



Powering growth
for the global green economy



**Business
for the
Environment**
Global Summit 2010

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COEX, World Trade Center
Seoul, Korea

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United Nations Global Compact



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Environment**
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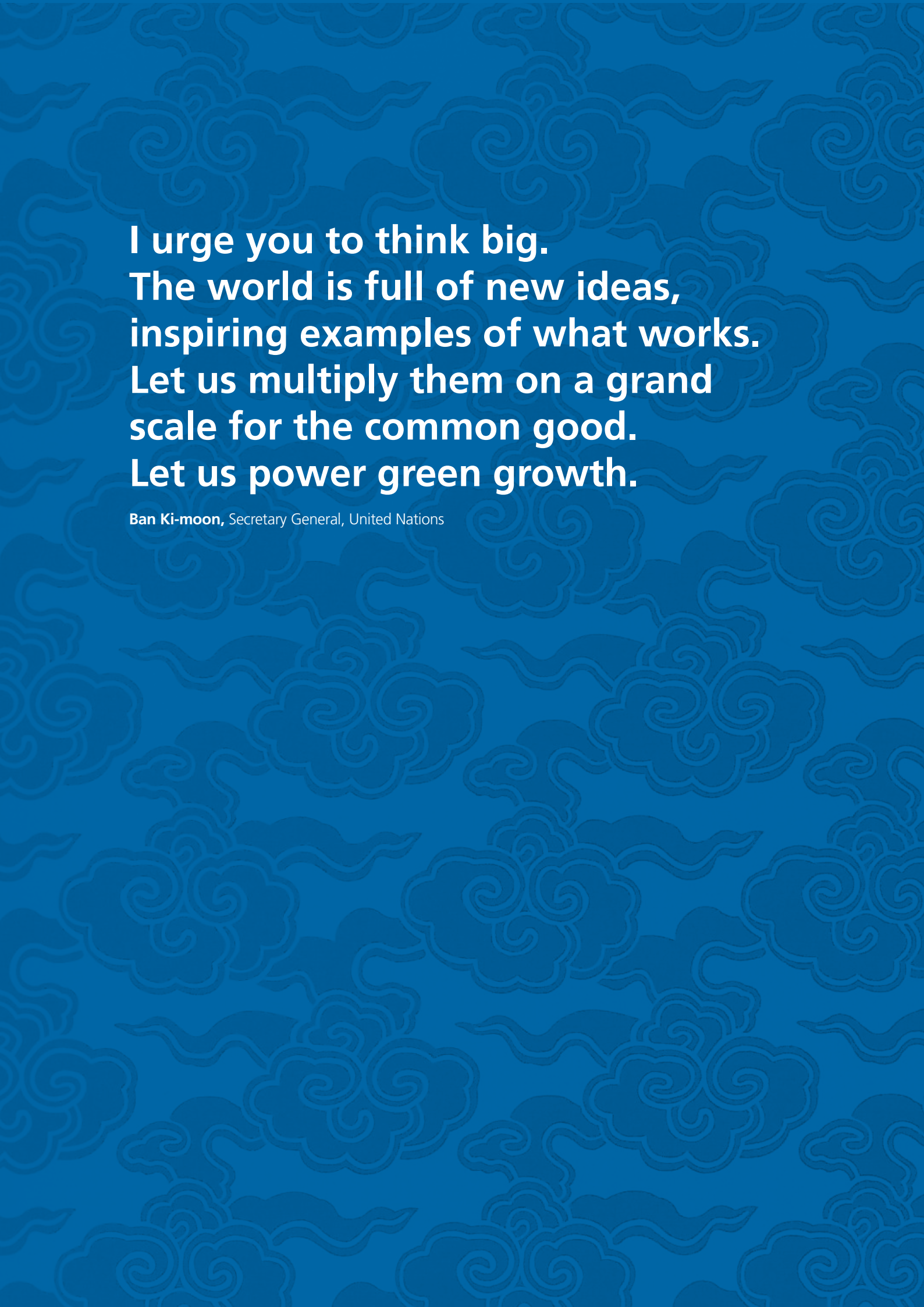
“The Green Economy is emerging, in part driven by the financial and economic crisis, and in part because of a growing realization that the blunt and limited markets of the past are unlikely to sustain the current global population of six billion people, rising to nine billion by 2050.

Managing environmental risks such as climate change and the scarcity of natural resources will increasingly define a company’s business and political life in the 21st century. Sustainable development is not a choice, but an imperative and the only course possible for the future.”

Achim Steiner, Executive Director, United Nations Environment Programme

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**I urge you to think big.
The world is full of new ideas,
inspiring examples of what works.
Let us multiply them on a grand
scale for the common good.
Let us power green growth.**

Ban Ki-moon, Secretary General, United Nations

Ban Ki-moon, Secretary General, United Nations



Your Excellency, President Lee Myung-bak, Excellencies, distinguished delegates; I am pleased to open this year's Business for Environment Global Summit. I also take pleasure in congratulating this year's winners of the Champions of the Earth award, President Nasheed of the Maldives and President Jagdeo of Guyana. Both played a critical part in the important climate change negotiations in Copenhagen.

The theme of this Summit "Powering green growth" is timely. We need green growth for our economic and environmental well-being. We also need it to achieve the Millennium Development Goals. For more than a century, the push for economic growth has largely ignored environmental consequences. Now we are reaping the bitter harvest. Climate change, desertification and declining biodiversity are themselves a threat to the Millennium Development Goals. Thankfully, awareness is growing and we need action, innovation and resolve. Building a green economy presents tremendous opportunities. The only risk we face is in not going down this path.

In September, I will convene a summit to review progress towards the Millennium Development Goals. My goal is nothing less than an agenda for action from now until the agreed deadline of 2015: a practical, result-oriented plan with concrete steps and timelines. I look to business to play a major role.

Many of you already support the platforms the United Nations has established to re-write the bottom line, to promote corporate responsibility, ethical markets and sustainable growth. Our challenge is to go further still, to create a global movement. I urge you to think big. The world is full of new ideas, inspiring examples of what works. Let us multiply them on a grand scale for the common good. Let us power green growth. I wish you a successful and productive meeting.

B4E

Lee Myung-bak, President, Republic of Korea

We must strive for a green co-existence where humans and nature work together for peace and prosperity.



I wanted to reduce my carbon emissions coming over to this morning's event so I came in a minibus along with my staff.

Your Excellency, President Nasheed of the Maldives, President Jagdeo of Guyana, Mr. Achim Steiner, Director-General of UNEP, distinguished guests, ladies and gentlemen.

Welcome to Korea. As you can see, it is a wonderful time of the year where life is springing anew. We are gathered here from around the world to bring together our collective wisdom and I am grateful to you all for attending what is a very important event.

Distinguished guests, today, we are celebrating the 40th anniversary of Earth Day. Because of your dedicated and passionate leadership and advocacy, people around the world are now fully aware of the need to protect and preserve our planet, which is the only one we have. Our planet earth is the house where all living organisms dwell; it is the precious dish that stores our happiness and well-being.

But our planet is suffering. From the very beginning, humankind has always been under constant threat from things like wars and natural disasters. However, climate change is undoubtedly the gravest threat of them all. It is our most daunting challenge. President Nasheed knows how serious this problem is.

We saw how His Excellency tried to remind people around the world of its dangers when he symbolically held his cabinet meeting underwater. As sea levels rise due to climate change, entire countries like the Maldives are affected. The people of the Maldives are facing an existential threat because of climate change. A report tells us that if we let climate change proceed at its current rate, then in 2050, 30% of all animals and plants will be extinct. As they say, there are no emergency bailouts when it comes to climate change. If we don't do something about this now, then I'm afraid we cannot even be certain of our very existence. And that is why we need to do all that we can. We all need to make drastic changes.

Distinguished guests, during the Copenhagen Summit on climate change last December, I talked about the importance of taking a "Me First" attitude. This means, each of us needs to change first before telling others to do so. The power to change the world comes from our individual actions based firmly on moral obligation. Before demanding others do something, first I need to conserve energy and I need to cut back on carbon emissions.

But don't get me wrong. I'm not telling you that we must sacrifice economic development to protect our planet. On the contrary, protecting the planet and achieving prosperity can go hand in hand. It must go hand in hand. The answer

is our "Low Carbon Green Growth", which is Korea's vision for the future. This, we believe, can be a new paradigm that can help us achieve both of these goals.

In 2008, Korea was celebrating the 60th anniversary of its founding and on this occasion, I have set out this new national vision. This is our way of actively taking part in fighting climate change and at the same time, investing in a cleaner, more prosperous future. It is about creating green jobs and coming up with green technologies. It is our new engine for growth. For this, Korea is investing 2% of its GDP annually in the green sector.

Last year, Korea announced that it would reduce its carbon emissions by 30% of business-as-usual by 2020. Korea is a non-annex I country so we have no legal obligations but we understand we have a moral duty. This is why we have voluntarily decided to comply with the highest standards set by the international community without any conditions.

When you look at the structure of the Korean economy, our carbon emissions have doubled over the past 15 years. Therefore, our target is a very ambitious one but nevertheless, this is our way of showing the world that we will commit to the "Me First" attitude. And we hope that it will help other countries to act as well.

Distinguished guests, our green growth paradigm also places a lot of importance on the issue of water. Water is most affected by climate change. And we have nothing to replace water, which is our most precious commodity. That is why water security is almost as important, if not more important, than energy security.

Right now, more than 500 million people around the world are suffering horribly due to lack of clean water. And the situation will worsen if we don't do something about it. As developing countries' need for water increases, so will those who suffer from the lack of it. Many predict that in 20 years, 40% of the world will suffer in one way or another due to the chronic lack of water. For example, water has been drying up in the great Yellow River where the ancient Chinese civilization first blossomed, and the number of times the river fails to reach the sea more frequently. The wetlands of Mesopotamia are disappearing at an alarming rate, and the Aral Sea in Kazakhstan and Uzbekistan are also drying up with frightening consequences. Experts who have been warning of such phenomena are recommending the following three actions. First, expand the supply of water. Secondly, increase the productivity in the management of the current water supply. And third, reduce dependence on water. These experts are saying that if we can just increase supply and manage water resources better, we could solve the water issue completely by 2030.

Korea's Four Major Rivers Restoration Project is good example. The Four Major Rivers Restoration Project is about reviving the country's rivers but it's about a lot more than that, too. It is about saving precious lives and achieving economic prosperity. It is, quite simply, a Green New Deal. Rapid industrialization has led to severe damage to our four major riverways. And through our restoration project, we will improve the water quality of these rivers to a level 2. We will bring back clean and vibrant ecosystems to these rivers and make them healthier. Also, we will increase water resources by more than 1.3 billion tons, thereby eliminating our water shortage. And by improving the efficiency and applying new technologies in the re-use of water, we will also

increase productivity. When all of you revisit Korea in 2012, you will be able to see these changes with your own eyes.

This year, Korea was the first country to announce the adoption of our Basic Law on Green Growth. As a way to tackle climate change, our companies will change the way they do business and our people will change how they live their daily lives. This law will be the comprehensive and systemic guide and framework to combine these actions.

Change is difficult because of the uncertainty it entails. However, this law will dramatically reduce such uncertainty so that all parties can actively take part in the new green industry. In fact, the new green industries of the future, such as nuclear energy and alternative sources of energy, are growing at a rapid pace.

I have spoken with Achim Steiner of UNEP on several occasions and I wish to thank him for recognizing and encouraging what we are doing. He has been a firm supporter of our Green New Deal. And for our part, we'll do our best to realize this vision. We hope to become a model for others.

Distinguished guests, for green growth to be sustainable, I believe global partnership is vital. No one living on this planet can escape from the devastation that is brought on by climate change. Therefore, finding a solution is our collective responsibility. As part of our contribution to global partnership, Korea proposed setting up the Global Green Growth Institute (GGGI), during last year's COP15 in Copenhagen. The Intergovernmental Panel on Climate Change (IPCC) has played a crucial role in coming up with the scientific data on the causes of climate change. The GGGI, which will be launched this coming June, will play a pivotal role in coming up with workable solutions to climate change.

None of us here can imagine a world without human beings or human beings without planet Earth. Last year's third B4E summit agreed on a new global climate regime. That's exactly what we need. We must now think not just about us but the planet as well. We must work together

to put in place a "planet responsible system". No longer must we continue being dependent on fossil fuels that damage the environment. Instead, we must strive for a green co-existence where humans and nature work together for peace and prosperity.

Distinguished business leaders, I have high hopes and much confidence in all of you for leading the movement to merge business and the environment. I know business is all about bringing change and responding to change. You are the actors and major players that will open up this new era by creatively responding to the challenges of climate change. You will turn this challenge into an opportunity. Our green growth will ultimately have to be carried on by you, not by governments. Whether or not the world can overcome this grave threat in the 21st century and the success of this endeavor entirely rests upon you and on your green entrepreneurship.

Investors and consumers nowadays care about profits and the quality of the goods provided by companies but many are increasingly demanding that companies live up to their corporate social responsibilities. They want to see companies that care about the environment.

And so, the green market is no longer niche but mainstream. Change and adaptation are no longer a matter of choice but a necessity. The early movers will win in this quest for the new green future. I support your green entrepreneurship and I applaud it because that will open up the new era.

I leave you now with the immortal words of Robert Frost: "I took the road less traveled by and that has made all the difference."

As we celebrate the 40th anniversary of Earth Day, let us remind ourselves of the preciousness of the planet that we live on. Let us remind ourselves that this is the only one we have and that we must act now to overcome this grave challenge. What we do now will ensure a cleaner and healthier planet for our children, and they will say that our generation has done what was asked of them. I hope we can look back and say to ourselves that we "did good". Thank you.

B4E

Achim Steiner,
Executive Director,
United Nations Environment Programme

Business and its experience will be key to whether governments are persuaded to support new kinds of markets – in water and nature-based services, for example – that bring value to these natural assets in order to conserve and sustainably manage them.



Ladies and gentlemen, B4E returns to Asia amidst an international landscape that is, on the one hand, full of optimism as some economies seize the sustainability agenda, and on the other, more opaque, more uncertain and more fractured than in 2009, not least on the challenge of climate change. The global economy seems to be showing signs of recovery, particularly in Asia. The question is whether this will be a green economic recovery with an emphasis on low-carbon, clean-tech, resource-efficient sectors and services. Or whether it is one that, despite some notable national exceptions, looks backwards or at the very least maintains the status quo.

First the positive news: some economies have put the financial and economic crisis to good use. Last year, UNEP presented its Green New Deal policy brief to its annual gathering of environment ministers. It recommended that 1% of GDP, if invested in green investments, could go a long way to revving-up the global economy while stimulating low-carbon, resource-efficient sectors, generating employment and setting the stage for a more sustainable development path. Professor Edward Barbier, one of the authors of the UNEP brief and a leading environmental economist, has assessed how far countries have gone so far.

Of the \$3 trillion spent or earmarked globally for the fiscal stimulus, just over \$460 billion is aimed at green investments. This is equal to around 15 per cent of the total fiscal stimulus or around 0.7% cent of the G20's GDP. China and the Republic of Korea lead the way at 3% of GDP, followed by Saudi Arabia, 1.7%, Australia, 1.2% and Japan, 0.8%. This is followed by the US, with 0.7% of GDP; Germany, 0.5%; France 0.3% and Canada, South Africa and the UK, 0.2%. Both China and the Republic of Korea are embedding these policy choices in medium-term planning. For example, the Korean Government has a five-year green-growth investment plan. It will spend \$60 billion to cut carbon dependency with the aim of boosting economic growth to 2020 and generating up to 1.8 million jobs.

The UN climate convention meeting also provided an "economic stimulus" with developed economies pledging immediate funding of \$30 billion over three years. This could rise to \$100 billion a year by 2020. The funds will assist developing economies to not only adapt to climate change but to also assist in the transition to a low-carbon economy. Some of the funds will also be earmarked for investments in forests under the Reduced Emissions from Deforestation and forest Degradation (REDD). UN-REDD, of which UNEP is a key part, is preparing some nine countries

including Papua New Guinea, Panama and the Democratic Republic of Congo for this new opportunity.

The Copenhagen Accord, to which more than 100 countries have now signed up, is also the first cooperative climate document bringing together developed and developing economies on emission reductions and constraints. If all the pledges and intentions outlined are fully met, then this too can provide green investment opportunities. Meanwhile, some countries are pressing forward with new technologies in the field. Only a few days ago the US Department of Energy announced a carbon capture and storage project linked to a big pulverized coal-fired power station in Alabama.

Increasing numbers of financial institutions and lenders are requesting that companies disclose their carbon footprints, the latest being the Securities and Exchange Commission in New York. Meanwhile, the lending criteria of banks, including the World Bank, are also coming under increasing scrutiny. The recent row over South Africa's planned coal-fired power station — its first for 15 years — is a case in point. While the World Bank voted in favour of the close to \$4 billion loan, concern by several countries did secure provisions on improved energy efficiency and investments in renewables in South Africa.

But distinguished delegates, there are also some reality checks here and some underlying assumptions that can flip the glass to being either half full or half empty. Copenhagen failed to deliver an international regulatory framework or legally binding treaty. There remains debate as to the pace and scale of the \$30 billion investment alongside concerns as to how much of it will be new and how much will be old, or re-packaged money.

Meanwhile, there is a sense of increasing bilateralism in the air. Only a few weeks ago, General Electric in the US and the state of California announced cooperation with China's Ministry of Railways. The plan is to use Chinese railway technology to assist in the development of the state's high-speed rail links. This news is a fascinating reflection on the way geopolitics is shaping the current world as well as underlining that the big and rapidly growing economies have the finance, know-how and capacity to receive and to invest significant sums.

But while some may board the high-speed train to future green growth, others may be left at the platform without a ticket. What are the prospects for small island states and for many smaller economies on continents such as Africa, Latin America and Asia? Many of these still require pre-investment assistance and capacity building if they are to also enjoy economic growth, and more importantly sustainable green growth. Business, in partnership with the UN, governments and public finance houses, has an important role to play in assisting the realization of a fairer and more equitable world. It also has a vested interest in seeing markets for low-carbon, high-tech investments flourish everywhere, and not just in a few nations. A vested interest, too, in seeing the sustainable and more intelligent management of increasingly scarce natural or nature-based resources — these will be constraints over the coming decades if not addressed.

In respect to climate change, all eyes are now on the UN climate convention meeting in Cancún, Mexico. What are some of the elements that can assist in ensuring the meeting is a success? The \$30 billion-worth of pledges needs to be operationalized, and

operationalized fast. UNEP, working with nine leading modeling centres, estimates there remains a gap between the pledges and intentions linked to the Copenhagen Accord, and the science. Emissions in 2020 need to be near 40 billion tonnes (Gt) of CO₂ equivalent in order to restrict the temperature rise to 2C or less. So, this gap needs to be bridged between now and Cancún, or in Cancún itself. Options include countries speeding up their pledges to bring sectors such as shipping and aviation into the carbon and emission trading markets.

Business, either through persuasion at the political level or through actions on the ground — greening their operations and their supply chains, for example — can contribute to such aims and the wider sustainability challenge. Indeed, in some ways, business is out in front. It was suggested that a failure to secure an international regime in Copenhagen would be the death knell for the carbon markets. But the latest assessment of the European emissions trading scheme shows that despite this, and in spite of a fall in emissions linked to the recession, the markets have proved remarkably resilient. This should strengthen the resolve of others contemplating such markets with the ultimate aim of securing a higher carbon price. Indeed, a recent assessment of the proposed Kerry-Graham-Lieberman Senate bill in the US, suggests that if it were enacted in full the emissions trading market could be worth more than \$250 billion. The price of carbon could be more than \$30/tonne between 2013 and 2020. The role of business, and the link between more creative and intelligent markets and the wider sustainability agenda, is not confined to climate change. Towards the end of 2010, the UN's International Year of Biodiversity — a landmark report by The Economics of Ecosystems and Biodiversity, hosted by UNEP — will be published. Already some of the figures are emerging: an investment of \$45 billion could secure a global network of protected areas whose services are worth close to \$5 trillion annually, a return of 100 to 1. Some companies, including some in this room today, are making the business case for investing in natural resources whether they are in productive soils or biodiversity.

Business and its experience will be key to whether governments are persuaded to support new kinds of markets — in water- and nature-based services, for example — that bring value to these natural assets in order to conserve and sustainably manage them. REDD may be the first but eventually markets or funds could transform the economics of other terrestrial ecosystems via greater incentives for sectors such as sustainable agriculture.

And what about the marine environment? There is an urgent need to capture the true value of coastal ecosystems in terms of their role as nurseries for fish and coastal defense as well as carbon storage. The green economy is emerging, in part driven by the financial and economic crisis, and in part because of a growing realization that the blunt and limited markets of the past are unlikely to sustain the current global population of six billion people, rising to nine billion by 2050.

From its day-to-day operations to its ecological footprint and across its supply chains, managing environmental risks such as climate change and the scarcity of natural resources, will increasingly define a company's business and political life in the 21st century. Sustainable development is not a choice but an imperative and the only course possible for the future. A green economy will happen, either by design or default. I am sure that any prudent and forward-looking businessman or woman would back a well-thought out, design-led path rather than the alternative. By its very nature, choosing the default setting rather than the new design one will be disruptive, unpredictable and bad for business.



Georg Kell,
Executive Director,
United Nations Global Compact

Business understands that global interdependence puts a premium on proactive action and those companies that invest first and move quickly are on average, better positioned to mitigate risks and to build on new opportunities. With the leadership that is assembled here today, we can make things happen on a very large scale.



President Lee, President Jagdeo, President Nasheed, it is a great honour and pleasure for the UN Global Compact to support this important event here in Seoul. Indeed, there cannot be a more appropriate venue. As Achim has just said so eloquently, this country is setting an example that should be heard all over the world; we will contribute to this. There is not much I can say after President Lee and Achim have spoken. What I can share with you over the next five minutes is 10 years of experience working with business all over the world, and give you a message of confidence and motivation. Why? Because some important trends have happened recently, which I believe if we can build on them through this conference, with the leadership that is assembled here today we can make things happen on a very large scale.

I fully agree with what Achim has outlined as being the challenge of where we stand post Copenhagen and how to sustain the momentum towards a low-carbon economy, where growth and opportunity are spread widely and where market stability and integration can continue to diffuse technologies. At the same time, humanity is learning to manage its scarce resources, manage the shift from the East to the West, and understand that integrated markets bring benefits to all based on openness and consistent regulations.

Here is some good news: 10 years ago, it was unthinkable that business would take on environmental, social and governance issues. The standard thinking was that it was the role of business to maximize short-term profits and leave the rest to regulators. The good news is that this attitude has changed radically. A decade ago, when the UN launched the Global Compact, only 40 companies took a stand on non-financial issues. Today it is the world's largest voluntary corporate citizenship initiative with 6,000 member companies, and we are very proud that the Korean network is one of the leading ones in the world, especially in Asia, acting as a bridge between China and Japan.

Ten years ago, it was a moral call for business to be ethical, to be responsible and to embrace environmental stewardship. Today, it is a material issue. Business understands that global interdependence puts a premium on proactive action and those companies that invest first and move quickly are on average, better positioned to mitigate risks and to build on new opportunities. I think that this is the great hope and aspiration we need to carry forward.

It is also important to note that much progress has been made on transparency and accountability, without which markets cannot really thrive. Today, it is widely understood among mainstream investors that those business leaders that are at the head of the curve are also those that can communicate their performance improvements most effectively and can set strategic goals to move towards low- or zero-carbon performance. This is the race for the future, and many of you assembled here have started that journey already. There is also the good news that the investor community, which until recently was obsessed with short-term profits, is finally getting the message about longer-term horizons.

Coming from New York as I do and having lived there for sometime now, I can tell you that the financial crisis was also seen as an opportunity. At last, the message has been heard: that the pursuit of short-term profits is not a recipe for long-term suitability and success. However, the search for long-term value creation is. Second, it is understood that in an interdependent world, risk management requires the integration of non-financial issues, and environment, social and governance, into analysis and investment decisions.

Asset owners organized under the Principles for Responsible Investment, now operational and backed by 600 institutions representing \$18 trillion, are also clear on that message. They are currently developing tools and methods to assess environmental, social and governance performance, and that means committed business leaders will hopefully soon be rewarded for good actions.

Another positive development that I propose is that despite Copenhagen and the lack of the strength of any policy signal, there is increasing confidence that market performance will be rewarded, and that message is the central challenge for all of us to carry forward.

I am happy to announce that on behalf of Secretary General Ban Ki-moon on 24-25 June, we will convene the 3rd Leaders Summit with more than 1,000 CEOs in New York to build further momentum. We hope that this summit will feed into it and help us build momentum, so that the message of good performance being rewarded will be increasingly recognized. Some of you, and many of our Korean partners, are already deeply involved in our CEO Water Mandate, Caring for Climate and in UNEP's flagship initiatives. These are platforms that we need to grow further so that they are not

just the club of a few chosen ones, but so they become the dominant behavioral norm. This is critical because you cannot be a leader if others do not follow you. It is now important that the leadership role that many of you have rightly taken on is carried forward and integrated into the mainstream so that we can truly bring about a global transformation. I wish the best success for all of you. Thank you.



Powering growth for the global green economy

Chair:

Achim Steiner, Executive Director,
United Nations Environment Programme

Panelists:

Adrián Fernández Bremauntz,
President, National Institute of Ecology, Mexico

Angelina Galiteva, Chairperson, World
Council for Renewable Energy (WCRC)

Georg Kell, Executive Director,
UN Global Compact

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



Key points

Discussion is needed on how to make the transition to a green economy including how to ensure government ministries work together with the legislature to put enabling structures in place. There are some barriers to this transition that need to be addressed, such as vested interests and the comfort of continuing business as usual operations. Social advancement must be maintained also — the rights to education, health, employment and food are a crucial part of developing a global green economy. Business can play a substantial role in the transition, not only by agreeing to take the agenda forward but also by identifying new markets and investment opportunities.

Achim Steiner, Executive Director, UNEP

Discussion is needed on the difficulties of stimulating green growth, once businesses agree on this goal.

Adrián Fernández Bremauntz, President, National Institute of Ecology, Mexico

He highlighted the challenge of coordinating government ministries, and identified the need to work with the legislature to make the structural changes required to level the playing field for green technology so it can deliver at the scope, scale and pace required to realize growth. He noted his country's progress in identifying profitable opportunities for emissions mitigation.

Angelina Galiteva, Chairperson for the World Council for Renewable Energy

She highlighted the capital-intensive nature of the utility sector and the need for alliances across all sectors. She noted that the role of government is to set policies that create standards and goals.

Ashok Khosla, President of the International Union for the Conservation of Nature (IUCN) and Club of Rome

He said that embedded vested interests, comfort with business as usual, and perverse subsidies are acting as barriers to change. He noted the importance of demographics and recognizing all peoples' rights to education, health, employment and food.

Georg Kell, UN Global Compact

He said that non-financial issues are beginning to be considered within some financial performance balance sheets but noted the continued business focus on short-term horizons and the challenge of valuing environmental issues. He said that transformation on a global scale is challenging because governments typically focus on national issues while many businesses act internationally.

Discussion

The panel discussion focused on incentives and markets in business planning, and looked at how these can support the necessary green growth. Panelists identified renewable energy and poverty as areas that need more business focus. Innovations such as wireless communication and distributed energy were identified as possible solutions to address these issues. Panelists identified investment opportunities for business in environmental services, biodiversity and green development, highlighting options based on reduced emissions from the deforestation and forest degradation (REDD) mechanism. In response to audience questions, speakers discussed the need for long-term strategic analysis by business, particularly with regard to the fluidity of carbon markets, new technologies and the need for universal standards through international agreements. On the next round of climate change negotiations, panelists said that United Nations Framework Convention on Climate Change (UNFCCC) benchmarks should help provide investment planning for business, but that a legally binding agreement may not be feasible.

Al Gore, Former Vice President, USA and Nobel Peace Prize Winner

All of us in the present generation to every nation have benefited from the hard work and sacrifices made by previous generations. It would be immoral for us to take advantage of all of their sacrifices then give the back of our hand to future generations.



Al Gore highlighted that this particular meeting coincides with the 40th anniversary of Earth Day where nations around the world commemorate with all manner of celebrations, discussions and new commitments. The delegates thus need to be positive about the role that business is playing to help catalyse a forceful response to the climate crisis worldwide.

He shared examples of business leaders being pleasantly surprised by efforts that begun initially as part of being good corporate citizens and to help improve the environment, ending up in enhanced profitability. However, along with the positive feelings and feelings of optimism, there is no doubt a sense of concern around the world.

He highlighted how this crisis is unprecedented in its scale and severity, unlike anything found in our history. Over the last 150 years, we have seen a dramatic and unprecedented change in the relationship between human civilisation and the ecosystem of our planet. There are three causes of this new relationship between humanity and the earth.

First of all, population has been multiplied by four just in the last 100 years. At the beginning of the 20th century, there were only 1.6 billion people on the earth and now we are at 6.8 billion people. That is projected to stabilise at 9 billion people mid way through this century.

He encouraged emphasis on the creation of conditions that will lead to smaller family sizes in order to continue the trend towards stabilisation.

The second factor is the dramatic change brought about by scientific and technological revolution. New technologies are now widely available throughout the world and are spreading from the developed nations to the developing nations. These greatly magnify the power that each of us have to deliver impact. These technologies often improve the quality of life dramatically but we need to take into account the unanticipated side-effects of these powerful technologies. He highlighted the discovery of oil and coal as an example, being the dominant sources of energy as well as the contributing source to accumulation of greenhouse gases in our planet.

The third factor is the most subtle but the most important, and that is our way of thinking about it. He appealed to our capacity for reasoning, our ability to communicate and share and the need to act now. He shared the devastating impact on our civilisation if we remain unmoved, including widespread catastrophic disasters, climate refugees, agricultural unpredictability and the spread of diseases. He discussed the connections between the climate crisis with energy security and the final theme of scaling up energy efficiency as the solution.

Al Gore remarked that business leaders and organisations have paved the way in solving the climate crisis by discovering that they are also able to cut costs and become more profitable in the process. Modern technologies have allowed efficiency, as well as, waste elimination and job creation. It is important to further apply these technologies to increase the protection of forests and to provide the partnership collaboration assistance to the forested nations of the developing world.

He reminded the audience that he is certain that the next generations will, at some point, survey the circumstances at which we live and look back at us in our time and ask us what were we thinking and how we found the moral courage to rise and solve a crisis that so many said was impossible to address.



Bharrat Jagdeo,
President, Republic of Guyana

There is a hugely important role for business to demolish the falsehood that making the right climate change decisions is incompatible with national prosperity and business success.



It is a pleasure to be here in Seoul, and to take part in discussions about one of the most important issues facing the world today.

Achim has spoken frequently about how we must forge a new global "Green Economy". This symbolizes a major shift in how the world thinks about environmental issues — no longer seeing them as a drag on business or national competitiveness but rather taking the view that it is possible to align economically rational choices with action that protects our environment.

There are many examples emerging of where this is happening. For example, our host, Korea, is implementing some of the world's most progressive policies to stimulate profitable businesses in clean energy, smart cities and low-carbon transportation. My own country, Guyana, is partnering with Norway to enable the sale of environmental services from Guyana's tropical forest, and re-orient our economy onto a low-carbon, environmentally sound trajectory.

But the truth is, as an international community, we still have a long way to go if we are to stimulate the massive wave of innovation needed to create the new green economy.

I want to focus in particular on the environmental issue that has taken most attention in recent years, and the one that I have been most closely involved with myself. This is the world's effort to avert catastrophic climate change.

Many people had high hopes that the necessary transformative decisions would be made at Copenhagen, and that these would stimulate public and private action to stabilize global temperatures at less than 2C below pre-industrial levels.

Sadly, these decisions were not made and in lots of ways, Copenhagen was depressing. Even with the maximum pledges documented in the Copenhagen Accord, we are on a trajectory to global temperature increases in excess of 3C above pre-industrial levels.

But the Copenhagen Accord, despite all its limitations, also presents us with a platform from which to build. Three points are particularly important. One: for the first time, most of the world's countries acknowledged the need for global temperatures to stabilize at a maximum of 2C above pre-industrial levels. Two: those who caused climate change agreed to provide fast-start climate financing to the developing world of \$30 billion from 2010 to 2012. And three, they agreed to ramp this funding up to \$100 billion annually by 2020.

These are valuable building blocks. But it is time now to move on from Copenhagen. Many people are asking “what next?” as we look towards Cancún and South Africa. Some people are saying that a legally binding international climate treaty is no longer possible or even desirable, because international collective action on the climate is too difficult or even impossible to achieve.

But before we let this viewpoint become a consensus, we should dwell on the fact that a major part of the climate solution requires the generation of very large investments to stimulate energy efficiency, clean energy, and action on forests and agricultural land use. These investments are on a scale that requires huge injections of private capital, and we know that current economic incentives are insufficient — despite some progress in recent years, international capital flows are still not aligned with a low-carbon trajectory for the planet.

Therefore, if new economic incentives are to be created, we cannot get away from the reality there need to be global price signals that can gain the support of shareholders in companies across the world. Incentivising this support in the timescale needed without a binding agreement seems very unlikely to me. So I remain of the view that we must dust ourselves off after the disappointments of Copenhagen, and re-double our efforts towards achieving such an agreement.

In doing so, the agreement must be guided by science and creditable economics. This was true a year ago, and it is true now — we cannot wish these realities away because the agreement is difficult.

We know that if we are to stabilize temperatures at 2C above pre-industrial levels, we need to limit greenhouse gas emissions to 44Gt by 2020. And it is estimated that the Copenhagen Accord pledges leave us 5-9 Gt short. If we are to close this gap, individual nations must take responsible decisions to translate global climate goals into national commitments.

China, India, the European Union, Brazil, Indonesia, South Africa, Mexico and many, many others made significant announcements in the run-up to and at Copenhagen. But we should not shy away from saying that they are all trending towards the lower level of their ambitions, which would leave us 9Gt short in 2020.

And similarly, we should not shy away from also saying that this is largely because they do not see a fair sharing of the climate burden from the country most responsible for climate change.

The US needs to recognise that a 4% reduction from a 1990 baseline — which is conditional on legislation not yet passed — is simply not enough to stabilise our climate. Notwithstanding President Obama’s genuine leadership on climate issues, the so-called realities of US domestic politics do not change the basic scientific truth. And they do not change the fact that others will be unwilling to accept a disproportionate part of a reasonable climate burden without the US agreeing to play its part and commit to deeper emissions reductions.

And this is where there is a hugely important role for business to demolish the falsehood that making the right climate change decisions is incompatible with national prosperity and business success — whether in the US, Korea, Europe, China, India or Guyana. Business is uniquely positioned to stimulate transformative national and international decision-making in the US and elsewhere, by putting forward analytically rigorous arguments about why agreeing reasonable, scientifically-driven national emissions cuts drives future value creation and sustains national competitiveness. In other words, the better business and economic choice is the green choice.

I spoke earlier about how I commend the vision of a new global “green economy”. But if this is to become a reality, we actually need to look to the day where the term green economy is no longer relevant. Not because we have retreated to the environmentally destructive models of the past — but instead because we have made the necessary transformative decisions that align economically rational choices with action that protects our environment. And in this world, there will be no need to talk about the green economy because the green decision will be the economically rational one.

B4E

Nam Yong,
Vice Chairman and Chief Executive Officer,
LG Electronics

The LG Group will invest \$18 billion over the next decade to create environmentally friendly businesses and to reduce emissions by 40%. That's a reduction of 50 million metric tons of greenhouse gases every year by 2020.



Ladies and gentlemen, it is both a pleasure and an honour to have the chance to speak to you today. The issues being discussed over the course of this event are very important, far-reaching and exciting. This reflects the reality that businesses' role in addressing environmental challenges is complex and multi-faceted. At its heart, though, is a simple reality: the need to change how people think and act. There are many who look primarily to governments or NGOs to force this change, and that's ok. But I also see an enormous number of things that business can do, regardless of the progress of political or social processes.

Today, I'd like to share with you briefly why I believe that.

We at LG are in an unusual position of having a very broad range of businesses within our group. These include not only technologies you use in your home or workplace, but also some of the specialized building materials and technologies in commercial and residential buildings.

We take our commitment to the planet very seriously. We sponsor a number of initiatives around education on environmental science and engineering. We are also working to reduce our environmental footprint. In fact, the LG Group will invest \$18 billion over the next decade to create environmentally friendly businesses and to reduce emissions by 40%. That's a reduction of 50 million metric tons of greenhouse gases every year by 2020.

Like other companies, we also work constantly on improving the energy efficiency of our products. But what excites us most is looking at carbon efficiency at the level of living systems — buildings, city blocks, campuses, malls, and towns. When you do this, you start to see business opportunities on a completely different scale. Let me explain.

Think about your home. If you're like most people, you have a few dozen devices that all operate independently. The building materials, lights, air conditioning, appliances were all independent choices made years ago. The only place where home energy usage is managed centrally is in your brain. You're all clever people but everyone has their limits.

Then think about your office building or the supermarket where you shop, or the school or university your children go to. With few exceptions, these places are accidental collections of equipment with just enough central management to make sure they all function properly but with very little attention focused on energy efficiency.

Think about how many times you have been somewhere in the winter and the heating is turned up too high, or had to put on more clothes indoors in summer because the building's air-con was set too low. Or the times you've walked into an empty room in your home and found a TV or lights on with no one around. That of course represents a complete waste of our natural resources.

Let me illustrate how significant this is. The average home in the US consumes nearly one thousand kilowatt hours per month at a cost of around \$100 per month per household. We are smart-enabling our devices, and providing consumers with some simple tools to manage the devices easily and effectively. Our goal is to help every household reduce consumption by at least 20% — savings of \$240 per year. Across 100 million homes in the US, that represents potential energy savings of \$24 billion per year — and that's in the US alone.

When you start to look at larger buildings, the numbers just get bigger. Take a hotel. By installing the right combination of equipment and control systems, we believe we can reduce energy usage and carbon output by around 40-50%. That represents a major cost saving for any business.

As businessmen, we see very clearly that if we can help consumers and businesses achieve those sorts of meaningful savings, we can keep a portion of it in return for efforts. And the prospect of those returns is enough to encourage us to make the required investments in research and development, which have been and continue to be, significant.

We're developing packages of both residential and commercial energy management technologies to create turnkey "green building" solutions. Within the next five years, we expect these solutions to be among our most significant growth opportunities. If we succeed, they will represent a significant portion of our profits. The benefits that we can bring to customers and our shareholders are compelling and exciting, as is the positive impact on the environment.

You can see what we're doing. We're trying to make it possible for people to change. We're giving homeowners ways to reduce bills, giving businesses ways to reduce costs. We're giving them the ability to change, and a reason to change. And when we achieve that, an energy-efficient lifestyle will become a habit, a lifestyle, not an aspiration. The measure of success will be that people no longer need to debate the benefits, but take it as given that Life is Green — which is our environmental vision.

We at LG are lucky: we can look across individual products, and see how they combine together into solutions that can transform how people live. But this isn't a problem we're going to solve alone. The business community will crack it a lot faster if we work together.

We are already cooperating with a number of companies in delivering the solutions I've mentioned. We look forward to cooperating with even more and I hope some of you will be among them. That's why events such as this are so important. There is so much more we can do together than we can in isolation.

I am very optimistic because I believe that we've barely gotten started. The next few decades will see tremendous innovation in energy and carbon efficiency. It will change the way we live and we will welcome these changes.

Businesses will pursue these opportunities for a variety of reasons, a sense of social responsibility. But the fact that we're all increasingly recognizing that energy efficiency is not just the right thing to do but also a great commercial opportunity will undoubtedly accelerate progress. What we need here and now, among all of us, is the vision and courage to embrace these opportunities. Thank you very much.



Mohamed Nasheed, President, Republic of Maldives

We have all the tools at our disposal to solve these challenges and to leave the world a better place for future generations. We just need to use these tools, and use them intelligently.



Your Excellencies President Lee, President Jagdeo, distinguished guests, ladies and gentlemen.

We gather here today to confront the greatest challenge the world has ever known. The decisions that we take, this decade, will set the course of our planet for the next hundred thousand years.

Other leaders, at other times, have faced momentous decisions. Caesar had to cross his Rubicon. Churchill had to stand and fight Hitler's armies. Gorbachev let the Berlin Wall come tumbling down. Those were battles of power and conquest, but mere sideshows compared to what is at stake now.

Today we are one people, one species, facing the threat of annihilation because our common home is in danger. The message is clear: the planet cannot support our current population and lifestyles, let alone those of future projections.

Some writers say that a crash is coming. But I reject this talk of doom and collapse. To my mind it is just an excuse for inaction. I prefer to place my faith in human ingenuity. We are called Homo sapiens for a reason. We have all the tools at our disposal to solve these challenges and to leave the world a better place for future generations. We just need to use these tools, and use them intelligently.

I believe in the power of markets. I believe the pursuit of profit is a noble cause. I believe that an open economy best delivers the needs and wants of humanity. But market economies do not exist in a social and political vacuum. The market is a social institution, a set of relationships guaranteed by the state. This market must be properly regulated to ensure an efficient and equitable outcome. In some areas, markets fail. Conventional economic theory considers the atmosphere a public good. That means anyone can dump carbon dioxide in the air without paying a price. Because the air is a public good, which belongs to no one, conventional economics considers it valueless – whereas in truth it is priceless. This is not just a careless oversight by our economic sages. It is institutionalized insanity. It is the height of madness that something on which we all depend – the atmosphere – should be considered to have no economic value.

Climate change is also a market failure because of the displacement of costs and benefits. Those who bear the burden of climate change are not those who reaped the benefits of burning fossil fuels. Some big oil companies are today the most profitable corporations on the planet. The oil companies earn millions of dollars a minute producing products that are destroying our planet. These companies make enormous profits because they use the atmosphere as a free dumping ground.

We used to think that nobody had to pay for this pollution. But already it is Maldivians, and other vulnerable people, who are paying the price. It is our homes that are being washed away. It is our coral reefs that are threatened. It is our country whose future is in doubt. We pay the price for other people's profits. This is the real cost of climate change.

I don't believe, as I stand here today, that my country is doomed. My task is to ensure that the Maldives can flourish for another thousand years. But to do this we must fix the economic system that created this mess. First and foremost, we must bring into the market the externality of fossil fuel consumption. This means putting a price on carbon – at a high enough rate to compensate for climate damages and to shift investments towards green technologies. A price on carbon would also shift funds towards the protection of the world's rainforests, the source of a tenth of annual emissions. In my view protecting trees is more important than shutting down coal-fired power stations. These forests are treasure troves of irreplaceable biodiversity. We live in a global economy; therefore the price on carbon must also be global. If only a handful of countries impose a carbon price, industries will simply relocate to countries that do not tax pollution. I believe it is in everyone's interest, in every country, to see a serious price on carbon. And when we do, it will unleash tremendous change.

The market's invisible hand will work its magic, allocating capital to cleaner technologies. Renewable sources of power will become cheaper than fossil fuels. Transport systems will move people around without polluting the air. And pristine areas will become more costly to exploit and cheaper to protect. And this will happen on a global scale, while the world economy continues to expand. We will witness the most explosive change since the Industrial Revolution. I cannot understand why some nations are still holding back.

Some countries are still arguing that development means becoming dirtier and dirtier as they become richer and richer. In the Maldives we have chosen a different course. Under the Copenhagen Accord, we have committed to becoming the first carbon-neutral nation in the world. We aim to achieve this by 2020. Going carbon neutral isn't going to be easy. No one has ever drawn up a plan to decarbonise an entire country, and to do it so quickly. Our challenge is no longer political; it is technical. Thankfully, we have been inundated with offers of help. In both the north and south of the country, masts have been erected to gather data on wind speeds. We are installing rooftop solar panels on buildings in our capital city, including my office, thanks to Japanese assistance. There are also exciting new developments in the fields of marine renewables like tidal stream and ocean thermal energy.

I want the Maldives to be an open laboratory for the development of these ideas. The Maldives may be small. But what we are attempting in the Maldives will soon need to be done everywhere else. No doubt we will make mistakes. That is the cost of being pioneers. But I want the Maldives to not just be the testing ground for the low-carbon revolution. I want us to be the proving ground for the low-carbon revolution.

As the world gears up for COP16 in Mexico, I am here to say, we don't want any pollution rights. The Maldives doesn't want equal rights to poison the atmosphere. We don't intend to lobby for the right to pollute. We don't want the right to burn carbon because we don't want to burn carbon. Instead I believe that low-carbon development can be a recipe for growth and prosperity. Make no mistake. For the world to avoid potentially catastrophic warming, we need to see global carbon neutrality by mid-century. So when the population hits the nine billion mark all our energy must be provided without fossil fuels. And at the same time we must provide additional food and freshwater without further depleting biodiversity.

The world is heading for uncertain times, and the challenges we face today have no historical parallel. But in adversity we find opportunity. Your vision, you innovation, your businesses can help steer a better course. It is true corporate leaders who take on the greatest challenges. And so let us move forward with determination. And let us commence this great undertaking. Let us leave behind the dirty economy of the 20 Century. And help build the clean global economy of the future.



Maanee Lee,
Minister for Environment, Republic of Korea

In order to implement the action plan in business, the government will set achievable GHG emissions reduction targets to each industry, improve the transparency of emissions information; prepare the institutional foundation for the carbon trading system; and make energy price and tax scheme more eco-friendly.



Distinguished speakers and panelists, and Ladies and Gentlemen,

It is my great pleasure to deliver the opening remarks to you today as the Environment Minister of the Republic of Korea on the occasion of the fourth Business for the Environment Global Summit (B4E).

I would first like to thank you and members of UNEP for organizing this conference.

Today, we're going to have the panel discussion on "Green Business – A New Growth Engine for the Planet" and the discussion sessions on the role of businesses and partnership on the topic of "A Road to the Low-Carbon Economy."

I sincerely hope the panel discussions and working group sessions will produce great and innovative outcomes for our planet.

As you know, UNEP has launched the Green Economy Initiative (GEI) and emphasized the strong need for the Global Green New Deal in the midst of the global economic crisis in 2008. In this regard, it is very meaningful that businesses also join UNEP's Green Economy Initiative efforts through B4E.

For green growth, the Korean government will invest over 2% of GNP every year for green growth projects. However, only with the measures of the government, green growth can never be achieved. Therefore, I'd like to emphasize the importance of business' engagement in green growth.

And it is very timely that the global entrepreneurs gather here in Seoul to discuss business-driven action, partnership and technological innovation for green growth.

In 2008, President Lee Myung-bak announced the national vision of Low Carbon, Green Growth. For the successful implementation of the vision, Korea made the Green Growth Five-Year Plan, enacted the Basic Act on Low Carbon, Green Growth, and set up the Presidential Committee on Green Growth.

On the basis of this platform, Korea will take the following green growth measures to produce real and concrete outcomes.

First, the Korean government will pursue the Green Growth projects requiring the involvement of businesses and citizens as well as the government

To begin with, the Korean government will carry out the Four Major Rivers Restoration Project in an eco-friendly manner to adapt to climate change and to address water shortage. It will develop the Waste to Energy (W2E) project to promote resource circulating society.

It will prepare "the national action plan for greenhouse gas(GHG) emissions reduction" in order to achieve the mid-term target of reducing 30% of GHG emissions from business-as-usual(BAU) by 2020 as announced last year.

In order to implement the action plan in business, the government will set achievable GHG emissions reduction targets to each industry, improve the transparency of emissions information; prepare the institutional foundation for the carbon trading system; and make energy price and tax scheme more eco-friendly.

Under the "Me-First" campaign for green lifestyle, the government will encourage Korean citizens to use energy-efficient goods and reduce food waste. In addition, Korea will promote a national campaign to cut one ton of carbon per one household.

Second, the Korean government will support the improvement of global competitiveness of Korean companies through green growth projects

The Korean government has selected ten core green technologies and will support them as the future growth engines. The core green growth technologies are next generation rechargeable batteries, LED lights/displays, high-efficiency solar cells, green computers, green cars, smart-grids, nuclear power, fuel cells, Carbon Capture & Storage(CCS), and advanced water treatment.

In order to raise the green industry, the government will help create 1,000 green technology ventures by 2013.

In addition, the differentiated greening strategies will be applied to each industry.

The energy-intensive industry sector such as steel, ship-building, petrochemical and cement, will improve energy efficiency while reducing GHG emissions with concerted efforts.

The green product industry sector such as automobiles, semiconductors and LED displays, will aim at developing green products and commercializing them in a short time.

The processing industry sector such as casting, molding, and welding will adopt a green producing process.

The construction and transportation sectors, which account for 25% and 17% of the total GHG emissions respectively in Korea, will also implement a greening strategy. For instance, the building design requirement for power consumption will be strengthened, green buildings will benefit from more incentives, and the green city model will be promoted.

Lastly, the Korean government will enhance international cooperation for green growth.

The Korean government will strengthen the East Asia Climate Partnership, designed to assist developing countries to adapt to climate change, thereby placing them on a green growth path.

As announced by President Lee Myung-bak in the Copenhagen Climate Change Conference in 2009, the Korean government will establish the Global Green Growth Institute (GGGI) as a global think-tank for the policies responding to climate change and promoting green growth.

Distinguished guests, and ladies and gentlemen,

Now, we are facing the unprecedented challenges such as climate change, energy depletion and other environmental problems as a result of a continuous increase of the world population and a surge in energy demand.

Actions to tackle such challenges will lay the foundations for creating new growth engines, going beyond the protection of environment, because such challenges will be an opportunity if we response effectively.

The environmental technology industry, ranging from climate change response to energy/resources efficiency, has enormous potential for tomorrow. And the demand of environmental products, services and technologies will be exponentially increased.

Distinguished guests, a path toward green growth is not an option but a must. Following the industrial and information revolutions, we are witnessing a new wave of the environmental revolution. Your involvement in technological development for green growth is critical. Green growth will definitely ensure a better tomorrow both for businesses and for our planet and mankind.

I sincerely hope today's discussions contribute to enhancing the awareness on green growth and further sharing the green growth strategies for our planet.

Thank you very much.

B4E

Sohn Kyung-shik, Chairman,
Korean Chamber of Commerce and Industry,
Chairman and CEO, CheilJedang (CJ) Corporation,
Chairman, CJ Group

Green technologies are opening new doors of opportunity for businesses. The scale of the global market for renewable energy and the smart grid is expected to reach \$1 trillion and \$3 trillion by 2030 respectively, while the water product market will surge by 6% per annum to create a \$1.5 trillion market by 2015.



Ladies and Gentlemen, I am highly honored to be here to share my thoughts on business and environment with you today.

It is indeed meaningful that so many CEOs and leaders have gathered in Seoul to discuss the role of businesses in ensuring a clean environment and the future of the Earth. It is a significant move not only for the further development of businesses but also for the prosperity of mankind.

As you are well aware, environmental issues have emerged as a global challenge that requires our immediate attention. Climate change caused by global warming is creating various types of environmental disaster, while greenhouse gas emissions continue to rise.

Environmental issues are now no longer a potential threat that we may face in the distant future but an urgent problem that we must address here and now.

There is a theory in economics termed the "Tragedy of the Commons", which teaches us that freely accessible fertile pasture will turn into barren wasteland if abused and not properly cared for.

This theory holds true for the global environment as well. Unless we take good care of the global environment, which has been the foundation for economic growth and prosperity, it could turn into a disaster for mankind. If the destruction of the environment takes place, there can be no assurance of a prosperous life or of sustainable growth.

Environmental issues are directly connected to the future of mankind, and it is hard for them to be resolved by the efforts of individual companies, certain industries or a particular country. The issues are a common challenge for mankind, and one that can only be resolved by a global community-based approach.

By now, the world has come to a clear understanding about the severity of environmental issues. However, the efforts to find an answer have been painstakingly slow and we are far from reaching a consensus.

Although there has been some sustained drive by the international community from the 1992 Earth Summit in Rio to the 2009 Climate Change Summit in Copenhagen, a clear agreement is yet to emerge.

I attribute the reason for this failure to the difficulties in narrowing the gap between the two important values of environment on the one hand and economic growth on the other.

We do not have the luxury of being in a position where we can give up economic growth for the sake of the environment, or vice versa. I believe that this dilemma lies at the heart of the conflict between advanced and developing economies, businesses and environmental NGOs.

However, most fortunately, a new creative idea — the green growth vision — has emerged to resolve this dilemma. Green growth seeks to pursue environmental protection and economic growth at the same time.

The idea of green growth has been around in the international community since 2005 but its development began to take off in 2008 with the announcement of green economic visions by major advanced economies including the US, the EU and Japan. Korea also set a Low-Carbon Green Growth Strategy as its future vision in 2008 and enacted the Green Growth Law last year.

Green growth is about transforming the mode of economic growth to an environmentally friendly style, and finding new engines of growth in pro-environmental technologies and industries.

Turning the two values of the opposing binary set, business and environment, into the two main pillars of win-win growth is indeed a stroke of genius. Green growth is no longer just an idea to play with but a practical future strategy for many countries. Moreover, green growth is a common approach for us to promote global environmental protection and economic prosperity at the same time.

The paradigm of the global economy is undergoing a shift towards the green economy.

The main player that will determine the success of the green growth strategy is none other than the business community. Without the active participation and creative contribution of businesses, green growth will not be able to gain traction.

Green growth is new to businesses, presenting both challenges and opportunities. Already, consumers are looking for products that are energy-efficient. Moreover, many consumers now look to pro-environmental features as their criteria for product and company evaluation.

Pro-environment green business management is no longer optional but is indispensable for us as a competitive factor in the survival and development of businesses.

Furthermore, green technologies are opening new doors of opportunity for businesses. The scale of the global market for renewable energy and the smart grid is expected to reach \$1 trillion and \$3 trillion by 2030 respectively, while the water product market will surge by 6% per annum to create a \$1.5 trillion market by 2015. Moreover, the carbon emissions market is expected to grow 130-fold, from \$11 billion in 2005 to U\$1.4 trillion in 2020.

Already, global companies have taken major initiatives to expand investment in green facilities, develop relevant technologies and manufacture environmentally friendly goods. Solar thermal panels, photovoltaic solar cells, biomass and wind power have become new growth industries. With the announcement of green IT strategies, global IT companies are making aggressive investments to develop high-efficiency green technologies. Global retailers are pursuing green management to introduce environment-friendly stores and marketing strategies.

Some global manufacturers have taken steps early on to switch their business structures to pro-environment platforms, thus playing a leadership role in the new green market.

Ladies and gentlemen, this paradigm shift will be a new opportunity and challenge for all players in the corporate sector.

In this regard, the topic of today's summit, "Powering Growth for the Global Green Economy" is indeed meaningful to us, in that it embodies the resolve of business leaders in transforming the challenge of green growth into an opportunity.

For successful conversion to green growth to take place, technological development and new market creation will be crucial.

In this vein, I believe that business leaders need to actively contemplate the role of business in promoting the green economy, based on a long-term perspective.

Green business leaders also need to participate more actively in the on-going discussions on climate change and energy issues, and play a major role in the creation of a new framework for the green economy.

I hope that your time here today will be informative and beneficial in many ways, and in drawing up an outline framework for the green economy. Thank you for your kind attention.