

# Green business:o a new growth engine for the planet

#### Chair:

#### Aron Cramer,

President & CEO, Business for Social Responsibility

#### Panelists:

#### Charlie Brown,

President & CEO, Office Depot International

#### Mohamed El-Ashry,

Chairman, REN21 and former Chairman & CEO, Global Environment Facility

#### Josef Meilinger,

President & CEO, Siemens Korea

#### Rolf Stangl,

Chief Executive Officer, SIG Combibloc

#### Jochen Zeitz,

Chairman & CEO, Puma AG

#### **Key points**

Businesses and stakeholders must work together to drive forward the green agenda. Companies need to engage with consumers to ensure their green objectives are clearly defined. Recycling and supply chain management, along with the sourcing of renewable energy, are all crucial elements in creating a new growth model that reduces impacts on the planet.

## Aron Cramer, CEO, Business for Social Responsibility

He discussed the notion of businesses working together with stakeholders to explore a shift towards a low-carbon economy, as well as driving the changes towards green business and economic realities.

#### Jochen Zeitz, CEO, Puma AG

He emphasized the role of the consumer in choosing sustainable products, and noted that companies have a responsibility to educate the consumer by translating their green messages into understandable terms.





### Rolf Stangl, CEO, SIG Combibloc

He described how its carton-based beverage packaging is made from certified wood and reduces climate impacts by avoiding refrigeration.

## Charlie Brown, President, Office Depot International

He described how recycling and supply chain management makes production and distribution sustainable.

#### Joseph Meilinger, CEO, Siemens Korea

He advocated new solutions for climate change through research and development, such as Siemens turbines for solar thermal plants, new pollution control machines, and improved efficiency of conventional machines.

#### Mohammed El-Ashry, Chairperson, Renewable Energy Network 21

He described how renewable energy has grown faster than other energy sources, and noted that world energy demand in 2050 will double, particularly in developing countries.



#### Discussion

Zeitz said that innovation requires the courage to surrender certainty, and that companies should use the goal of sustainability to drive innovation. Brown stressed that innovative ideas do not need to be large scale or high tech but there does need to greater transparency so that customers can differentiate between those organizations that have sustainability at the core of their business from those that pay lip-service. El-Ashry said that more money needs to be spent on research into the development of affordable, clean energy. Both Zeitz and Stangl agreed that companies, NGOs and governments should work together to come up with international environmental standards.

## Breakthrough consumer change: In search of the green tipping point

#### Chair:

**Randall Krantz,** Associate Director, Head of Sustainability Initiative, World Economic Forum

#### Chris Deri,

EVP and Global Leader, Corporate Social Responsibility & Sustainability, Edelman

#### Stefan Henningsson,

Director, Climate Change, WWF Sweden

#### Greg Koch,

Managing Director, Global Water Stewardship, The Coca-Cola Company

#### Sung-Woo Seok,

Korea Environmental Industry





#### **Key points**

Consumers make a series of choices about whether products are "green" or not, choices that brands can influence. At the same time though, companies need to engage with sustainability by reacting to changing customer values, which increasingly rate the environment and social issues as important. Governments can play a role, too, whether through centralized control or a more Western, decentralized approach, by creating the structures and regulatory regimes that encourage innovation and technological advances; these advances — the downloading of media from the internet rather than buying CDs or books, for example — can have a significant impact on climate change.

#### Chris Deri, Senior Vice President, Edelman

He said that there is no such thing as a "green consumer" but that customers instead make choices based on a variety of values, which brands can influence.

#### Greg Koch, Director, Coca-Cola

He described how companies such as his could engage with sustainability issues by responding to changing consumer values.

## Sung-woo Seok, Korea Environment Industry Institute

He said that Asian governments tended to establish regulations in order to generate green markets, while in Europe market transformations are more decentralized. He highlighted the role of government procurement in this process.

### Stefan Henningsson, WWF Sweden

He listed the different components of carbon footprints — mainly transport, housing and manufactured products. He noted that there has been a shift from products to less carbonintensive services, such as obtaining media from the internet instead buying books and CDs.

#### Discussion

The panelists touched on the different rates of change of technology, business and education, and the role of brands in influencing consumer choice.



### The impact of climate change on food sustainability

#### Chair:

#### Tony Simons,

Deputy Director-General, World Agroforestry
Centre

#### Robert Berendes,

Global Head of Business Development, Syngenta

#### Cynthia Jones,

Head of Private Partnerships for Asia, World Food Programme

#### Louis Perroy,

Principal Consultant, EcoSecurities







#### **Key points**

Climate change is a global issue and therefore all stakeholders within society—business, the environment, the agricultural sector and people — must work together to reduce its impacts, and ensure that the most vulnerable are protected. Governments must set the frameworks to help them do this. Agriculture could and should play a vital role, not only by feeding people — more than a billion individuals worldwide are malnourished — but also by generating carbon credits.

#### Tony Simons, Deputy Director General, World Agroforestry Centre

He underscored the connections between business, the environment, agriculture and people. He emphasizeKd the need to assist the most vulnerable individuals in society.

#### Robert Berendes, Head of Business Development, Syngenta International

He highlighted the need for political will and a global approach to dealing with climate change and food security. He said agricultural technology is mature but partnerships could improve its application on the ground.

## Cynthia Jones, Head of Private Partnerships for Asia, The World Food Programme

She said that more than a billion individuals worldwide are malnourished, and stressed the need for concerted action to tackle the problem.

## Louis Perroy, Principal Consultant, Ecosecurities

He suggested that carbon projects can contribute to climate change adaptation, and that forestry, agriculture and energy are three of the primary mechanisms for generating carbon credits.

#### Discussion

The discussion focused on agricultural mitigation, the extent to which concerns are based on the production or distribution of food and the impact of free trade on food security. Simons summarized the session by stressing that mitigation and adaptation efforts need to be linked, alliances should be supported, and trade and environmental conventions should be harmonized.

### Sustainable tourism: Partnerships driving change

#### Chair:

#### Kwabena Akyeampong,

Deputy Minister of Tourism, Republic of Ghana

#### Willy Boulter,

Vice President, IATA Asia Pacific

#### Sung-Woock Cho,

Vice President, Green Tourism, Korea Tourism Organization

#### Arab Hoballah,

Chief, Sustainable Consumption & Production, UNEP DTIE

#### Eric Lee,

Vice President Communications, Asia Pacific, Intercontinental Hotels Group





#### **Key points**

Governments need to support sustainable tourism and make tourists aware of the impacts they are having when they visit. It pays, too, for various sectors within tourism to become more efficient — energy represents the second-largest cost of a hotel's operations. Meanwhile, the airline industry is trying to halve its emissions by 2050 from 2005 levels by, among other things, improving fuel efficiency. Both Korea and Ghana detailed what measures they were undertaking to make their tourism more sustainable.

## Kwabena Akyeampong, Ministry of Tourism, Ghana

He called for long-term solutions to scale up existing visitors' experiences, highlighting ecotourism initiatives and green building in Ghana.

#### Willy Boulter, Regional Vice President, International Air Transport Association

He noted that the goals of the airline industry were to improve fuel efficiency and halve the industry's carbon emissions by 2050 compared to 2005 levels. He highlighted a strategy that relies on technology, improved operations and improved structures within a sustainable economic framework.

# Cho Sung-woock, Executive Vice President, Korea Tourism Organization

He detailed Korean efforts to reduce printed materials, improve biodiversity and inform tourists of their carbon footprint.

#### Arab Hoballah, Chief of the SCP Branch, UNEP Division of Technology Industry and Economics (DTIE)

He said that governments have to provide incentives and regulations to make sustainable tourism solutions work. He highlighted UNEP's Taskforce on Sustainable Tourism, which will present its Global Partnership Initiative to the UN Commission on Sustainable Development.

## Eric Lee, Vice President, Intercontinental Hotels Group

He noted that the travel industry represents 9% of global GDP and that energy represents the second-largest cost of a hotel's operations.

#### Discussion

The panelists stressed the important role of governments in promoting sustainable tourism, highlighted water use as a major tourism issue, and presented initiatives to help inform tourists of their ecological impact.



# Climate positive solutions to deliver transformative change

#### Chair:

#### Georg Kell,

Executive Director, UN Global Compact

#### Bradley Gambill,

Executive Vice President & Chief Strategy Officer, LG Electronics

#### Yuri Itoh,

Manager, Environmental Strategy Office, Hitachi

#### Sundeep Khisty,

Green Practice General Lead, EDS/HP Asia Pacific







#### **Key points**

The changing demand from clients and consumers for new types for products has created an important opportunity to improve energy efficiency. The IT sector could have a huge impact in this area designing "intelligent" systems to monitor and reduce energy use, as well as providing the foundation for a future emissions pricing scheme. No single company could supply the necessary innovation, though; this must come from cross-industry competition.

## Georg Kell, Executive Director, UN Global Compact

He asked the panelists to suggest which technologies and market opportunities provide the greatest potential for transformative change. All panelists cited changing client and consumer expectations as creating new opportunities for increasing energy efficiency. They also stated that gains in energy efficiency would come from advances in both manufacturing and product use.

## Sundeep Khisty, Green Practice Leader, EDS/HP Asia Pacific

He said that the electronics industry's greatest contribution to reducing emissions will come from the design of intelligent systems to monitor and reduce energy use, while providing the basis for a future emissions pricing scheme.

# Bradley Gambill, Executive Vice President and Chief Strategy Officer, LG Electronics

He described the potential for "smart" electronics to reduce consumer energy use and the ability of modular designs to increase products' lifetimes.

## Yuri Itoh, Manager for Environmental Strategy, Hitachi

He explained that no single company could supply the necessary innovation, which must come from cross-industry competition.

#### Discussion

The panelists agreed that bottom-up innovation must replace the traditional model of technology transfer, explaining that technologies designed for developed countries overlook the unique challenges and opportunities of emerging markets.

# Sustainable procurement and expanding the green supply chain

#### Chair:

#### Jonathan Wright,

Partner, Global Supply Chain Practices, Accenture

#### Thomas Linton,

Executive Vice President & Chief Procurement Officer, LG Electronics

#### Aron Cramer,

President & CEO, Business for Social Responsibility

#### Gary Veale,

Global Lead, Sustainable Supply Chain, KPMG

#### Terry Yosie,

President & CEO, World Environment Center



## Aron Cramer, President and CEO, Business for Social Responsibility

He said that technology enables consumer choice and behaviour, and that companies cannot reduce emissions without engaging consumers in how they use products.

#### Gary Veale, Associate Director, KPMG

He said that consumers face a challenge trying to work out what is a "green" product and what isn't because there are so many quality assurance labels in existence. He pointed out that 80% of the environmental impact of a product is locked in at the design phase.

# Terry Yosie, President and CEO, World Environment Center

He noted that senior executives could integrate sustainability into the "corporate DNA" by framing it as a business objective.





#### Discussion

The discourse moved on to the use of information technology for reporting and compliance. Veale noted that many companies have limited resources for environmental reporting. He described the need to ensure that reporting on legislative requirements feeds into a wider sustainability framework. Cramer called for greater interoperability of technology, while Linton said the concept of creating a product's "genome" would likely become an integral part of a system to track products' components to their source. The panellists then considered how multi-national clients could partner with suppliers to achieve positive change. Cramer said that big brands could help through financial assistance, while Linton called for sharing basic information among firms.

### **Key points**

Companies can have a huge influence on carbon emissions through their procurement policies. This involves setting up robust auditing structures, common standards and manufacturing processes among companies. Consumers must be engaged, too — there's no point designing efficient products, which are then used inefficiently. It would also be helpful if companies set sustainability as a regular business objective, not just as an add-on, and if the green labelling system was simplified and made more understandable for consumers.

## Jonathan Wright, Partner at Accenture

He noted the need to empower consumers to make informed choices.

# Thomas Linton, Executive Vice President and Chief Procurement Officer, LG Electronics

He highlighted his company's \$40 billion annual spend on procurement and stressed the need to establish guidance from the top of the organization. He mentioned the importance of auditing across an extended supply chain, and using common standards and manufacturing processes among companies.



### Building the next-generation smart grid

#### Chair:

#### John McCall MacBain,

Chairman, European Climate Foundation

#### Ryan Hledik,

Senior Associate, The Brattle Group

#### Brad Gammons,

Vice President, Global Energy & Utilities Industry, IBM

#### Yong Pil Lee,

Director for Smart Grid Team, Ministry of Knowledge Economy, Korea

#### Chris King,

Chief Regulatory Officer, eMeter



#### **Key points**

Moves are already under way to transform electricity grids into smarter, more efficient, more responsive networks but their roll-out could be helped by clearer regulation and policy signals from governments. Consumers need to be made clear of the pricing implications of smart grids, too. Pilot projects should be set up to demonstrate how the technology would work in practice.

#### John McCall MacBain, Chairman, European Climate Foundation

He requested that the panelists address a number of issues, including the arguments for smart versus super grids, and the limitations involved in developing each.

#### Brad Gammons, Vice President, IBM

He noted that grids are already becoming smarter, such that electric transmissions systems are more automated, efficient, and responsive to demand.

#### Ryan Hledik, Associate, The Brattle Group

He identified price signal communication to customers as key to the development of smart grids.

#### Chris King, Chief Regulatory Officer, eMeter

He differentiated between the various perspectives of smart grids of consumers, policymakers and utility suppliers. He identified the need for a taskforce to clearly define what constitutes a smart grid for regulatory purposes.

#### Yong-Pil Lee, Director, Korean Ministry of Knowledge Economy

He noted that smart grids differ from traditional power networks in terms of energy centralization and consumer participation.

#### Discussion

Participants debated a number of issues including the savings potential of managing energy demands through smart grids; the global bottleneck in leadership on smart grid regulation and policy; and the value of pilot projects in demonstrating technologies and building political consensus.

### Leading the world towards a low carbon future

This discussion was hosted by CNN's Anna Coren for a televised edition of B4E-CNN Earth's Frontiers Debate

#### Chair:

#### Anna Coren,

Anchor, CNN International

#### James Cameron,

Academy Award-winning Film Director

#### Mohamed Nasheed,

President, Republic of Maldives

#### Changhua Wu,

Director, Greater China, The Climate Group

#### Jochen Zeitz,

Chairman & CEO, Puma AG









#### **Key points**

Urgent action must be taken now to cut global emissions with business playing a crucial role in the process. Renewable energy is one of the key areas of focus but there are still many challenges to overcome before it can start to play a significant role: carbon taxes and offset costs will have to be passed on to consumers; there are difficulties assimilating renewable energy technologies into existing electricity grids; and governments need to show greater leadership by setting policy, regulatory and tax regimes that encourage the adoption of "green" energy.

#### Changhua Wu, Director for Greater China, The Climate Group

He said it is possible for China to reduce its reliance on fossil fuels, highlighting China's efficiency and renewable efforts.

## Mohamed Nasheed, President of the Maldives

He called for the world to find solutions to cutting emissions immediately and underscored the need for a binding agreement on climate change to move forward. He noted that air is not a free commodity and that development does not need to be linked to carbon emissions.

#### Jochen Zeitz, CEO, Puma AG

He stressed that business would be part of the solution to climate change and reviewed Puma's efforts to offset its carbon footprint.

#### James Cameron, Filmmaker

He argued that we are at a milestone in Earth's history and that energy is at the crux of the decisions that need to be made — clean coal is, at present, an oxymoron. He suggested that wealth should be defined as a world with a vigorous natural environment where lifestyle choices do not impinge on others.

#### Discussion

Panel members discussed the pros and cons of renewable energies and the problems associated with incorporating the start-up costs of renewables into energy prices. They analyzed the possibility of incorporating negative externalities into balance sheets through mechanisms such as carbon taxes and offsets, but noted that these costs would be passed on to consumers. They discussed various technologies for alternative energies and problems of their adoption in existing energy systems. Panel members debated whether governments, the business community or consumers were responsible for the transition to a green economy. Most panelists argued in favor of government accountability, noting that without directives, leadership from government and clear economic advantages, businesses lack the incentive to take the initiative. Panelists also discussed climate skeptics, the roles and responsibilities of developed versus developing nations, and the power of individuals to make a difference.



### Hyung-kook Kim,

Chairman, Presidential Committee on Green Growth

Excellencies,
Distinguished Guests,
Green Entrepreneurs and Business Leaders of
the World.

I would like to congratulate the 4th Business for the Environment Global Summit, and extend my warmest welcome to all of you. In addition, my sincere congratulations and respect go to the Laureates of the Champions of the Earth

Despite the contentious result of Copenhagen climate summit, middle power countries as well as advanced industrial countries have declared their own mitigation targets and already acted on implementing measures to realize the goals. Now actions have started, the focus is on businesses. What would be the roles expected from businesses when the world is getting into stride for green growth? I would like to share 3 perspectives with you.

First is the generation of 'Green Money'. Policies to expand the use of renewable energy sources are driving a rapid growth of global green market despite the recent global economic downturn. "Clean Energy Trends", which was published in 2008, projected that the volume of renewable energy market would grow from 77.4 billion dollars in 2007 to 254.5 billion dollars in 2017.

Green businesses of Korea are advancing into the newly emerging markets such as Central and South America and the Middle East and contribute to the growth of Korean economy with Green Money. Obtaining a contract to build nuclear power plants in the United Arab Emirates by KEPCO is one such example of making Green Money.

Second is the creation of 'Green Jobs'. Korean economy is faced with is 'growth without employment'. As a remedy for this problem, the Korean government is undertaking Green New Deal policy. The 'Revitalization of the Four Major Rivers Project' is a representative project in this regard. Korean government deploys large amount of investment in water management projects to provide works to industries, which results in creating green 'workfare' for mid to low skill workers including construction jobs.



At the same time, the project is a measure for boosting domestic economy and enhancing climate adaptation, which will also serve to prepare for the probable water scarcity in the future.

Third is the social responsibility of businesses. Large enterprises such as LG and Samsung take initiatives in introducing green management for the whole lifecycle of products from production, to distribution to consumption, and to disposal. This trend flows down to small and medium sized enterprises in the supply chains through transferring ideas and technologies of green management.

A recent report by Samsung Economic Research Institute pointed out that there were two types of reaction of countries and businesses to global financial crisis. The report introduced cases where green related investments were put off or called off because they did not create immediate profit. While, it also described businesses that have created new profitable opportunities with green technologies by improving their business structures into more low-carbon and energy-efficient ones; saving costs; and eventually strengthening competitiveness against carbon regulations. Korea's green growth policy aims at widening the window for the latter cases. The enactment of the Framework Act on Low Carbon, Green Growth is in line with this policy direction.

The path toward low carbon green growth is an unprecedented road, which naturally accompanies trials and errors. Korean government would like to learn from the past experience of successful industrial modernization. One of the lessons from the past is state capitalism where government actively engaged businesses in shaping policy directions. This is the way for government and businesses to unite, which is so called State Eco-Capitalism.

I hope that today's discussion sessions will provide for the sharing ideas to inspire green entrepreneurship and encourage innovation, and for deliberating ways for governments to facilitate such inspiration and innovation. I am fully convinced that the insight and wisdom of the world leaders gathered here will serve as a valuable compass for pioneering businesses and countries to continue cruising on the wings of green wind. Thank you.

# James Leape, Director General, WWF International

The clean energy technology industry has grown by some 230% over the past four years. At \$800 billion a year, it is projected to reach \$2 trillion a year by 2020 – making it the third largest economic sector of all.



As we begin discussions over the next two days, which I anticipate to be very rich, let me offer a couple of points to consider. The first is that there are huge opportunities here for countries and companies who are prepared to take the lead in building a green economy.

The clean energy technology industry has grown by some 230% over the past four years. At \$800 billion a year, it now has surpassed the global pharmaceutical industry, and the global defense and aerospace industry, and is projected to reach \$2 trillion a year by 2020 — making it the third largest economic sector of all. This industry has of course been affected by recession as have others, but while the oil and gas industry has shrunk by some 19% in that period, renewable energy contracted by only 6.6%, proving that it is already more resilient.

We see Asia pulling away as the leader in developing the green economy, particularly here in Korea and in China. For example, while over the past year, Europe and the Americas saw a drop in investment in renewable energy, investment increased in Asia by some 37%. China invested twice as much last year, as did the US, building 1 MW of new wind power every hour.

It is clear that the key to building the sector is the creation of a strong domestic market, and we know what that requires: countries need to establish tough standards for the efficiency of its appliances, the efficiency of cars etc, and for driving renewable energy technology into the market place. It requires the establishment of feed-in tariffs and other subsidies that make renewable technology commercially viable in this transition period, and it requires investment in infrastructures such as smart grids — being pioneered here in Korea and in China — that make the renewable energy economy work. This is an area of huge opportunity, and it is also important to note that this is not just about climate change, and for businesses, it is not just about sustainable operations.

Leading companies are already increasingly looking at sustainability across their entire value chains. Let me share some examples. On the supply side and we have seen the Marine Stewardship Council, which certifies sustainably managed fisheries that now make up 10% of the global market and is growing very quickly. We are also seeing many companies looking for sustainable supplies of palm oil, sugar, soy, cotton and other commodities. Companies such as Unilever, Mars, Coca-Cola and IKEA are all driving the efforts to certify sustainable products and sectors and bring these products into their supply chains.

Furthermore, companies are looking at the products that they make and the way they relate to their customers. Point-of-sale and point-of-use are powerful opportunities to raise awareness among consumers and help shape their behaviour, and of course, products that use energy more efficiently. From more efficient chargers for cell phones to detergents that work with cold water, these are opportunities to help consumers reduce their carbon footprint. This is an area of huge potential and opportunity for growth — not just in a company's operations, but also across their entire value chain. I hope that these opportunities are explored over the next two days. Thank you.



### **Gunter Pauli,**

Founder, Zero Emissions Research & Initiatives, Author of The Blue Economy

When I look at innovations given to us by this earth, these innovations sees some very simple principles. Every innovation that we put in the market has to be inspired by how ecosystems work and evolve. Every innovation in nature is always sustainable. We have to be inspired by nature, rethink and think out of the box.



Gunter Pauli, Founder of the Zero Emissions Research Institute, presented a paradigm of business innovation based on principles of a green economy inspired by nature. In his presentation, he shared specific case studies, which are already implemented across the market. He proposed a need for business to relook, reassess and redesign existing business models that would focus on the dual principles of competitiveness and sustainability; where sustainability is the capacity to respond to the needs of all, with what we already have. His case studies presented that such a framework already exists in ecosystems, and that ecosystems work with existing resources, maximizing efficiency, while eliminating waste. Gunter highlighted that innovations in nature always generates multiple benefits, which in business, equates to multiple revenue streams and cash flows.

Case studies in his presentation included the use of vortexes and cavitation for water filtration and purification, without the need of bacteria-cides or reverse osmosis as seen in rivers and mountain streams. Another case study was the production of silk and spider silk primarily out of water and applied pressure to replace existing polymers and metals. In response to the performance of such material, he shared that the geometric structure of both allows it to outperform titanium on a weight-performance basis. In addition, apart from the

silk produced, economically viable by-products include fertilizer from the waste, regeneration of topsoil and lands through mulberry tree planting to feed silkworms, as well as carbon credits and job creation.

He also presented the case of combining CO2 with what is currently classified by the industry as "unrecyclable" molten glass to produce a building material that can compete with steel, concrete and cement in terms of performance. In doing so, it creates a structural material that cannot be damaged by pests such as rats and termites, taps on its nature as an insulator, is non-porous, and hence cannot be damaged by water and at the same time, able to generate carbon credits.

Throughout his presentation, he asserted that natural processes are often more efficient than artificial ones, and innovation in business can emulate these processes through careful research. He noted that industries always look towards predictability and core competencies in business planning, and hence, often miss out on peripheral opportunities. In nature and biology, much is exceptional and yet, the concept of sustainability is embedded. He challenged the business leaders present to think beyond core competencies and to look at nature as inspiration. By rethinking the principles of innovation, business can develop innovations that are sustainable and economically competitive.

# Green entrepreneurship and innovation in emerging countries

#### Chair:

#### Gunter Pauli,

Founder, Zero Emissions Research & Initiatives, Author of The Blue Economy

#### Panelists:

#### Edward Ayensu,

Chairman, Council for Scientific and Industrial Research, Ghana

**Chido Govero,** Founder, Orphans Train Orphans, Zimbabwe

**Neil Hawkins,** Senior Vice President, Sustainability & EH&S, The Dow Chemical Company

**Stefan Henningson,** Director, Climate Change, WWF Sweden

#### Eric Léger,

Country President South Korea, Schneider Electric

#### Changhua Wu,

Director, Greater China, The Climate Group







#### **Key points**

Many climate change abatement strategies can be learnt from other countries, which it makes it vital to facilitate and encourage cultural and information exchange — as important in fact as capital investment and joint ventures. Both individual and national experiences can help drive forward the green agenda across the world but this would be helped by common certification standards. Entrepreneurship should be encouraged and Fortune 500 businesses should take a leadership role in promoting change.

# Chido Govero, Founder, Orphans Train Orphans

She recounted her struggle growing up as an orphan in rural Zimbabwe, where she learned self-reliance by cultivating mushrooms using local agricultural waste. She related how these lessons are now being shared with women and children across the world to reduce waste, create jobs, ensure food security and eliminate abuse.

# Edward Ayensu, President, Council for Scientific and Industrial Research, Ghana

He asserted that effective governance and the rule of law in Africa are needed to turn the "sleeping continent" to "gold" by creating the conditions for businesses to operate.

## Stefan Henningsson, Director, Climate Change, WWF-Sweden

He noted the potential for innovations to be shared between countries, citing a recent WWF study that identified 12 existing strategies already in place in some countries that, if scaled up, could reduce global carbon emissions by 600 million tonnes.

#### Neil Hawkins, Chief Sustainability Officer, Dow Chemical

He indicated that learning and cultural exchange are at least as important for generating innovation with local business partners as conventional strategies such as capital investment and joint ventures.

#### Eric Leger, President, Schneider Electric

He emphasized the need to create new entrepreneurs to encourage future growth.

#### Changhua Wu, The Climate Group

She said that solutions needed to become mainstream, and highlighted efforts to scale up innovation at the required pace. She called on Fortune 500 companies to act as leaders and encourage innovation from entrepreneurs.

#### Discussions

Responding to questions on the role of certification, Hawkins differentiated between voluntary and regulated certifications while Leger noted the difficulty of developing consistency across certifications.



### **Business innovation**

Chair: **GBS Bindra,** Global Director of Innovation, Logica

#### **Scott Bolick,** Vice President Sustainability, SAP

#### Robert Hill,

Adjunct Professor in Sustainability, United States Studies Centre, University of Sydney

#### Ram Nidumolu, Founder & CEO, InnovaStrat









#### **Key points**

Historically, recessions are often followed by periods of innovation but to truly embed any changes this time, sustainability needs to be integrated within businesses' core operations. For this to happen, there needs to be more sharing of data, standards and innovation. Business can drive forward this change, lead from the top by visionary CEOs, but governments must set regulatory regimes to provide business with certainty going forward. Consumers must be engaged, too — they will not necessarily pay more for sustainable products.

# **GBS Bindra, Director of Innovation, Logica** He opened discussion by highlighting that recessions are often followed by periods of innovation.

#### Scott Bolick, Vice President, SAP

He noted that risk management, resource productivity, brand values and a shift from product to service provision are key drivers towards sustainable business. He emphasized the challenge of justifying investment in sustainability when competing with other firms over prices and performance. While sustainability is a strategic move, he said, it is frequently not embedded in companies' operations, highlighting the need for collaboration on data exchange, standards and innovation.

#### Trust and University of Sydney, Australia

He stressed that business opportunities are created by public regulations and policy measures. He said government could provide funds to overcome the challenges of working on long-term investment horizons. On the biggest driver to green growth, Hill highlighted the importance of carbon prices.

## Ram Nidumolu, Founder and CEO, InnovaStrat

He described the evolution of sustainable adoption whereby a company moves from compliance with rules to improving efficiency and reduction of cost, towards new business models and platforms. Responding to questions, he said that customers do not necessarily show a willingness to pay a premium for sustainable products. On the role of leaders, he said companies need visionary CEOs.

#### Discussion

Panelists described specific positive examples from Walmart, Nike and Marks & Spencer, the role of government leadership, and consumer engagement and education. They discussed the feasibility of carbon footprint product labeling.

### ICT and the green revolution

#### Chair:

#### Ranjit Barthakur,

Advisor, Tata Consultancy Services

#### Irene Chan,

Head of Energy & Utilities, Business Development APAC, Nokia Siemens Networks

#### Carrie Freeman,

Director, Sustainable Business Innovation, Intel

#### Randy Giles,

Executive Director & President, Bell Labs Seoul

#### Engelina Jaspers,

Vice President, Environmental Sustainability, HP

#### Rohan Richards,

Senior Strategy Consultant, Ericsson

#### **Key points**

ICT has a crucial role to play in climate change mitigation because although it emits 2% of global emissions, it has the capacity to substantially reduce emissions in other sectors — through teleconferencing and energy management, for example. Other applications such as smart grids, the infrastructure underpinning "smart cities" and energy management systems indicate that ICT has the potential to transform the way existing cities operate and is a central component of any future low-carbon economy.

#### Ranjit Barthakur, Advisor, Tata Consultancy Services

He introduced the session by highlighting the importance of ICT in reducing emissions. He said that although ICT emits 2% of total CO2 emissions, the sector could substantially improve the efficiency of other industries — through communications and energy management, for example. He recommended that companies and governments use ICT to achieve a green "revolution" through a regulatory framework for sustainability in water management, air quality and carbon accounting.





#### Engelina Jaspers, Vice President, HP

She described how HP reduces emissions through its operations, supply chain and workforce. She promoted teleconferencing as a means of reducing emissions from travel.

## Irene Chan, Head of Energy and Utilities APAC, Nokia Siemens Networks

She advocated greening ICT by helping customers reduce the mobile phone industry's energy consumption through the design of more efficient products. She mentioned the contribution of ICT to developing and implementing smart grids.

#### Carrie Freeman, Director, Intel

She noted that ICT products have achieved efficiencies many times higher compared to other sectors, such as the automobile industry.

#### Rohan Richards, Senior Strategy Consultant, Ericsson

He discussed the measurement of consumption patterns and the analysis of the carbon intensity of products using ICT. He suggested deploying mobile broadband and applying ICT to "smart cities" to reduce energy use.



## Randy Giles, Executive Director and President, Bell Labs Seoul

He talked about greentouch.org, a consortium created to measure and reduce the ICT sector's carbon footprint.

#### Discussion

Participants focused on the role of the internet in managing environmental problems through the collection and dissemination of data, and energy systems management.



# Sustainable urban development: Low carbon smart cities

#### Chair:

#### Arab Hoballah,

Chief, Sustainable Consumption & Production, UNEP DTIE

#### Jin Woo Chang,

Chief Executive Officer, Hanbul Energy Management

#### Lei Hongpeng,

Low Carbon City Officer, WWF China

#### Willfried Wienholt,

Vice President, Urban Development, Siemens One, Siemens AG

#### Changhua Wu,

Director, Greater China, The Climate Group









#### **Key points**

The world must be ambitious when trying to tackle climate change, and cities are the perfect scale on which to start reducing CO2 emissions. However, many cities' organizational structures are disjointed, while planners rarely consider reducing consumption or sharing information on best practice at the development stage. Building new low-carbon cities requires establishing baselines, targets, and processes for implementation and verification.

## Arab Hoballah, Chief SCP Branch, UNEP DTIE

He argued that cities are on the sort of scale the world should be targeting carbon reductions but expressed concern that many lack effective governance. He said that many development programs do not consider energy consumption, and intergovernmental organizations do not promote information sharing between cities. He suggested various mechanisms that could improve city planning, such as multi-stakeholder management, market instruments, and public-private partnerships.

#### Lei Hongpeng, Low Carbon City Officer, WWF China

He conveyed the importance of taking a strategic approach to building low-carbon cities that establish baselines, scenarios, targets, action plans, and processes for implementation and verification. He explained how strategies

are needed to identify the "infrastructure lifecycle" of cities in order to address the shifting challenges and opportunities that they face over the course of their development.

## Wilfried Wienholt, Head of Urban Development, Siemens

He criticized city planners for not adopting low-carbon programs and technologies before evaluating the overall picture. He argued that public-private partnerships offer a means for city managers and companies to share their expertise, and facilitate cooperation between local authorities so the city can act as a single entity.

## Changhua Wu, Director, Greater China, The Climate Group

She identified the next 10 years as the most critical decade for China's path to a low-carbon future. She emphasized the importance of creating a network of city leaders who are comfortable sharing and learning together, citing one project that draws together 50 Chinase cities and another that shares the experience of eight developed-country cities to China

#### Chang Jin-Woo, CEO, Hanbul Energy Management

He said that energy and waste management was especially important to focus on to improve resource-use efficiency.

### **Finance and investment**

#### Chair:

#### Mohammed El-Ashry,

Chairperson, Renewable Energy Network for the 21st Century (REN21)

#### Richard Manley,

Managing Director, Goldman Sachs, Global Investment Research

#### Seiji Kawazoe,

Associate General Manager, Sumitomo Trust & Banking Co., Ltd.

#### Young Jae Ryu,

CEO, SustInvest Research & Consulting

#### Takejiro Sueyoshi,

Special Advisor, UNEP FI, Former Member, Council on Global Warming, Japan

#### **Key points**

The transition to a low-carbon economy requires huge investment, much of which will come from the private sector. Governments can play a crucial role in stimulating this investment by sending clear policy and fiscal signals. Companies are ready to make the changes needed but though there is some economic advantage to "early adopters", the penalties for not doing so are not yet harsh enough to encourage the "wait-and-sees" to change how they operate.

#### Mohamed El-Ashry, Chairperson, Renewable Energy Network for the 21st Century

He predicted that the bulk of climate investment over the coming decades will come from private investment, but that public finance will be necessary to catalyze this. Most foreign investment, he said, is focused on a select few countries.





#### Richard Manley, Managing Director, Goldman Sachs, Global Investment Research

He highlighted the involvement of more than 700 managers in the Carbon Disclosure Project and 6,000 companies in the UN Global Compact. He said that while there is a business advantage for early movers, the penalty for not participating in the shift to a low-carbon economy is not yet significant.

## Takejiro Sueyoshi, Special Advisor, UNEP Finance Initiative

He stressed that business practice can be influenced by governments changing laws or financial investment incentives.

#### Seiji Kawazoe, Associate General Manager, Sumitomo Trust and Banking Co.

He noted the importance of customer education, and the development of competitive sustainable and responsible investment products.

# Young Jae Ryu, CEO, SustInvest Research and Consulting

He argued that financial institutions do not adequately consider externalities. On the challenges of short-term horizon investments, he suggested pension funds with long-term liabilities could lead the way on investments that consider climate change.



#### Discussion

Subsequent discussions defined the components needed to secure finance and investment as: the reporting of environmental, social and governance performance; the consideration of investment horizons, and the influencing of funding decisions for green growth. Participants considered carbon markets, and how the regulation of corporate social responsibility can be portrayed as an opportunity rather than a burden. They highlighted the importance of communication within companies, throughout supply chains and with clients.



# **Energy: Speeding up the global transition to renewable energy**

#### Chair:

#### Angelina Galiteva,

Chairperson, World Council for Renewable Energy (WCRE)

#### Remi Eriksen.

Chief Operating Officer, DNV Energy

#### Stefan Gsaenger,

Secretary-General, World Wind Energy Association

#### Thomas Jostmann,

Vice President, Environment, Evonik

#### John McCall MacBain,

Chairman, European Climate Foundation







#### **Key points**

There are several drivers for wind energy investment including many countries' desire for secure, independent energy generation. Onshore, wind energy can often be contentious among communities who resent the imposition on cherished landscapes. Getting communities involved, as investors if possible, can help win local support. The intermittent nature of wind energy requires advances in battery technology so power can be stored during windy times and released during calm times, and ideally the creation of a European super-grid that would allow the flow of renewable energy across Europe as and when countries need it. Governments and other agencies must work to make this happen.

# Stefan Gsänger, Secretary-General, World Wind Energy Association

He noted that the key drivers of wind-energy investment are the desire for a secure domestic energy supply, environmental sustainability, and the affordability and low-risk nature of the investment. He highlighted the need to involve local people as investors, and said that local engagement can help to address concerns over turbine placement.

## Thomas Jostman, Vice President, Evonik Industries

He described the importance of energy storage in small cells. He stressed the advantages of lithium-ion batteries.

#### John McCall MacBain, Chairman, European Climate Foundation

He discussed various strategies that could be used to reach an 80% reduction in carbon emissions by 2050, one being a European supergrid that would allow renewable energy to be transported across long distances. He called on governments, businesses and consumers to work in partnership to realize such goals.

#### Discussion

Participants highlighted the importance of securing public trust in technology, the need to share best practices between governments, and the need for NGOs to improve their communication skills.

# Water: Innovation and partnership for sustainable water management

#### Chair:

#### Gavin Power,

Deputy Director, UN Global Compact

#### Jonathan Kaledin,

Director, Blue Water Certification Program, The Nature Conservancy

#### Greg Koch,

Managing Director, Global Water Stewardship, The Coca-Cola Company

#### Michiyo Morisawa,

Director, Carbon Disclosure Project Japan

#### Adam Muellerweiss,

Director of Sustainability and Corporate Water Strategy, Dow Chemical

#### Manian Ramesh,

Chief Technology Officer, Nalco







#### **Key points**

Water management and stewardship is rapidly becoming one of the most critical environmental issues for the world to address, and companies, many of which use water resources in their daily operations, have a crucial role to play. Protecting the watershed, engaging with communities and transparency are just some of the responsibilities businesses have in relation to water usage.

#### Gavin Power, Deputy Director, UN Global Compact

He noted five critical trends and imperatives related to water: new multi-stakeholder partnerships; innovation and technology; emphasis on protecting the watershed; responsible engagement with public policy on water; and transparency and disclosure.

# Jonathan Kaledin, Director, The Nature Conservancy

He stated that the responsible use of water depends on sustainability — incorporating economic, environmental and social equity.

#### Greg Koch, Managing Director, Coca-Cola

He noted that a business is only as sustainable, profitable and viable as the community it serves, meaning community access to clean water is a matter of vested economic, as well as social, interest.

## Morisawa Michiyo, Head for Japan, Carbon Disclosure Project

He noted that water and energy issues are interlinked.

#### Adam Muellerweiss, Director, Dow Chemical

He stressed the importance of collaboration on water stewardship and partnerships between businesses, governments, and local communities.

#### Manian Ramesh, Chief Technology Officer, Nalco

He highlighted the correlation between economic impact and environmental sustainability, stressing the savings potential of efficient water usage.

#### Discussion

Panelists fielded questions about water-services pricing, water versus carbon footprinting, and the opportunity-cost of water services. In discussion groups, participants focused on exploring how partnerships and technology relate to water stewardship.



### Wangari Maathai,

Founder,
Greenbelt Movement and Nobel Peace Prize Winner

We are looking around ourselves and within ourselves to see and identify solutions to ensure that this web of life survives. I certainly hope that as the private sector, you will continue to explore and really appreciate biodiversity and ecosystems.



Distinguished delegates, this year is the International Year of Biodiversity. As we continue trying to understand the web of life out there, we are looking around ourselves and within ourselves to see and identify solutions to ensure that this web of life survives. We are all certain that without this web of life surviving, we ourselves as a human species will not survive.

The business sector or the private sector is very central to this very survival. Much of the wealth that we have created for ourselves today, through evolution, through the Industrial Revolution and through science, have all happened because of the very rich ecosystem that we have. I certainly hope that as the business sector or as a private sector, you will continue to explore and really appreciate that all of us are interconnected and that all of us are together. Most importantly, that all of us must be concerned about biodiversity and ecosystems. Thank you.

# The role of business in protecting and restoring biodiversity and ecosystems

#### Chair:

#### Nick Nuttall,

Spokesperson, United Nations Environment Programme (UNEP)

#### Video introduction:

#### Wangari Maathai,

Nobel Peace Prize-winner, Founder, Greenbelt Movement

#### Panelists:

#### Jonathan Kaledin,

Director, Blue Water Certification Program, The Nature Conservancy

**Ashok Khosla,** President, Club of Rome & International Union of the Conservation of Nature (IUCN)

#### Ravi Sharma,

Director, Convention on Biological Diversity (CBD)

#### **Key points**

Ecosystems are vital to the functioning of the Earth, and there is a growing realization that losing them can have dramatic cost implications. Many environmental solutions don't appear to take biodiversity protection into account, in part due to the fact that scientists don't fully understand how some biological systems operate. There is much to be learnt from the natural world, and it's surprising that more companies don't base technological solutions on nature.

#### Nick Nuttall, Spokesperson, UNEP

While chairing the session, he highlighted the costs to the global economy of losing ecosystems, and questioned why more businesses don't focus more on solutions that are based on natural systems. Tax regimes have a role to play in habitat conservation — the US has demonstrated this in forestry — but many other countries face institutional and national barriers to scaling-up best practices.





#### Ashok Khosla, President, IUCN

He suggested separating the discussion of the impacts of biodiversity on business from the business impacts on biodiversity. He said that many of the impacts on biodiversity are not apparent on a quarterly basis. He noted that organizations such as Google, which do not initially appear to have an impact on biodiversity, are, in fact, large energy consumers. He highlighted the economic value of pollinators.

## Jonathan Kaledin, Director, The Nature Conservancy

He said that humans have the intelligence to come up with solutions to environmental problems facing them but noted that many of these solutions do not adequately consider the threats facing biodiversity. He highlighted the lack of knowledge that scientists have of biological systems.

## Ravi Sharma, Director, Convention on Biological Diversity

He said that an increasing amount of land is becoming protected but acknowledged there were challenges in managing it effectively. He said the role of business in protecting biodiversity has only recently been acknowledged, and noted the use of biodiversity offsets and the sustainable application of biodiversity.





#### Discussion

On carbon markets and payments for ecosystem services, Kaledin said tax incentives in the US have created the basis for forest protection, but there are institutional and national barriers to scaling-up best practices in many other countries. On the challenge of working with smallholders to protect biodiversity, panelists suggested a common approach at community level, and highlighted work under the UNFCCC's Clean Development Mechanism. They discussed the lack of an IPCC-like organization for biodiversity and the growing influence of multi-national corporations on the environment. They suggested that business and NGO partnerships are becoming more common.



## Pan Gang,

## Chairman and President, Yili Group China

"Green Leadership" involves the realization of the green production of enterprises, advocacy for the green consumption of consumers and the adherence to the green development of brands.



Good afternoon, ladies and gentlemen. I am very much honored to be invited to the Business to the Environment Global Summit 2010 and to provide the leadership perspectives for today.

As the leader of China's dairy industry, I would like to take this valuable chance to briefly introduce the business strategy and philosophy for achieving sustainable development of Yili Group. Yili has always been committed to low carbon and emission reduction in all the links of the product value chain from the production of raw materials to the filling, production, transportation and distribution of the products and finally the delivery of the products to consumers. At 2007 Summer Davos in Dalian, Yili put forward the business philosophy of "Green Leadership", and announced the model of "Green Production, Green Consumption and Green Development", and advocated the forging of an industrial chain for the harmonious development of the Chinese dairy industry.

"Green Leadership" involves the realization of the green production of enterprises, advocacy for the green consumption of consumers and the adherence to the green development of brands. To be specific, Yili adheres to the principles of respecting and protecting the environment, pursuing health and safety, resisting the overexploitation of resources, and fully respecting the long-term benefits of related partners in order to achieve mutual sustainable development.

Under the guidance of the Green Innovation concept, the idea of the circular economy runs through our production cycle. Environmental protection has been taken into consideration in all aspects of the business from the design of products, the selection, purchase and use of raw materials to the production, packaging and the recycling of used packaging.

In the process, Forest Stewardship Council (FSC) certified carton packs have added another layer of sustainability to the Yili Group's efforts. Our cartons are now made from renewable and sustainable wood resources, and the wood fibres used can be trcked to their point of origin, which is in full compliance with the demands of Yili for "Green Leadership".

Thus, when SIG Combibloc became the first, and so far the only manufacturer of carton packs that are certified for a continuous chain of custody (CoC) at all its production sites worldwide, Yili actively sought its assistance to secure FSC-certified cartons.

Of course we know that FSC-certified resources are still limited at present: for instance, only 5% of global forest resources are FSC-certified, and the certified cartons available still do not fulfill Yili's needs. At the same time, the sustainable development concept is still unknown to many consumers and that's why Yili has become a pioneer, and actively implements and promotes the concept.

In our view, the step we are taking today is the first step needed to drive the development of the industry, and we believe that sustainable development is not only Yili's commitment but also the commitment of the entire Chinese dairy industry.

We wish to see in the near future more Chinese dairy enterprises seeing environmental protection as an important factor in their success, "a necessary certificate for the operation of enterprises in the future", while focusing on product quality. We also hope that food manufacturers will take FSC as a trustworthy standard of measurement for environmental strategies in the near future.

Besides creating green production processes, we also realize that as a manufacturer in the fast moving consumer goods industry, we must assume our social responsibility, since our products are closely related to consumers and have become a part of their daily lives.

In a fast emerging economy such as China, the environmental awareness of consumers is greater than before, especially after the UN Climate Change Conference in Copenhagen, when the Chinese government promised to reduce the CO2 emissions per unit of GDP by 40~45% in 2020 compared to 2005 levels.

Our responsibility is to use this platform to foster green awareness and green consumption habits. As a FMCG manufacturer and distributor, we bear the responsibility of advocating the concept of environmental protection to our consumers, helping them to save energy, reduce emissions, adhere to sustainable development and happy lifestyles. This is done through our conventional consumer communication channels, such as the media, in-store displays, marketing leaflets, and other methods including the use of product packaging as a communication tool, to further promote the awareness of healthy and green consumption, and on another level, to show our interpretation of the concept of "green consumption".

More importantly, we are advocating a new sustainable business philosophy, because corporate responsibility is no longer limited to the development of the enterprises' own interests, but is combined more closely with their social responsibility. The promotion of green production, green consumption and green development will become the impetus for companies' future development. Thank you.



# **Sir Richard Branson,**Chairman, Virgin Group and Four

Chairman, Virgin Group and Founder, Virgin Unite

Virgin will invest up to 3 billion in the next decade in the renewable energy sector using the dividends, the equity realisation and the other profits from their transportation business around the world.



Sir Richard began by sharing his visions that this Summit can be the world's first summit focused on businesses leading the world by example. He stressed the importance of dialogue, pro-activity and business driven actions towards a global green economy and its criticality over the next decade.

Sir Richard shared areas of innovation in Virgin's history and the habit of thinking outside of the box. He discussed the need to think in ways that are different and working together with groups of people and organisations one never had to in the past. In addition, there is a need to adopt new ways of working that puts environmental issue at the heart of everything. He envisioned the Summit to be a dialogue platform that can guide and educate the world in the steps needed to galvanise the world into action.

He called on leaders to show calm leadership, to remain focused in ways to change behaviours and take active steps to engage with experts in the field of the environment and climate change. Despite experiences of turbulent times with the global financial crisis, which seemed to have become the main focus of organisations, he reminded the audience not to forget a more deadly crisis in the background. While we need to fight our crises; wars, social, economic, environmental, he cautioned not be blinded by one or the other but to address them

collectively. His shared a motto: "The brave, they may not live forever, but the cautious, they don't live at all". He called on leaders to be brave as one global community.

Sir Richard highlighted the need to relook at existing business models and how he is amused that some of the best ideas and best ways of doing things, are often rejected by one generation, only for the next generation to find it impossible to understand the attitudes of the previous one. He called on the audience to remember this when presented by some of the more radical ideas to tackle climate change.

He discussed business playing an active role in the environmental challenge. Noting that there are companies in the world that have a turnover larger than many nations, this wealth comes with responsibility. Those who command this wealth have an equal responsibility to use it constructively and redistributing that wealth as a collective good. Wealth can be used creatively to change society, to start new companies, to expand existing businesses to new regions of the world therefore employing more people and bring opportunity to areas which may previously have been exploited and monopolistic. Wealth should be used to challenge the established way of doing things and to make a difference. Companies including Virgin have a duty, to develop the most energy and environmentally

efficient future for existing business, but also to invest in the future.

He revealed that Virgin has invested more than 250 million in renewable energy companies, resource efficiency, and R&D into the next generation of transport fuels. Virgin's teams are focused on backing the next generation of entrepreneurs, investing in businesses ranging from ethanol plants to makers of industrial lighting and flexible solar cells. The group is looking at future transport technology and the field to feed these technologies. In addition, Virgin will invest up to 3 billion in the next decade in the renewable energy sector using the dividends, the equity realisation and other profits from their transportation business.

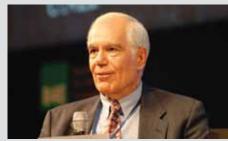
Sir Richard concluded that there is much more that the global community can do by putting aside difference and forgetting the usual rules of commercial secrecy and individual agendas. Historically when the world tried to tackle large scale issues such as HIV and AIDS, thousands of splinted groups develop, cause confusion and a lack of a truly swift global response. He noted that we have an opportunity to coordinate efforts and deliver innovative approaches. Science, business, technology, environmental, government and communication leaders need to come together and the B4E Summit will play a crucial role in making that happen.

## **Report from working group Chairs**









#### **Business innovation**

Ranjit Barthakur, Advisor, Tata Consultancy Services reported on behalf of GBS Bindra that progressive policy requires public-private partnerships that empower consumers and lead to sustainable innovation. He indicated that a major barrier to innovation lies in moving ideas from the boardroom to the shop floor, which requires linking innovation to the bottom of company structures through performance indicators.

#### ICT and the green revolution

Ranjit Barthakur, Advisor, Tata Consultancy Services laid out a multi-pronged strategy for both improving the sustainability of information technology and leveraging information technology to improve the environmental performance of other sectors. The group's strategy targeted smart ICT and urban living, regulation and government, compliance management, and product innovation.

## Sustainable urban development: low carbon smart cities

Arab Hoballah, Chief, Sustainable Consumption & Production, UNEP DTIE reviewed the session's objective of exploring the extent to which cities can be exemplars of sustainability, noting that urban areas consume disproportionate resources. He summarized discussions on how the technology needed for a low-carbon economy exists but that widespread access to these technologies is lacking.

#### Finance and investment

Mohammed El-Ashry, Chairperson, Renewable Energy Network for the 21st Century (REN21) highlighted barriers to low-carbon investments, including short-term investment horizons, the absence of penalties for inaction by local institutions and the disproportionate flow of international finance to a few developing countries.

## Energy: speeding up the global transition to renewable energy

Angelina Galiteva, Chairperson, World Council for Renewable Energy summarized recommendations from the session, reviewing three key drivers of renewable energy: government, from local to national; industry, including research and development and investment incentives; and civil society and media, including effective communication and educational strategies.

#### Water innovation and partnerships

Gavin Power, Deputy Director, UN Global Compact reviewed session recommendations for a new corporate water management paradigm, focusing on sustainability in economic, social, environmental, and institutional terms. He emphasized the need for multi-stakeholder partnerships and new innovations and technologies.



#### **Outlook to COP 16**

Adrian Fernandez, President, National Institute of Ecology, Mexico

Mexico does not want to lose business, government and NGO leadership. It wants to find ways where the business community contributes to the negotiations and to reflect the contributions and recommendation of NGO community who can provide richness and wisdom.

Dr Adrian Fernandez represented Secretary Juan Elvira of Mexico to deliver the message of COP16 at the B4E Summit 2010. He touched on the key issues developed from COP15 in Copenhagen reminding all that the Copenhagen agreement is an informal and non-binding one, that the conference of a party took note of.

He shared that the Copenhagen Accord has its merits because it reflects a series of political agreements that were endorsed in principle by almost 30 Heads of State. The Accord involved Heads of State negotiating and drafting text and hence, there are important understandings and agreements that are captured. The current challenge is working on the agreements and understandings, and bringing them into an official setting and forum - the UNFCCC negotiations.

Dr Fernandez shared that a few days ago, a minister expressed the need to capitalize on the momentum of the Accord and finalise the texts that have been put together for the last couple of years. Mexico wants to facilitate a very transparent and inclusive process. Mexican officials took note of the problems experienced in Copenhagen and want to learn from them. The Foreign Affairs Ministry in Mexico has thus, deployed a very important negotiating capacity, with Ambassadors going around the world and



meeting with relevant stakeholders and counterparties. The intention is to build trust and demonstrate that Mexico is willing to play the role of an honest broker. Mexico is committed to improving good internal coordination with several institutions including the Foreign Affairs Ministry, the Environment Ministry and the Office of the President to coordinate and ensure consistency in the message.

Mexico is positive in arriving at a document that will shape a decision by the COP and is mature and implementable. There will be discussions on implementing the fast start fund and developing a series of meetings, perhaps of a thematic nature, inviting interested principal parties and countries who knowledgeable about the issues to strengthen common understandings of the concept and obtain a multi-lateral consensus on the issues.

Dr Fernandez shared that while there is speculation on the type of outcomes expected of Cancun, he reminded that Copenhagen was a reality check and hence, expectations have to continue being ambitious but realistic. The ultimate goal is to reach a legally binding agreement and Mexico wants to continue pushing in that direction by going back to the substance and focus without being obsessed about the legal form in the short term.

The discussions will build on the recognition of the 2oC that, the science tells us, should be the operational targets. There are discussions to develop a system of projects and activities that can be operationalised for the fast start funding. Major donor countries are providing positive feedback on the willingness and readiness to contribute to short-term finance but, the rules for eligibility, projects and countries need to be developed. The final issue would be REDD, where the discussion are matured and have gained support of several countries.

Dr Fernandez concluded that Mexico is enthusiastic about hosting a similar meeting of B4E in October together with the organizations present. Mexico wants to find ways where the business community contributes to the negotiations. The process of the negotiation remains rigid but Mexico does not want to lose business, government and NGO leadership. In addition, Mexico wants to identify innovative ways to reflect the contributions and recommendation of NGO community who can provide richness and wisdom. He called on the audience to think creatively to make COP16 a meaningful and value-added meeting of multistakeholder participation.

# B4E 2010 closing remarks **The Way Forward**

#### Georg Kell, Executive Director UN Global Compact

Georg Kell thanked all participants for making B4E a truly comprehensive and inspiring event. He recapped that B4E had successfully reviewed the major issues related to the environment, energy, nature, human behaviour, finance, technology, organizational change, public policies and private solutions. He assured participants that the UN Global Compact, their partner, UNEP as well as Global Initiatives are committed to building momentum globally and supporting the government of Mexico. He confirmed and announced the dates for a global meeting on 4-5 October 2010 in Mexico.

He shared his concern that while many feel that we are not moving fast enough, we need to realise that this is a marathon not a sprint. B4E has highlighted many solutions in the making and that the private sector is ready to move. The private sector is calling for regulation, something unimaginable just a few years ago. There is a need for clarity, certainty, and integration of externalities into decision making to support the business case on environmental stewardship. Progress will require fixing our minds and energies on the end goal and we must learn to better collaborate across industries, as well as, partnerships across public, private for profit and not for profit organisations.

He reflected that the B4E Summit has highlighted the importance of natural resources and appreciation of everything that comes from the planet. Business is getting the message and showing that we can do things differently, be competitive, maintain a living standard and spread opportunities through innovations and solutions.

## Arab Hoballah, Chief SCP Branch, UNEP DTIE

Arab Hoballah thanked the participants and called for sustained support of B4E which he likened to a growing child. He renewed calls for good ideas to keep the Summit progressing and envisioned the next decade featuring a matured and recognised B4E that, would have done something interesting for the global community, where people, government and countries look forward to every 22-23 April each year. Reminding the audience of Achim Steiner's opening, he recapped how climate change provides opportunity to transform challenges into real and practical opportunities in areas of resource efficiency, sustainable consumption





and production, promoting and powering growth for the global green economy. There is also consensus for governments and business to partner with civil society efficiently to deliver change.

The role of business and the markets with the widest sustainability agenda is not confined to climate change and energy but also biodiversity and the management of the planet's natural resources. Sustainable development is thus, not a choice but an imperative and a green economy will happen either by design and desire, or by default and obligation. He shared that many companies are innovating, focusing on resource efficiency and decoupling in order to do more and better with less. This is critical to preserve the limited resources we have. B4E should therefore increasingly provide the platform for such innovations to shift the paradigm and deliver the change. Sustainable consumption and production, resource efficiency and corporate responsibility have thus been and will remain the driving concept of B4E. B4E will also continue to galvanize business and industry in a process to contribute intelligently to the Rio+20.

In his conclusion, he thanked the host government, partners, sponsors, speakers for supporting the Summit and the delegates whom he hopes to see accompany B4E for the next ten years to develop the change and make the transition to a low carbon economy.





#### Maanee Lee, Minister of the Environment, Republic of Korea

Minister Lee began by expressing his honour for hosting B4E. He recalled the objective of B4E to highlight innovative and business driven solutions to environmental problems. As Minister of the Environment, he believes that partnerships between the government and the private sector are crucial. Governments must lead in funding entrepreneurial activities while the business sector must take actions. He shared that apart from moral responsibilities, green will also produce huge profits for the businesses. Profitability encourages businesses to be fully involved in green activities. Minister Lee shared that the government is committed to make the Republic of Korea preferred to business for the environment. National campaigns to disseminate and advertise the use of green commodities will take place to connect and change the trend of consumption in the market. Sports and local events will also turn green through energy saving and greener management of events. There are also action oriented movements throughout the country. Sharing a quote by Robert Frost, "We should take a test which we have never dreamt upon before", he viewed B4E as the platform for providing new tests and new ways, for the new society where sustainability can impact the action and lifestyles of human beings. He thanked all participants and looked forward to welcoming them back to Korea again.



## **Business Leaders Recommit to Urgent Action on Environment**

Global Summit Catalyzes Commitments, Spotlights Opportunities and Showcases Actions Towards Green Growth









(Seoul, 23 April 2010) Heeding a call-to-action by the United Nations Secretary-General, business leaders from the world's largest global companies today pledged to elevate and broaden their commitments to address the world's most pressing environmental problems.

Gathering at the fourth annual Business for Environment Global Summit ("B4E"), corporate executives and entrepreneurs joined leaders from governments, international agencies, and civil society to forge a new sustainability pact that advances solutions and approaches in numerous areas, including energy efficiency; green-growth strategies; water stewardship; and clean-tech innovations. "We need green growth for our economic and environmental well-being", said United Nations Secretary-General Ban Ki-moon. "Climate change, desertification and declining biodiversity are themselves a threat to the Millennium Development Goals. We need action. Innovation. Resolve. I look to business to play a major role".

In his keynote address, President Lee Myungbak, Republic of Korea, echoed the themes of the Secretary-General, saying that countries and the world can drive development that produces both economic and environmental benefits. President Lee highlighted the Republic of Korea's green-growth stimulus packages and special initiatives such as Korea's Four Major Rivers Restoration Project. President Lee was joined by President Mohamed Nasheed, Republic of Maldives, and President Bharrat Jagdeo, Republic of Guyana.

Nearly 1,000 participants from more than 35 countries attended the Summit, which was hosted by the United Nations Environment Programme, the UN Global Compact, the World Wildlife Fund and Global Initiatives. The event coincided with Earth Day 2010. The Summit featured a range of international business leaders and executives from companies including Coca-Cola, Dow Chemical Company, Hewlett-Packard, Hitachi, LG Electronics,













McKinsey & Co, Puma, Siemens, SIG AG, and Virgin Group. During the summit, executives and other leaders offered a range of new environmental strategies, approaches and innovations, including:

- Incorporating development objectives, including food security, into overall climatechange strategies;
- Embracing new models of water management that include broader considerations of economic, environmental and social impacts at the watershed level;
- Expanding sustainable procurement and green supply chains by requiring vendors and partners to embrace sustainability criteria and standards;
- Encouraging investors and financiers to adopt longer-range investment horizons that fully incorporate environmental and sustainability considerations;

- Raising awareness among consumers to drive new consumption patterns, while at the same time developing new products and services that appeal to new priorities;
- Adopting corporate biodiversity strategies that recognize the value of ecosystems to economies and societies.
- Widening participation in key UN special initiatives, including the UN Global Compact's Caring for Climate and CEO Water Mandate projects.

Achim Steiner, UN Under-secretary General and Executive Director of the United Nations Environment Programme, stressed that what is required is a "new paradigm" in the way global leaders and society at large approach environmental issues and mainstream natural and nature-based assets within economies. "The blunt economic models of the 20th century are unlikely to delivery the kind of low carbon, resource-efficient development path

so urgently needed on a planet of six billion, rising to over nine billion people by 2050. Thus, a transition to a green economy is in the end, inevitable. The question now is whether this happens by design or by default." Georg Kell, Executive Director of the UN Global Compact, said that during the past 10 years, a strong movement based on corporate responsibility and sustainability has been created, noting that the UN Global Compact today includes nearly 6,000 business participants from more than 140 countries. "We must build on this momentum," Mr Kell said. "The message is clear: incorporating environmental, social and governance issues into business strategies and operations leads to long-range value creation for companies and societies. It is a winning formula for the global economy, and our planet. Business for the Environment: B4E is a leading international conference organised in partnership by UNEP, the UN Global Compact, Global Initiatives and most recently, the partnership of WWF, seeking to increase dialogue and business-driven action for the environment.

The first B4E met in Singapore in April 2007. Participants discussed broad thematic issues related to environmental responsibility and agreed to meet annually with discussions to focus on specific topic of interest to the business and environment communities.

The second B4E took place in Singapore from 22 to 23 April 2008 and focused on "Resource Efficiency and Renewable Energy." Plenary sessions explored issues including responding to climate change through partnerships and actions, and leadership and innovation in resource efficiency. Breakout sessions examined resource efficiency, renewable energies in emerging markets, financing and investing in climate-friendly production, sustainability and construction, and enhancing measurement and reporting on climate change.

The third B4E took place in Paris, France from 22 to 23 April 2009 and focused on "The Green Imperative: Leadership, Innovation and Technology." Delegates engaged in panel discussions and working groups on the role of consumers, innovation and technology, the green transformation of business, sustainable urban development, reducing the impact of extractive industries, and the global water crisis. Delegates agreed on the Green Imperative, which underlines the need for business to take part in more sustainable world leadership, ownership and accountability and calls for engagement at the local and global level on the way to the 2012 Earth Summit (Rio +20).















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