechanism in Panama.

Friday, March 21st, 2014

(a) Meeting with Eng. Carmen Escudero from Ministry of Commerce and Industry:

KDC and AH met Ing. Carmen Escudero (CE), head of the Department of Industry Evaluation of the Ministry of Commerce and Industry. CE explained the Law 76 which is the



⁴ See: https://www.flickr.com/photos/116295466@N05/sets/72157642949308063



Panamanian Law that gives actions for the promotion and development of the industry. This Law encourages companies to invest on projects related to Research and Development; Management systems, quality assurance and environmental management; Investment or reinvestment of profits; Human resource training; and Increase in employment associated to the production. Through the Industrial Promotion Certificate (CFI) of the Law 76, companies could get a reimbursement of the investment (to be used in taxes) of 20 percent for industrial companies and 35 percent for agro-industrial companies. The Law has been enacted since 23rd January 2010 but only some 37 companies have applied for this benefit and few have obtained the CFI. Currently a multi-agency committee is evaluating the requirements for the Certification and some modifications on the Law in order to encourage more companies among them SME's to apply and secure benefits offered by MICI.

(b) Meeting with Mrs. Kate Skarten, Economic and Environmental Officer of the Embassy of the United States in Panama:

- KDC and AH met Mrs. Kate Skarten (KS) and presented the CLCP in the Americas Program. KS oversees all environmental related US supported initiatives in Panama and is very familiar with ECPA, Pathways, and other initiatives mentioned by KDC. The meeting evolved around a brief introduction and explanation of the C2C concept, an overview of the progress of the CLCP program, and the intentions for upcoming phases in Trinidad and Tobago, Colombia and Panama. KS was positive and supportive of further actions in Panama for the implementation of the CLCP Program and the development of the Panama Green Label and expressed the US Embassy's availability to support local efforts.

(c) Meeting with SIP:

- KDC and AH met the president of SIP Mrs. Aida Michelle U. de Maduro (AMU), and the Chair of the Environment Committee of SIP, Mrs. Nelly Rangel (NR). It was agreed, as suggested by MICI and SIP, to include the National Environmental Authority (Autoridad Nacional del Ambiente) ANAM as a key participant in the development of Panama Green Label. This organization would support the project and contribute to the environmental requested information during the development of the project.
- The Panama Green Label would consider water consumption, energy consumption, and waste production, among other criteria to lead companies to be more efficient and productive. The Industrial Association of Panama is the initiator of the project and in charge of the Panama Green Label. The CNPML Panama would become the assessors to help companies implementing CLCP methods in order to achieve the Panama Green Label and/or be prepared to apply for the C2C certification. ANAM could give support to the development of the Label and make sure it is in line with established environmental regulations.





- The role of each participant will be defined in the Memorandum of Understanding. It is expected to sign this MOU by the parties around 15 April 2014. Panama's next elections will take place on May 4th and the new administration will take charge from July 1st on forward. Therefore it is suggested to sign the MOU and start with the activities as soon as possible. The next mission (first training or lessons on C2C) could tentatively take place by the first week of June.
- Since SIP has an advisory role and vote on the multi-agency commission reviewing the law 76, the OAS/DSD is requested to assist in reviewing the law and making recommendations on how to improve the conditions for the increased use of the available incentives regulated by the law for the improvement of performance of Panamanian companies.
- AMU and NR expressed their request on presenting the first C2C certified product on the 10th Cleaner Production symposium to be held in March 2015. KDC suggested that the CLCP in the Americas Program would look into supporting one SME covering the costs of the certification process, and one Panamanian company such as Cerveceria Nacional as a larger company could start the certification process directly with MBDC and cover the costs by themselves. The SME could be selected during the next Mission by June 2014.

5. MAIN OUTCOMES OF THE MISSION

Promoted and created awareness about Closed Looped Cycle Production and C2C during the 9th International Symposium on Cleaner Production through the keynote speech by KDC and the particular support of the Energy and Climate Partnership of the Americas (ECPA) and the C2C Centre platform. Pictures used in this report were provided by the Pathways Outreach Team.

See the following press releases:

Spanish:

http://www.industriales.org/index.php?mod=article&id=264

http://www.capital.com.pa/sello-panama-verde-recibe-apoyo-de-oea/

http://www.revistasumma.com/economia/47123-sello-panama-verde-recibe-apoyo-de-oea.html

http://www.sertv.gob.pa/noticias/nacional-nfm/13315-2014-03-20-14-28-22.html

http://www2.laestrella.com.pa/vida-de-hov/inauguran-noveno-simposio-produccion-

limpia/23445081

http://www.ecpamericas.org/News/default.aspx?id=917

http://panamaamerica.com.pa/content/panam%C3%A1-acoge-proyecto-de-sello-verde-de-laoea

http://www.capital.com.pa/sello-panama-verde-recibe-apoyo-de-oea-2/

http://www.industriales.org/index.php?mod=article&id=266

http://industriales.org/uploads/economico/Boletin2.pdf





English:

http://www.c2c-centre.com/news/panama-green-label-symposium-cleaner-production

http://www.ecpamericas.org/News/?id=918

http://www.oas.org/en/sedi/nl/0314/04 en.asp

http://c2cexpolab.eu/blog/business-innovation/

- Launched together with MICI, ANAM and SIP, the Development of the Panama Green Label to be linked with the C2C principles explained and promoted through the Closed Looped Cycle Production program.
- First contact and update of the program with Mrs. Kate Skarten from the United States Embassy in Panama.
- Started the process of identification of roles for the key local participants of the project: MICI, SIP, ANAM, and CNPML Panama for the development of the Green Panama Label with assistance from OAS/DSD and partners of the Closed Looped Cycle Production in the Americas.
- Started defining specific activities and work plan for the implementation of the CLCP program in Panama.
- Started the drafting of a Cooperation Agreement to be signed by the local participants and the OAS.

6. STEPS FORWARD/ACTIONS

- Update the draft version of the MOU/Cooperation Agreement and include the participants and responsibilities of each party: Ministry of Commerce and Industry (MICI), Industrial Association of Panama (SIP), National Environmental Authority (ANAM), and the Cleaner Production Center of Panama (CP+L Panama). Process the MOU to be signed on April 15th 2014.
- Review Law 76 and deliver recommendations to the committee through the chairs of SIP.
- Complete Production Sector Diagnostic and continue with the next phase of selecting the SME's of the most suitable sub-sector in line with the established methodology of the CLCP program.
- Provide technical assistance to SIP in developing the Panama Green Label (based on the principles of C2C).
- Structuring a funding mechanism to facilitate the participation of companies in the Panama Green Label program (to cover investment costs in technology, experts, certification, etc.)





 Aim to certify a product C2C in Panama (to announce during the Symposium in 2015) following the pre-established methodological approach.

7. CONTACTS

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URL: Ministry of Commerce and Industry (MICI): http://www.mici.gob.pa; International Symposium on Cleaner Production, March 2014: http://www.simposio-ambiente.com; Chamber of Industries of Panama (SIP): http://www.industriales.org











Programa de Conferencias 19 y 20 de Marzo de 2014

Hora	Tema	Expositor		
8:00 - 8:45	Regis	tro		
	Inaugur	ación		
	Aida Michelle Ureña de Maduro, Presidenta del SIP			
8:45 - 9:15	Silvano Vergara, Administrador de ANAM			
	Conferencia Magistral			
9:15 - 9:45	Sello Panamá Verde - Producción en Ciclo Cerrado			
9:45 - 10:30	Entrega del Reconocimi			
	Firma de Convenio OEA - MICI para implementar a través del SIP el programa:			
	Producción en Ciclo Cerrado en las Américas			
10.20 10.45	Aida Michelle Ureña de Maduro, Presidenta del SIP			
10:30 - 10:45	Ricardo Quijano, Ministro de Comercio e Industria Abigail Castro de Perez, Embajadora Representante de la OEA			
	Silvano Vergara, Administrador de ANAM			
10:45 - 11:15	Visita al área de exhibición/ corte de cinta			
10.45 - 11.15	Buenas prácticas en la agricultura holandesa /	Wiebe de Boer – Embajador del Reino de los		
	Programa holandés de asistencia técnica al sector	Países Bajos / Raquel Tejeira - Embajada del		
11:15 - 11:45	privado (PUM)	Reino de los Países Bajos		
11.13 - 11:43	privado (1 011)	Teme de los l'albes Bajos		
11:45 - 12:15	"Basura - Soluciones Alemanas"	Hermann Sausen – Embajador de Alemania		
12:15 - 12:45	Lev de Fomento Industrial	Lucía Ferguson - MICI		
12:45 - 13:00	Sesión de preguntas y respuestas			
	ALMUERZO			
13:00 - 14:00	MINISTERIO DE COME			
10.00 11.00	Economía verde e Industria en América Latina /	Matías Gallardo / Mónica Borrero- PNUMA		
14:00 - 14:45	Casos exitosos de Producción y Consumo Sostenible	ORPALC		
	Más de una década ahorrando agua, 62% de			
14:45 - 15:15	reducción en el consumo	Alberto Quiroz – Cervecería Nacional, S.A.		
15:15 - 15:30	Sesión de preguntas y respuestas			
15:30 - 16:00	Visita al área de exhibición			
16:00 - 16:30	Manejo sostenible de residuos sólidos	Svante Persson - BID		
	,			
	Avances Provecto Saneamiento de la Ciudad y la	Tatiana De Janon – Provecto Saneamiento de la		
16:30 - 17:00	Bahía de Panamá	Ciudad y la Bahía de Panamá		
17:00 - 17:15	Sesión de pregunt	as y respuestas		
	Cier	re		
Día 2 - Simposi	o Internacional P+L - 20 de Marzo			
9:00 - 9:30	Estrategia de Sostenibilidad	Ileana Pineda - Cervecería Panamá, S.A.		
9:30 - 10:00	Producción + limpia en la industria minera	Claudia Alvarado – SNC Lavalin Panamá		
10:00 - 10:30	Huella de Carbono	Maria Alejandra Vega – CEMEX		
10:30 - 10:45	Sesión de pregunt	as y respuestas		
10:45 - 11:15	Visita al área de exhibición			
	Apoyo del CAF para la transición hacia una economía			
11:15 - 11:45	verde	Mauricio Velásquez – CAF		
	Ciclo de vida del producto y su aplicación en la			
11:45 - 12:15	producción de cemento y concreto	Naidel Pérez - Cementos Argos		
12:15 - 12:45	Tecnología para generación fotovoltaica	Rafael Linares - Panasonic		
12:45 - 13:00	Sesión de pregunt	as y respuestas		
	ALMUE			
13:00 - 14:15	PANASONIC			
	Uso de energía solar en bombeo y calentamiento de			
14:15 - 14:45	agua.	Frank Junkereit – Marine Solar Tec Inc.		
	Reglamentos Técnicos de Aguas Residuales, avances			
14:45 -15:15	en la adecuación	Lineth Arcia - ANAM		
15:15 -15:45	Prácticas de P+L	Publio de Gracia - Empresas Melo		
		Oscar Ceville , OEA		
	Diálogo Intersectorial sobre competitividad y	Carlos Fernando Cadavid, Sub-Director, Centro d		
		P+L, Colombia		
15:45 - 16:30	desempeño ambiental de la MIPYME	Ignacio Méndez, Viceministro PYMES, Rep.		
		Dominicana		
		Mauro Destro Stimamiglio, Director Ejecutivo;		
		CNPL Panamá		
	Sesión de preguntas y respuestas			
16:30 - 16:45	Sesion de pregunt Conclusiones del 9° Simp			

