

FRESH project and Sustainable Value Creation

FRESH 4th international seminar
Good practice transfer: training on sustainable construction standards

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Overview

1. A reminder of sustainable value creation
2. Sustainable value creation and FRESH
 - Objectives, starting point
 - Sustainable value creation and the regional development plan
 - Sustainable value creation and the regional innovation strategy

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Sustainable Value Creation

SVC is about integration, about activities that contribute to sustainable development by delivering simultaneously economic, social, and environmental benefits; this is the so-called triple bottom line.

The drivers towards SVC are market & society driven, for example

- development, industrialisation, and the increasing demand for material consumption, make materials rarer, more expensive
- population growth creates more waste, more pollution
- social issues quality of life, health & safety, inequity & poverty
- regional challenges such as territorial sustainability
- emerging technologies, e.g. cleantech that can render "business as usual" industries obsolete

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Sustainable Value Creation

The 'open question' in SVC or, alternatively, the "soft spot" are its non quantifiable aspects:

- While many aspects of SVC are quantifiable and is possible to standardise, others are hard to quantify, as they are cultural, value-based: for example the notion 'quality of life' ultimately is a cultural and individual issue—and maybe this is for the best.

How does FRESH come into this picture?

- FRESH project is a 3-year effort to promote sustainable development in EU regions by strengthening the triple-bottom line approach to sustainability (SVC). Its perspective is that of a regional planner, a regional policy maker. As we know, planners & policy makers have to reconcile economic, social and environmental performance & well being.

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SVC & FRESH

"The aim of the FRESH project is to strengthen sustainable value creation at regional level"

- To bring 3-dimensional sustainability / triple bottom line in focus in the regional development plans of the regions
- To embed eco innovation into the regional innovation strategy

FRESH deals primarily with growth aspects of SVC such as emerging technologies together with social aspects, and with regional aspects of SVC.

As an Interreg IV C project FRESH depends on the good practice analysis and transfer. We have organised the FRESH good practices in 11 policy themes.

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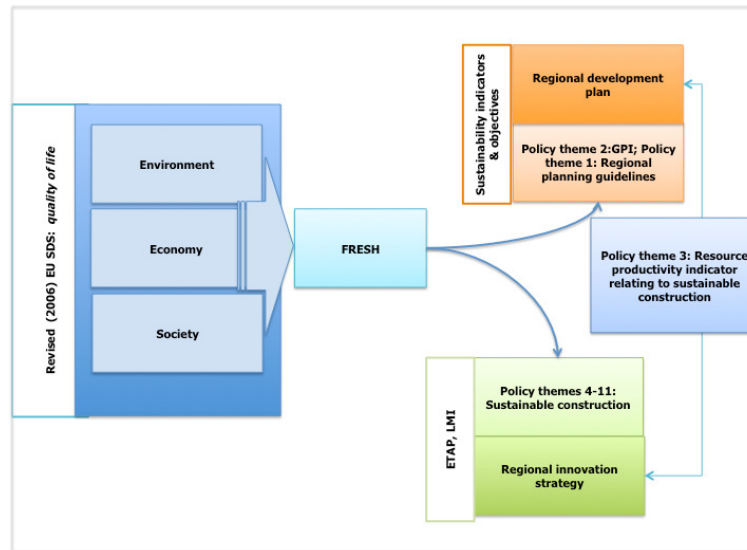
SVC & FRESH

Why do we really have FRESH? Because of a combination of growth opportunities that recent knowledge contribution has created and resulting policy upgrade needs that we realised we could facilitate through joint work.

- Growth opportunities: sustainable construction ideally means better quality construction & lower maintenance costs. Do all regions benefit from this opportunity?
- Policy update needs: Principles, planning, and tools.

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SVC & FRESH



FRESH, SVC and the regional development plan

Three FRESH policy themes are dedicated to the triple-bottom line approach in the regional development plan, and deal with SVC objectives & measurements.

SVC objectives: we researched good practices demonstrating SVC principles and concepts in practice: what a SVC-reflecting region "feels" like? Interpreting SVC = contextualising the notion of quality of life; this is often about optimisation & trade offs: to live in the country side or to promote more compact urban entres?, i.e. "clean air vs reduced transport energy needs"?

The need to have criteria to optimise decisions led to **SVC spatial planning** & **SVC measurement** issues.



FRESH, SVC and the regional development plan

In terms of spatial planning: Maybe the heart of the matter is territorial sustainability, i.e. the self-sustaining region in every sense including socio-economic aspects; this is a baseline for territorial cohesion of course. One FRESH region has gone deeper into the matter and has proposed a concept ('the responsible region'). A lot more of work is needed.

In terms of SVC measurements: "if you do not measure it, you do not know how to achieve it". We exchanged experience on indicators reflecting triple-bottom line growth. Inevitably, we needed to consider composite indicators.

Regions still mostly use GDP and other simple indicators measuring growth, employment, population, environmental condition, etc. EUROSTAT adopted since a few years, composite, environmental-economic, economic / social, and environmental / social indicators which are especially helpful in measuring resource productivity. But they do not measure SVC per se.

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FRESH, SVC and the regional development plan

SVC measurements continued:

" We identified GPI as a suitable triple-bottom line indicator. GPI = Genuine Progress Indicator. Measures growth in a composite sense, in terms of economic trends, social well being and environmental performance; risks to quantify cultural aspects.

What we found is that we need to adopt such type of regional measurements as the GPI. ON the other hand, some open issues remain: (i) contextualising GPI, (ii) regional data availability.

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FRESH, SVC and the regional innovation strategy

- “Embedding eco innovation into the regional innovation strategy”.
 - **Purpose:** Catching up –inevitably; Growth inducing: investing in development projects to create growth & strengthen regional smart specialisation through state of the art tools
 - **Policy framework** is the “Eco innovation component”: final policy tool, part of the innovation strategy document; one good practice from one of the partner regions provides such a framework (RIS2009-2015).
 - **Sectoral tools promoting SVC:** CSH, BREEAM, LCA, Design statement. CSH, BREEAM, Design statement: all attempt to bring together environmental performance with social values, and produce in a reasonable cost.
 - Tangible demonstrations of the application of SVC: MERA, Eco cluster, ATTESS

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FRESH, SVC and the regional innovation strategy

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 - **Policy framework** is the “Eco innovation component”: final policy tool, part of the innovation strategy document; one good practice provides such a suitable framework (RIS2009-2015), and many partners are “importing” it.
 - **SECTORAL FOCUS:** while targets of eco innovation (e.g. resource productivity) are cross cutting, the means to reach the targets are industry-specific. FRESH partners selected sustainable construction to focus their efforts.
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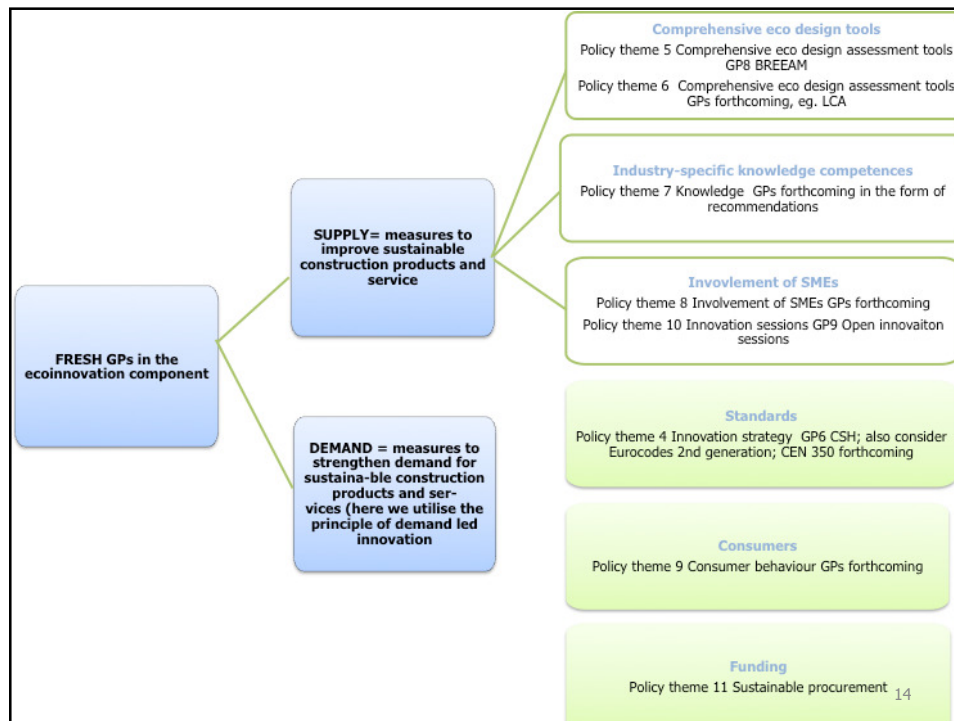


FRESH, SVC and the regional innovation strategy

.....the eco innovation component continued

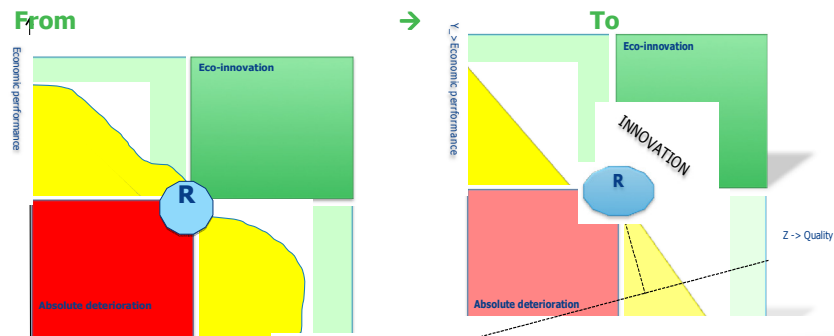
CLARIFIES crucial tools within the innovation strategies. These tools are based on selected FRESH good practices from Policy themes 5,6,7,8,9,10,11 and they cover

- **SUPPLY SIDE MEASURES:** (i) embeds & reinforces eco design tools (PT5 and PT6); (ii) stresses / recommends knowledge competences (PT7); (iii) recommends SME involvement by recommending uptake of good practices (PT8 and PT 10).
- **DEMAND-LED MEASURES:** (i) embeds & adopts mainstream standards (PT4) and raises awareness about upcoming standards (Eurocodes 2nd generation, CEN 450; both forthcoming); (ii) recommends measures to increase consumer responsiveness to "green" solutions (PT9); (iii) supports green market through sustainable procurement recommendations (PT11).



Core FRESH contribution

FRESH effectively takes regions from the starting point of eco innovation "greener & cheaper" products** to the more advanced stage of "greener, better and cheaper" products. This is achieved through the adoption of comprehensive eco design tools (such as the Code for Sustainable Homes and BREEAM) that bring together environmental, economic, and quality parameters as independent variables. The effort to come up with solutions that excel in all three aspects at the same time, is an innovation driver.



*: interpretation & Figures based on the FP7 project MEI (Measuring Eco Innovation)

Any questions?

Thank you

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