

The world's oldest and largest business association for environmental management celebrates its 20th anniversary

A short history

The seeds of environmental management were planted by Dr Georg Winter at a medium-sized manufacturer of diamond tools, Ernst Winter & Sohn, in Hamburg, Germany. After he and his brother Ernst Michael took over management of the, at that time, family-owned business in 1968, Dr Winter decided to take a pro-active role in environmental protection. He explained his motivation for the then revolutionary idea that companies should take concrete steps to reduce their impacts on the environment with the statement: "Every year environmental damage causes tremendous financial losses in Europe and causes destruction of natural resources which cannot be expressed in money. Industry faces the challenge to restore the environment with 'environmental management' which benefits both the environment and the enterprise."

From the 1970s onwards, the company began implementing a series of measures to improve its environmental performance by reducing its use of raw materials, water and energy and production of waste. Over the next few years these measures were systematized and expanded to every aspect of the company, ultimately becoming the world's first integrated system of environmental management, the so-called Winter Model.

The success of the Winter-Model led to the founding of an association of like-minded businesses in 1984, the German Environmental Management Association (BAUM). Dr Maximilian Gege was appointed Executive Director elected to the Board of Directors. He has led the organisation since.

By 1990 BAUM membership had grown to 255 companies. It has gained recognition from national and international institutions. The International Chamber of Commerce (ICC) praised BAUM as "the most effective method for disseminating and implementing environmentally sustainable production worldwide", and called for "the establishment of national business organizations for environmental management according to the BAUM model". In 1991 BAUM was elected to the prestigious Global 500 Roll of Honour of the United Nations Environment Programme (UNEP) "in recognition of outstanding practical achievements in the protection and improvement of the environment".

In 2005 Dr Gege was elected to Chairman of the Board, a position he fills in addition to his duties as Chief Executive Officer. Today, BAUM is Europe's largest environmental initiative with more than 500 member companies from all sectors and of all sizes. Dr Angela Merkel, Chancellor of the Federal Republic of Germany, praised the role BAUM has played, "With its different activities and

projects, BAUM contributes to a great extent to the strengthening of the idea of sustainability in the business community. I warmly thank all members for their exemplary and altruistic commitment."

BAUM's initial success led to the founding of sister organisations in Austria (1989), South Africa (1990), Switzerland (1989), Sweden (1990) and the United Kingdom (1990). And their success led to the establishment of the International Network for Environmental Management (INEM) in 1991 to co-ordinate the exchange of experience and know-how among them.

INEM goals and achievements

INEM's goals are to promote and disseminate environmental management through the establishment of national business associations world-wide, and to facilitate international cooperation among the member associations. INEM carries out projects, conferences, workshops and train-the-trainer seminars, develops and disseminates tools and know-how to help companies reduce their environmental impacts and improve their profitability (e.g. *Blueprint for Green Management, Eco-mapping, EMAS Tool Kit for SMEs, The INEM Sustainability Reporting Guide*). A comprehensive website makes much of INEM's knowledge and experience available to the world business community.

One of INEM's first major undertakings was the organisation of the International Industry Conference for Sustainable Development (IICSD) as part of the Global Forum of the United Nations Conference on Environment and Development - the so-called Earth Summit - in Rio de Janeiro in 1992. The goal of the conference was to give concrete examples of best practice in environmental protection arising from the world's business community and to encourage business and industry to take the necessary steps towards a sustainable economy.

The second IICSD (Tokyo, 1993), by means of the *Tokyo Appeal*, challenged all industries world-wide to draw up and publish *Industrial Agendas 21* with quantified environmental objectives. The third IICSD (Victoria Falls, 1994) concentrated on the sustainable development of African countries. The fourth and fifth IICSDs, (Lübeck, Germany, 1995 and Gdansk, Poland, 1997) focused on environmental management in the Baltic Sea region. The sixth IICSD brought environmental management to the Middle East (Shefayim, Israel, 1999). The seventh IICSD spotlighted the United Nations Global Compact and highlighted business opportunities in international development policy (Berlin, Germany, 2001).

INEM not only promotes environmental management, it also develops and disseminates tools to help businesses implement it. INEM has contributed to the development and promotion of the ISO14000 series international environmental management standards since 1991. INEM and its

member associations have also developed a wide range of tools that help particularly small and medium-sized enterprises (SMEs) to implement environmental management systems that meet the requirements of both the ISO 14000 series and the European Unions's Eco-management and Audit Scheme (EMAS).

INEM played a key role in assisting business and industry in Central & Eastern Europe adopt environmental management in their day-to-day operations with a series of international conferences and campaigns aimed to raise awareness of the business community and local authorities, provide direct assistance to industries, especially SMEs, and to strengthen capacities of multipliers. In the 10 years between 1995 and 2005, INEM carried out more than 40 projects with its partners in Central & Eastern Europe. More than 1,500 companies participated in workshops and received direct hands-on training. What's more, the campaigns established new national business associations for environmental management in Estonia, Latvia, Lithuania and Poland, and strengthened existing ones in the Czech Republic and Hungary.

INEM also works on the policy-making level with international organisations such as the Organisation for Economic Co-operation and Development (OECD), European Bank for Reconstruction and Development (EBRD), United Nations bodies, the World Bank and the European Commission. INEM is accredited to the United Nations Commission on Sustainable Development (CSD) and the United Nations Framework Convention on Climate Change (FCCC) and holds consultative status with the United Nations Industrial Development Organisation (UNIDO) and the Baltic Marine Environmental Protection Commission (HELCOM). INEM is a Liaison A member of the ISO Technical Committee on Environmental Management (ISO/TC 207).

Another goal of INEM is to transfer environmental management know-how and techniques to the administration of cities and towns. Several INEM associations explicitly emphasise close cooperation with local authorities. INEM's French member Orée was founded as a collaboration between the business community and local government. One of its major successes was the development of its PALME eco-label for industrial estates. The German Environmental Management Association (BAUM) developed and helped implement environmental management concepts for the administration of towns and cities in the German states of Bavaria and Mecklenburg-Vorpommern. INEM's Estonian affiliate EMI-ECO runs a Local Government Programme, whose objective is to support sustainable development and capacity-building of public administrations by training and consulting elected officials. INEM's Japanese affiliate, Japan Eco-Life Center (JELC), worked with and advised local authorities on environmental issues.

In 1992 BAUM founded a separate organisation, BAUM Kommunal, specifically to help

municipalities apply environmental management principles and techniques to their operations. In the framework of the Environment Initiative Bavaria programme, BAUM Kommunal advised four Bavarian communities, Bad Brückenau, Kirchdorf im Wald, Leutershausen and Oberammergau, over several years and developed the *Environmental Quick Check for Municipalities*. In 1996 BAUM Kommunal published a two-volume guidebook for the Bavarian Ministry for Development and Environmental Questions (BSLU) that provides an overview of, and concrete recommendations and tools for planning and implementing environmental measures. It also contains more than 600 positive examples of initiatives municipalities have undertaken. Ludwig Karg, the then Executive Director of BAUM Kommunal and current INEM Chairman, notes that "The most simple environmental measures applied in public buildings have reduced water consumption by 44% and energy consumption by 25%."

The work of INEM has been recognized by numerous organisations. In 1995 Dr Winter was awarded the German Environment Prize for developing the world's first environmental management system and for founding both BAUM and INEM to disseminate it to the world business community. The Club of Budapest International honoured INEM and Dr Winter with its Change the World - Best Practice Award in 2001.

During the past 20 years, a total of 73 organizations in 47 countries have been affiliated to INEM. In the mid 1990s INEM had about 35 member organisations in 30 countries. Today, due to fluctuation inherent in all membership organisations, INEM has 22 members and affiliates in 16 countries in Asia, Europe and South America. Organising committees have recently been established in Mexico and Chile.

Looking to the future

On the occasion of its 20th anniversary, INEM Vice-Chairman Laszlo Vagdalt and Dr Andrés Torma, Assistant of the Board, announced the start of a major two-year campaign to mitigate climate change in the Baltic Sea region of the Russian Federation. "Unfortunately," he notes, "climate change is very abstract for the general public and business community, and most are not aware of how it directly and indirectly affects their lives. Nor do they realise that combating climate change is within their control." Mr Vagdalt contends that one of the best ways to mitigate the problem is to engage environmental non-governmental organisations (NGOs), local and regional authorities (LRAs) and the business community in energy efficiency programmes. The campaign begins in 2012 and ends in 2014.

INEM Chairman Mr Karg and Mr Vagdalt also announced a restructuring and new orientation for

the organisation. INEM will focus on what he terms "deep CSR". That means INEM should develop concepts and tools for sustainable management systems (SMS) rather than environmental management systems (EMS). INEM's current goals include

- ⤴ expansion of membership, including new associations in Mexico (Centro Latinoamericano de Gestion Ambiental Asociacion Civil - CAMBIO) and Chile (Red Alumni de Economia Sostenible - RADE)
 - ⤴ establishing a new competence management based working model for INEM
 - ⤴ closer cooperation with the European Commission
 - ⤴ developing new competences for future challenges, e.g.: ethical business, CSR
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