



EMA-SEA

Environmental Management Accounting for South-East Asia



Internationale Weiterbildung
und Entwicklung gGmbH

Capacity Building
International, Germany



What is Environmental Management Accounting – EMA?


To make the best decisions and to take the right measures, executives rely on relevant and accurate information. Management accounting is one of the most important tools to identify, measure, accumulate, analyze, interpret and communicate relevant management information.

Environmental issues increasingly influence the economic performance of companies and organizations. Growth in environmental regulations, the demand for information by investors and requirements of business and private customers for environmentally benign products provide several important examples. Managers thus need to incorporate environmental considerations into their regular decision-making activities and processes. The financial impact

of environmentally related decisions is often underestimated or not even considered at all. One main reason for this is the lack of adequate information. Through conventional accounting processes environmental costs are often hidden as part of overhead costs and are not, or are at best only inaccurately, related to products, processes and activities.

Environmental Management Accounting (EMA) addresses these challenges. It provides tools and methods to help managers assess the impact of measures taken to improve both corporate financial and environmental performance. EMA systematically integrates environmental aspects of the corporation into management accounting and decision-making processes.

EMA helps internal management to collect, analyze and communicate environment-related monetary and physical information. In particular, it reveals financial benefits and cost saving potential that can be gained from addressing environmental considerations facing the business.



“Environmental Management Accounting – the management of environmental and economic performance through the development and implementation of appropriate environment-related accounting systems and practices” (International Federation of Accountants IFAC, 1998: Environmental Management in Organizations. The Role of Management Accounting. Study 6. New York).



EMA-SEA
Environmental Management Accounting
South-East Asia

EMA in practice: Hundreds of companies and organizations all over the world use EMA to improve their economic and environmental performance, these are some examples: Andersen Corporation (USA; wood-processing), AT&T (USA, telecommunications), BASF (Germany, chemicals), Canon Inc. (Japan, electronics), Diagro Ltd. (Hungary, agriculture), Dow Chemical (USA, chemicals), Flumroc (SME, Switzerland, manufacturer of insulation systems), Fujitsu (Japan, electronics), Grupo Primex (Mexico, PVC products), ICAFE (Costa Rica, Coffee Millers Association), Industry Association of Brescia (SMEs, Italy), International Refineries (USA; oil and gas), Methodist Ladies College Perth (Australia, school), Murauer Bier (SME, Austria, brewery), Novotex A/S (SME, Denmark, textiles), Novo Nordisk (Denmark, healthcare), Ontario Hydro (USA, energy supply), Otto GmbH&Co. (Germany, mail order business), Royal Dutch/Shell Group (Netherlands/United Kingdom, energy and petrochemicals)



The "EMA-SEA" project

The "EMA-SEA – Environmental Management Accounting for small and medium-sized enterprises in South-East Asia" project addresses the implementation and dissemination of EMA in South-East Asian companies to promote sustainable business. In terms of content, the project focuses on the creation and continuous application of suitable EMA training materials and on the transfer of know-how and skills in the field of EMA through

Project Partners

The EMA-SEA project of InWEnt has two main partner organizations, ASEP and the CSM.

The Asian Society for Environmental Protection (ASEP) is an international non-profit association composed of professionals and institutions committed to the pursuit of sound environmental management and protection towards achieving sustainable development in the Asian Region. Since its inception on 28 September 1984 in Augsburg, Germany, ASEP has fostered strong linkages among environmental experts, members, and institutions by partnering with national, regional and international programs and projects. It also supports initiatives from other organizations as well as companies in pollution prevention and sustainability management programs. To date, ASEP plays a significant role in information exchange and dissemination through its training and education activities addressing various environmental issues, as well as the development and

distribution of action training materials in its various programs.

The Centre for Sustainability Management (CSM) is a research competence centre for environmental and sustainability management at the University of Lueneburg, Germany. Prof. Dr. Stefan Schaltegger is the director of the CSM and a full Professor. The international team of 14 research assistants (in total 22 employees) is working on interdisciplinary and transdisciplinary projects. A main part of the CSM research and training activities deals with corporate environmental accounting and environmental information management. The book Schaltegger, S. & Burritt, R. "Contemporary Environmental Accounting: Issues, Concepts and Practice", Greenleaf Publ., is the leading comprehensive state-of-

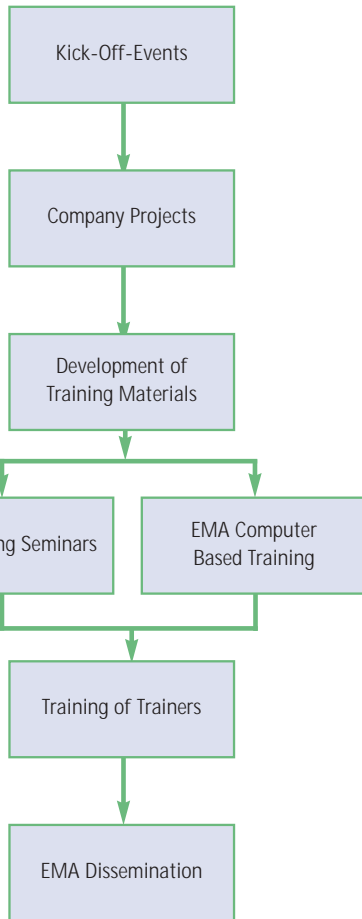
EMA training sessions and company projects. To support this, the training of people who can multiply the learning process (called 'multipliers') and the implementation and application of easy-to-handle EMA methods in different enterprises will be carried out. The project runs from November 2003 to October 2007. Its target area is the ASEAN region, particularly Indonesia, the Philippines, Thailand and Vietnam.

the-art textbook on environmental accounting and has been translated into Japanese and Chinese.

Further local partners, like the Indonesian Society of Environmental Professionals (ISEP), the Vietnam Cleaner Production Centre (VCPC), Philippine Pollution Prevention Round Table (P3R) and the Thailand Environment Institute (TEI), support the EMA-SEA project. Strategic partners are the United Nations – Division for Sustainable Development (UNSD), Environmental Management Accounting Network (EMAN) as well as international EMA experts, local consulting and association partners, and academics.



Project activities



	2004	2005	2006	2007
Kick-Off-Events	█			
Company Projects		█		
EMA Training Seminars			█	
Computer Based Training			█	
Training of Trainers (TOT)			█	
EMA Dissemination			█	

Kick-Off-Events – The goal of the 12 information workshops is to present the EMA-SEA project and to provide information for the participants about EMA, its benefits and methods. The participants are managers from SMEs as well as representatives from consulting companies, industry institutions, public authorities and universities.

Company Projects – This part of the project aims at the development of 16 case studies covering various EMA methods and further development and adaptation of EMA methods in co-operation with selected SMEs.

Training Materials – EMA training materials which are based on case studies and focus on the needs of South-East Asian companies will be generated. The creation and continuous application of suitable training materials support EMA Training Seminars and Computer Based Training (CBT).

EMA Training Seminars and Computer Based Training (CBT) –

Representatives from SMEs, consulting companies, industry institutions, ministries and universities are trained through EMA Training Seminars based on the proven Project Casework action training approach (PCW) and through the CBT platform.

Training of Trainers (TOT) Seminars – The two-week Training of Trainers (TOT) Seminars are also PCW Training Workshops on EMA. They are conducted by EMA trainers of CSM and associated international EMA experts who are actively supported by ASEP's resource persons. The participants of this professional education program are selected participants of the EMA Training Workshops and of the Computer Based Training. The goal of the TOT Seminars is to train environmental professionals from different institutions in various countries who are able to make appropriate decisions on environmental issues taking account of specific local conditions, constraints, and resources.

EMA Dissemination – The participants of TOT Seminars act as multipliers for EMA in South-East Asia. They will train and advise business people in using EMA for improving their environmental and financial performance. The multipliers transfer relevant EMA knowledge and skills to interested companies through on-site training sessions. They also offer further EMA Training Seminars for wider dissemination of EMA in the Asian business communities. In the beginning of this process EMA trainers and resource persons of ASEP and CSM will coach the local trainers to ensure a high quality of further trainings and successful EMA implementation.



How can my company/organization profit from EMA?

Your company or organization can profit from EMA in many different ways. By identifying and reducing environmental costs, EMA can help to increase your profit margins and your market share. At the same time it helps you to optimize your organization's environmental performance and improves decision-making and stakeholder relations.

EMA saves your money!

The impact of environmental issues on production costs is often underestimated. They are like an iceberg. Only small parts of the costs are visible while the main parts remain undiscovered (see figure). EMA helps to identify and analyze these hidden costs. For example, minimizing the amount of waste not only reduces incineration and waste disposal costs but also total purchasing costs of materials (as fewer materials are needed if there is less waste), operating costs (fewer materials need to be processed), labor and administration costs of handling materials and waste, etc.

EMA supports your decision-making!

Profitable decisions are based on access to adequate information. EMA provides decision-makers with crucial information about costs induced by environmental issues. EMA discloses specific product and process costs which are usually hidden as part of general overhead cost items.

EMA improves your economic and environmental performance!

There are hundreds of possibilities for improving your organization's corporate environmental performance, such as investments in cleaner technology, waste minimization campaigns, introduction of air pollution control systems, process-integrated recycling and so forth. But which measures are profitable? By identifying the measures that increase shareholder value and the profitability of your business and lower the environmental harm of processes and products, EMA

creates real win-win situations. Your organization will perform better both, in environmental and financial terms.

EMA satisfies your stakeholders!

Establishing EMA in your organization demonstrates that you simultaneously care about your corporate environmental and financial performance. In doing so you convince investors, private and business customers, neighbors and local and national authorities that your company is managed well, complies with

regulations and enhances shareholder value. Thus you create opportunities to receive profitable orders, minimize the risk of legal disputes and improve general relationships with your stakeholders.

EMA is suitable for your company!

EMA provides a complete range of tools and methods that help your company to save money and improve its decision-making. There are both, easy-to-handle tools for small and medium-sized companies and sophisticated tools for large organizations. EMA supports one off decisions, e.g. a new investment, as well as ongoing managerial functions such as cost accounting. It is applicable to all kinds of industry and business sectors.



Contact Institutions and Persons

InWEnt – Internationale Weiterbildung und Entwicklung gemeinnützige GmbH

Further Information: www.environmental-accounting.org

Dr. Guenter Tharun

Senior Project Manager,
Section 4.05
InWEnt Capacity Building
International, Germany
Weyerstrasse 79-83
D-50676 Koeln, Germany

Fon +49-221-2098-106

Fax +49-221-2098-480

E-mail guenter.tharun@inwent.org

Mrs. Karena Kimmel

Project Manager,
Section 4.05
InWEnt Capacity Building
International, Germany
Weyerstrasse 79-83
D-50676 Koeln, Germany

Fon +49-221-2098-401

Fax +49-221-2098-480

E-mail karena.kimmel@inwent.org

Mr. Raymond Leung

President of the Asian Society for
Environmental Protection (ASEP)
c/o Asian Institute of Technology
(AIT)

P.O. Box 4, Klong Luang
Pathumthani 12120, Thailand

Fon +66-2-524-5245

Fax +66-2-524-5236

E-mail asep@aic.ac.th

Ms. Tatchanok Siriwipanan

Administration Manager
Asian Society for Environmental
Protection (ASEP)
c/o Asian Institute of Technology
(AIT)

P.O. Box 4, Klong Luang
Pathumthani 12120, Thailand

Fon +66-2-524-6658

Fax +66-2-524-5236

E-mail asep@aic.ac.th

Prof. Dr. Stefan Schaltegger

Director of the Centre for Sus-
tainability Management (CSM)
University of Lueneburg

Dr. Roger Burritt

Reader and International Support
School of Business and
Information Management
The Australian National
University

Mr. Christian Herzig /

Mr. Tobias Viere

EMA Researchers and Trainers
University of Lueneburg
Centre for Sustainability
Management (CSM)

D-21332 Lueneburg, Germany

Fon +49-4131-78-2210/-2524

Fax +49-4131-78-2186

E-mail ema-sea@uni-lueneburg.de

New organization established through merger of Carl Duisberg Gesellschaft and German Foundation for International Development

InWEnt – Internationale Weiterbildung und Entwicklung gemeinnützige GmbH (Capacity Building International, Germany) is an organization for international human resources development, advanced training and dialogue. Established in the year 2002 through a merger of Carl Duisberg Gesellschaft e.V. and the German Foundation for International Development, it can draw on decades of experience that both organizations have gained in the field of international cooperation. Its international training and dialogue programs are directed at experts, managers and decision-makers from business and industry, politics, public administration and civil society from all over the world.

With its training, exchange and dialogue programs for around 35,000 people every year coming from developing countries, from Germany and other industrialized countries as well as from Eastern Europe InWEnt is the major joint initiative for worldwide training and cooperation of the Federal Government, the federal states and the private sector. At its head offices in Bonn and Cologne and its more than 30 offices throughout Germany and abroad InWEnt has about 900 employees on its payroll and administers a budget of roughly 130 million euros. The Federal Government is its main partner and the Federal Ministry for Economic Cooperation and Development the main commissioning body.



Internationale Weiterbildung
und Entwicklung gGmbH

Capacity Building
International, Germany