

# RIO+20: CHARTING A GREEN FUTURE?

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## Life after Rio: 'No excuse to do less'



Danish Environment Minister Ida Auken (picture: The Council of the European Union).

Disappointed over the failure of the Rio summit to produce ambitious commitments on sustainable growth, conservationists say Europe must now redouble efforts to tackle its own environmental challenges.

Replete with declarations on sustainability, poverty reduction and expanding electricity to disadvantaged people, the UN Conference on Sustainable Development's final document contained none of the firm commitments on resource conservation and economic sustainability that EU officials and environmental groups had urged.

"When governments come here with absolutely no ambition, it will mean that their documents have no ambition," Asad Rehman, head of global climate and energy campaigns at Friends of the Earth in Britain, said from Rio de Janeiro.

The conference also failed to lay out a plan backed by the European Union to give the United Nations Environment Programme (UNEP) more firepower – putting it on par with the world body's trade, health and labour organisations.

### EU must 'do more'

Saying he was dispirited by the lacklustre outcome of the 20-22 June meeting, German MEP Jo Leinen (Socialists and Democrats) said the EU shouldn't back down on its own environmental agenda.

"Rio should not be an excuse in Europe to do less, but should be a motivation to do more because we have a special role to play," said Leinen, a member of the Parliament's environment committee and one of the few MEPs to attend the Rio conference.

He said Europe's economic successes have inspired others, "so we have to adjust the model or reinvent with [a] sustainability agenda."

The conference marked the 20th anniversary of the first post-Cold War Earth Summit, which produced landmark environmental treaties on biodiversity, climate change and desertification. But this year's event produced no major binding deals and the 100 leaders attending signed off on a conference document - The Future We Want - that was negotiated in advance.

Ban Ki-moon, the UN

secretary-general, nonetheless praised the 49 pages of mostly voluntary pledges.

"The outcome document provides a firm foundation for social, economic and environmental well-being," he said in a speech on Friday. "It is now our responsibility to build on it. Rio+20 has affirmed fundamental principles – renewed essential commitments – and given us new direction."

### Business involvement

Despite widespread disappointment in the conference, participants said there were bright spots.

Leinen – who was part of an informal European Parliament delegation since the body decided to sit out the conference due to high travel costs – said businesses were beginning to recognise the value of greener growth.

"I never saw so many businesses than at this Rio+20," he said in a telephone interview. "Intelligent business leaders have well understood that sustainability is fundamental for doing business and an unsustainable world will distort

and destroy business."

Neil Hawkins, vice president of sustainability and the environment at Dow Chemical, agreed, saying that 24 multinational companies committed to ramp up protection of ecosystems.

"From my perspective, the Rio meetings were extremely successful for business," the US-based executive said on the final day (22 June) of the three-day Rio conference.

"Governments around the world are facing a lot of different challenges, as are businesses, but in these targeted areas I see a lot of leadership from business that really crystallised at Rio, and coming out of it I expect to see a lot of momentum."

### Keeping subsidies alive

But the absence of Barack Obama, Angela Merkel and David Cameron doomed the chances of audacious outcomes. And environmentalists blamed the dearth of global obligations in part on business pressure.

The Corporate Europe Observatory, a Brussels group that monitors lobbying in the

EU, warned of "unprecedented levels of industry activity" at Rio.

Asad Rehman of Friends of the Earth accused oil companies of blocking any hope of getting world leaders to commit to ending fossil fuel subsidies that the International Energy Agency estimates exceed \$400 billion annually. He also said energy companies diluted UN Secretary-General Ban-ki Moon's Sustainable Energy for All initiative by ensuring that oil, gas and nuclear power were not excluded.

With Rio, "We haven't really gone backwards, but we're haven't gone forwards," Rehman said, adding that activists now need to focus on the grass-roots.

"What a lot of organisations are saying here is that what really needs to happen is we need to be taking the fight back to our national [governments], back to the EU, and try to deliver the transformation at the national and regional level.

"We need to be able create the political constituencies and the political will so that these types of international summits are actually successful," he said.

# Chemical giants push for global green 'standards' at Rio

Rattled in Europe by the REACH regulation and carbon dioxide emission curbs, international chemical companies are at the Rio Earth Summit determined to push for a global approach to environmental policy – but with a light regulatory touch.

Speaking ahead of the Rio summit, international chemical firms were keen to convey the message that environmental standards are better if they are implemented globally.

"I think globalisation of standards and definitions, common definitions are good," said Frank Sherman, president of AkzoNobel's North America branch.

The reasoning is simple and well-known. Rather than complying with a myriad of environmental laws in different countries, companies prefer dealing with a single set of globally harmonised rules.

"One thing that industry goes crazy about is having multiple directions, multiple rules, multiple definitions. And so we need some consistency," Sherman told reporters in a telephone briefing organised by the International Council of Chemical Associations (ICCA).

## Soaring regulatory costs

Large international chemical groups like AkzoNobel and Dow have seen their regulatory compliance cost soar in recent years.

In Europe, the REACH regulation, adopted in 2006, has started a mammoth process of registering about 100,000 substances that are currently used in a wide range of consumer products, with the aim of gradually replacing the most harmful chemicals with safer ones.

BASF, the German chemical giant, says it has recruited 250 employees to prepare registration dossiers for submission to the European Chemicals Agency (ECHA) in Helsinki. "We expect around 5,000 BASF REACH dossiers," or approximately 70,000 pre-registrations, said Ronald Drews, vice president for chemical regulations and trade control at BASF.

Overall, BASF estimates that it will cost the company between €500 million and €550 million over 10 years to register the thousands of chemical substances it produces.

## REACH: A global model for other countries to follow?

For an international chemical company like BASF, the colossal efforts it has deployed to comply with European legislation should not be wasted and could serve as a basis for a global chemical registration system.

"It would be very helpful if we could take our REACH dossier that we have registered at ECHA in Helsinki and give it to Chinese authorities" for registration there, said Ronald Drews from BASF. "That would be the easiest way."

Drews argues that "the REACH legislation is currently seen worldwide as the best in class regarding chemical law," and that other regions were trying to learn

Europe's regulatory leadership should be imitated, saying "it's premature to say REACH is the proper standard" to be adopted globally. "Obviously, AkzoNobel's been very involved in REACH registrations. But I think the jury's still out to say that REACH is an effective standard."

## Lighter regulatory touch preferred

In Europe, the chemical industry itself seems divided as to whether REACH should be promoted globally.

While BASF appears to favour this option, the European Chemical Industry Council (CEFIC), a trade group, warned about plans by New Delhi to adopt an "Indian REACH".



*Dow Chairman and CEO Andrew Liveris (Left) and International Olympic Committee President Dr. Jacques Rogge celebrate the announcement of Dow as an Official Worldwide Olympic Partner at a press conference in New York on Friday, July 16 (picture: Dow)*

from Europe's experience. China and South Korea have already implemented "some elements of REACH" and discussions have begun in India to put in place what Drews described as "an Indian REACH".

But he cautioned about the temptation to simply roll-out REACH to countries where little or no chemical safety rules have existed so far, saying national administrations would quickly be overwhelmed.

Greg Bond, corporate director of Product Responsibility at Dow, the US chemical company, agrees. "I think there are a lot of advantages of REACH. But REACH is fairly complex, and not every developing country has the capability, the capacity to implement something that complex."

At AkzoNobel, Frank Sherman is not convinced that

REACH is a "cumbersome" approach to regulate chemicals, CEFIC said in a letter to Indian authorities in April, arguing that the country "could achieve comparable or better protection of human health and the environment with a much simpler approach", reported Chemical Watch, a specialised news service.

The ICCA believes a lighter type of regulation would be better suited to developing countries – the Global Product Strategy, or GPS, which it helped put in place.

"What we'd like to do is take maybe some of the best elements of REACH ... which looks more like GPS, and help developing countries model legislation that looks like GPS," said Greg Bond from Dow.

CEFIC is of the same opinion. "We think GPS should

be considered," said James Pieper, media relations manager at the trade group.

A key outcome for ICCA would be to strengthen the UN's "Strategic Approach to International Chemicals Management" (SAICM) policy, adopted in 2006. But both Sherman and Bond insist that the UN programme should remain a "voluntary" and "flexible" policy framework, saying mandatory treaties take too long to ratify and create too much controversy.

A middle ground would be to go for mandatory reporting under SAICM. "We do need greater accountability to deliver against commitments, and so maybe mandatory reporting against voluntary commitments" could be the way forward, Bond said.

number of structures. So there should be more consistency between these various agreements."

Like EU diplomats, chemical companies support greater consistency in international environmental rules. "These various treaties sometimes appear confusing and sometimes even conflicting," Sherman said. "So I think UNEP can help a great deal in trying to align those treaties and make sure that we're headed in the same direction."

"ICCA supports strengthening UNEP to enable it to more effectively coordinate and address environmental issues," Sherman said.

UNEP has in fact already begun the process of streamlining some treaties relevant to the chemical sector – the Rotterdam Convention on Prior Informed Consent (PIC treaty), the Stockholm Convention on Persistent Organic Pollutants (POPs) and the Rotterdam Convention on waste.

But Dow's Greg Bond believes more can be done. "We would like to see the work that UNEP's doing today to coordinate on these three treaties, to accelerate that work and do more of that type of consolidation and looking for streamlining and efficiency."

## Support for global carbon price

In fact, international chemical companies at ICCA would like to go a step further, saying the UN's involvement in policing environmental legislation should be extended to other areas than chemicals to cover carbon dioxide emissions.

"I think industry would very much like carbon pricing to be standardised, globally," Sherman said, adding that "you're going to have to support and resource an outfit like UNEP to help do that".

He conceded, however, that there was little hope that the Rio summit will make much progress on this given the US reluctance to regulate carbon dioxide emissions.

"Whether that translates to some kind of a global pricing or specific policy in the US, I'm doubtful that this is going to happen in the near term. But I think as an industry, eventually these costs will have to be monetised, and incorporated in our economy."

"There's a business case here."

## Strengthening UNEP

Despite differences over the best possible approach, chemical companies are in agreement over the need to promote global standards. And this, they argue, can only be done via a stronger mandate for the United Nations Environment Programme (UNEP).

EU representatives at the Rio summit are pushing for a similar outcome. One Brussels diplomat told EurActiv that Europe's ambition at Rio was to give UNEP wider powers to watch over all existing environmental treaties such as the Kyoto Protocol, the Montreal Protocol and other international accords.

"There are 500 of them," the diplomat pointed out. "Not all have a secretariat but there are 500 legal bases and a large

# Footing the world's bill for a green transition

World Bank President Lewis Preston called on rich donors to back a \$5-billion (€4 billion) fund to help the world's poorest nations protect their environment and make economic development more sustainable.

The year was 1992, just six months after the collapse of the Soviet Union and when the ink was barely dry on the European Union treaty.

Preston's "Earth increment" – unveiled at the Earth Summit in Rio de Janeiro that June – was to provide low-cost environmental loans through the bank's International Development Association, a complement to the billions in aid promises made to help heal the economic and environmental rifts left by the Cold War.

But Preston's plan would – like other commitments to help the ecology of disadvantaged nations in the two decades since the Earth Summit – never saw the light of day.

With the UN Conference on Sustainable Development being held this week in Rio, there are constant reminders of the promises of the past fading with memory.

## Recycling cash

"Our politicians are recycling the same amount of money for different new thematic proposals, depending on the moment and depending on the international negotiations, with no additional thought at all," said Olivier Consolo, who heads the CONCORD charity

confederation in Brussels.

"You now have a kind of momentum on the environment, on energy and a lot of promises, but always with the same money – money that was already committed to other things," he said.

Several European countries and the United States have turned aside calls dating to the early 1990s for a tax on world finance transactions to fund development aid. A modest proposal for a financial levy to finance EU operations and to raise domestic revenue is mired in opposition led by Britain.

The International Energy Agency and Organisation for Economic Cooperation and Development (OECD) have called for scrapping fossil fuel subsidies to help encourage a worldwide shift to clean energy and to lift development economies. Such recommendations have mostly gone nowhere.

## Missing the mark on aid

The European Union offers a good example of failed expectations. Charity groups say that with few exceptions, the 27-nation bloc is failing to meet aid promises and – in some cases – countries inflate their contributions by counting debt relief or trade financing as aid.

A report last year by CONCORD – whose members include Oxfam, Caritas and ActionAid – showed that EU countries were on course to miss

their 2015 aid pledges: 0.7% of gross national income for the 15 older EU nations, and 0.33% for the 12 nations that have joined the bloc since 2004.

The current overall rate is 0.43% and CONCORD, which is expected to release its 2012 aid review this week, warns that at current levels of spending will barely move beyond that by 2015. OECD statistics largely back up those estimates.

A new OECD report released ahead of the Rio conference shows that development assistance for environmental protection has grown fourfold since 2001, to \$5.1 billion in 2011. That is the same amount proposed 19 years earlier by Preston, who took over the World Bank in 1991 and led it until shortly before his death in 1995.

## Forecast for Rio

Aid and EU officials attending the Rio conference this week expect more rhetoric than bold commitments to emerge from the UN sustainable development conference.

But European officials have defended their turf, pointing out that even in an era of financial turmoil, overseas aid grew to a record €54 billion in 2010 and several countries – including Sweden, Luxembourg, Denmark and the Netherlands – have already exceeded their 2015 commitments.

The European Commission has also proposed an overhaul of aid – called the "Agenda for Change" – to focus their



scarce resources on the neediest nations and on financing a greener future.

On the eve of his departure for Rio, Environment Commissioner Janez Potočnik said the 27-nation bloc would keep its word to needy nations.

"The European Union remains the biggest donor of aid in the world," he told journalists in Brussels, "and we will stick to our promises despite the financial crisis."

"The EU countries recently reaffirmed their commitment which would translate into important additional development aid by 2015, including for project which will be related to the Rio outcome," he said.

But Rio observers like the president of the European Environmental Bureau, a

Brussels campaign group, say meeting those commitments will be tough. He also said donors could help by setting a better example in how they treat the planet.

"One of the key things that the G77 and the South want is either money or technology transfer – they want support to make this transition the North in particular is telling them we all have to make," said EEB Secretary-General Jeremy Wates.

"I think they really want a clear signal from the North that we in the EU recognize we need to substantially reduce our ecological footprint," he said. "We are living way beyond our means in terms of looking at the planetary resources and what constitutes a fair share of those resources."

## EEB chief: A mixed forecast for the Earth Summit

Jeremy Wates, who heads one of the leading conservation groups in Brussels, says the lack of appetite for binding sustainable development commitments and stronger world environmental governments would contribute to a disappointing Earth Summit.



*Jeremy Wates is secretary-general of the European Environmental Bureau, a non-governmental group of 143 organisations. He spoke to EurActiv's Timothy Spence at the EEB's office in Brussels before heading to the UN Conference on Sustainable Development in Rio de Janeiro. Excerpts of that interview follow.*

**Some environmentalists say the first Rio Earth Summit failed to live up to its potential. Are you confident that things will be different this year than in 1992?**

The world has definitely changed, but in terms of the outcome of the conference, is it going to be different? You might be asking that question from the point of view that Rio '92 was a success and is this also going to be a success. Or you might say Rio '92 was disappointing.

Looking back, even though at the time we were not that impressed by the outcome, we can say it did produce some pretty interesting things. We had three major global conventions [on biodiversity, climate change and desertification] adopted there. Obviously the work to develop the text had been going on, so that was not

just something you would say it was produced by the conference. But nonetheless the three Rio conventions are an important outcome.

You also had the Rio Declaration, Agenda 21, you have certain principles of the Rio Declaration that developed into whole areas of activity. So I think we can probably say that Rio '92 was a qualified success. ...

## So what can we expect out of Rio+20?

There are three kinds of outcomes being booted at the moment. The most obvious one is this outcome document that has been worked on laboriously

over the last months, starting with the zero-draft, and we've seen successive drafts. ...

In terms of the content of that [outcome] document, it's shaping up to be something like a set of policy commitments rather than actions commitments. It's very rich on nice-sounding phrases, declarations, statements about how important this is or how important that is. But the text which has been trying to propose something concrete – some clear decisions that would come out leading to some definite actions – a lot of that text has already fallen in the bin – it's been cut out.

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### Can you give me an example?

The idea to establish a legally binding framework governing the rights of access to information, public participation and access to justice. ... There was some text on this put in by the EU, Norway, Switzerland and this text has now been diluted.

Even the EU text wasn't very concrete or very specific, but it was already too specific for other countries to expect.

I think there is a real bind here because if they have any hope of finishing the negotiations in time, they are going to have to not allow any new materials come in. But if they stuck with the material that's there, then you have the risk of a rather weak document.

That brings me to the second kind of outcome. There's a rumour going around of some kind of high-level document that would be injected into the process [by Brazil]. Given what I've just said about the weakness of the draft outcome document, you could say that might be a good thing. On the other hand, if the document they produce does have really concrete actions included in it, then there is the real risk that governments in three days are not going to be able to sign up to it and they are going to say this is something we are going to have to consult with for months. ...

The third type of outcome is a set of voluntary commitments - and this is an approach that has really been very much pushed by the United States because it fits with their deregulatory approach, with their dislike of multilateral processes. And it's something that we are highly sceptical about, the value of having a major conference - billed as probably the largest every conference on sustainable development issues - where actually one of the main outcomes is that people just come along and tell you what they're planning to do and sharing that information, so there's no added value in sense of additional decisions being taken by the body itself, by the assembled governments.

So you could say the situation does not look very good just a week away. But we

have to remain optimistic and we have to push to the last for higher levels of ambition from the governments...

**The EU has put a lot of effort into Rio. We've heard all sorts of promises about energy, water, oceans, biodiversity and so forth. Are the Europeans going to walk away from this disappointed?**

Everyone who is looking for a positive outcome is going to be a little bit disappointed, but hopefully there will also be some things we can hang on to. It's never a question of being an outright success or an outright failure. There will be elements of success and elements of failure. That's the nature of the balance.

We think the EU has done a very good job in trying to get the discussion more concrete and to focus on really concrete outcomes. ... This whole idea of the green economy roadmap - saying that is not just enough to talk about green economy principles but actually to talk about targets - and I think we are really very happy that the EU has tried to make the discussion more concrete and has put concrete elements in there.

Obviously there is quite widespread scepticism among the G77 countries about the motivations of the North in promoting the green economy concept - even though the phrase 'green economy' was mentioned in the UN decision that decided to have the conference, so the G77 can't really complain too much about this phrase. What the EU is trying to do is try to pin it down and say what do you mean by that and how can we actually take steps towards it. ...

I don't think we're going to see many if any SDGs [sustainable development goals] actually being adopted in Rio. There's not much time left. There may be some adopted symbolically. ...

Another issue that the EU has really put a lot of effort into is strengthening international environmental government in particular through the upgrade of UNEP [the United Nations Environment Programme]. That's something where we really support them on that issue, we think that's very important.

**The US has already said no - Brazil has already**

**said no [to the UNEP proposal]. Do you foresee any sort of compromise?**

Yes. I think the compromise is in a way not fully upgrading UNEP to become an independent agency, but strengthening it to have a universal governing council ... Giving it more money, that's going to be difficult in these financial times [but] maybe there are some ways to give it more financial independence. So I think there are some measures that can be taken to strengthen UNEP and I hope those are pursued.

But if indeed it really turns out as I said, I think this is really going to be one of the big disappointments of the conference, because it is so unbalanced that you have these different agencies dealing with labour, with health and with trade and the environment [has no such power].

**You mentioned money. Do you think countries like the United States and the EU countries - the big donors of the world - are they walking into this handcuffed financially?**

It's happening at a very bad time. One of the key things that the G77 and the South want is either money or technology transfer - they want support to make this transition the north in particular is telling them we all have to make. It also doesn't help that it's an election year in the United States, so it's going to be difficult for Obama to go out on a limb, whereas if it were a year later, if he is in his second term, we could have maybe hoped for better input from the United States.

I think the other thing the G77 need - and this has less to do with money - I think they really want a clear signal from the North that we in the EU recognise we need to substantially reduce our ecological footprint. We are living way beyond our means in terms of looking at the planetary resources and what constitutes a fair share of those resources. ...

In fact the EU is doing some useful things to try to address that issue - it is not doing enough, absolutely not - but it is doing some useful things. But I think in terms of communicating a message, the EU is failing to get that message across, that Europe is serious about substantially reducing its consumption of

resources.

**But what kind of message does it send that the 27 countries can't even make a commitment on something as simple as energy efficiency.**

Unfortunately, this makes the EU less convincing. It undermines its credibility when it goes to Rio. The fact that it isn't able to come with strong positions, that it hasn't been able to agree on a 30% target in the climate talks - admittedly because of only one country blocking having targets.

**You are talking about Poland?**

That's right.

So I think there is an important link between the EU's domestic progress and its credibility on the world stage.

**Recent [environmental] reports by the UN, OECD and others paint a rather gloomy picture looking ahead. Is this anything that can be done in a practical sense politically that could change this?**

That's the bad news: if we don't do anything, we're really in deep trouble. The good news is some of the ways to resolve the environmental crisis are also ways to resolve the economic crisis. And I think that's what the green economy concept is about. ...

But the problem is when you actually come to talk about a practical measure, a concrete measure that will actually make a difference, then the very same governments who say that the solution to the two crises is intertwined, that they are resisting the very measures which are needed to do this.

Look at something like green public procurement. You have all these huge amounts of public money that are being spent that you can theoretically put all sorts of conditions on the spending on that money to ensure that it's spent in a green and equitable manner ... but they don't do it and they don't want to have binding measures.

**We are hearing a lot these days about companies having sustainable development and sustainable purchasing policies. What is your take on that?**

When there is no comparability, it is very hard to evaluate these statements. And that's why we are trying to have some kind of common, harmonised approach to assessing these kinds of claims. ... I think there is the risk of green wash when you don't have some kind of harmonised standard.

**And those standards should come from industry themselves, or from the EU?**

Our preference is that see it as the role of governments to govern. I know that's a radical idea, but I think some governments have really abdicated their responsibility to actually regulate and there has been a trend towards deregulation and we think that's a mistake.

Regulation makes sure that you bring everyone along, where the voluntary approach means that it's good for the leaders and the front-runners, and maybe they get some commercial advantages from doing so. But then you get the stragglers who are left behind so you don't get a level playing field ...

**If you could leave Rio with world leaders agreeing to one thing, what would that be?**

We haven't seen any legally binding instruments being developed for adoption at Rio, and many parts of the text which refer to starting to develop legally binding instruments - most of them have been taken out. There are still some elements that have a hope of getting through.

In terms of what still seems to be a possibility, one very specific outcome that would be useful would be a decision to develop a legally binding instrument on sustainability reporting by companies. ... I think to have a common standard and a binding standard by requiring large companies having an obligation to have sustainability reporting ... that would be one very specific outcome in terms of developing a concrete process. ...

I'm not really answering your question very directly, because you said one and I'm coming up with several. But I think the upgrading of UNEP would be fantastic. But I don't see it happening.

# EU faces big obstacles on the road to Rio+20

Europe faces an uphill battle to convince world leaders to buy its plan for strengthening global environmental governance at an important sustainable development conference later this week.

The plan to empower the UN Environment Programme (UNEP), strongly supported by conservationists and the EU institutions, is part of an ambitious European agenda to set global conservation targets and lead a transformation to leaner and greener economic growth.

But plans to morph the Nairobi-based UNEP from a talk shop into an agency with powers like the UN's influential trade, labour or health bodies may make little headway at the UN Conference on Sustainable Development.

"I think this is really going to be one of the big disappointments of the conference," said Jeremy Wates, secretary-general of the European Environmental Bureau, a non-governmental organisation that has credited the EU with pushing the proposal.

Austere times and sharp resistance by the United States and even Brazil, the Earth Summit host, to expanding UN powers are to block any big overhaul of the UNEP, Wates acknowledged in an interview with EurActiv.

Janez Potočnik, the EU environment commissioner

and one of the architects of Europe's Rio agenda, said talks leading up to the 20-22 June conference have not been easy.

"After tough negotiations in New York, unfortunately not enough progress has been made," he said, "so we have some intense days ahead of us in Rio and we have really high hopes that Brazil, as a the host country, will engage that with a strong ambition."

## Big event, small expectations

Billed as the largest-ever UN conference and coming two decades after the Earth Summit in Rio de Janeiro, weeks of preparatory discussions are expected to produce global pronouncements on food security, natural resource protections, clean energy and sustainable development.

But analysts expect few of the binding targets and commitments that European officials and activists had hoped for. For example, the EU is facing resistance from developing nations to advance its "green economy" ambitions, fearing it would slow growth or impose restrictions on their own plans to grow out of poverty.

"We need to be cautious about the current pitch on green economy," Arjun Karki of LDC Watch, an advocacy organisation for the world's least developed countries

with offices in Brussels and Kathmandu, said at a recent UN trade meeting in Qatar. He added that "we are sceptical about the new forms of development assistance" linked to sustainable development.

Simon Upton, the environmental director for the Organisation for Economic Cooperation and Development (OECD), also said rich nations need to be careful that the drive for a green economy did not lead to economic dislocation for those working in older industries, such as those dependent on fossil fuels.

"Governments have to keep money in reserve for the people who might be hurt by the transition to a greener economy," he said by telephone from Paris. "There's a very important social element to this."

## Remember Copenhagen?

Meanwhile, in a feared repeat of the 2009 Copenhagen climate change talks where the European hosts were left sidelined by the United States and China, EU delegates face almost certain opposition to binding climate and development targets.

US President Barack Obama is not due to attend – a diplomatic brush-off for such a high-profile international gathering – and instead will send Secretary of State

Hillary Clinton. Washington has already come out against strengthening the UNEP.

Yet the Democrat president had little choice but to avoid taking a leading role at Rio given his re-election battle with Republican challenger Mitt Romney and repeated scraps with congressional Republicans over environmental and international programmes.

Courtney Hight, deputy political director for the Sierra Club, a US conservation group, said the Republicans who control Congress have "stopped and blocked" the Obama administration's climate and environmental agenda.

She told EurActiv in a recent interview from Washington that Obama has not been as ambitious on global environmental issues as his supporters in 2008 had hoped, but that his Republican challenger would be far worse.

"Romney has repeatedly said he does not see carbon as a threat and questions the science of climate change, [and] I do not foresee him in engaging in the international community. We would see huge steps backward with Mitt Romney in the White House in terms international climate actions," Hight said.

## Water and food security

At Rio, the stakes are high. Strains on water, food

supplies, energy, minerals, air quality and land will grow as the world population grows by some 2 billion by 2050 – the equivalent of two Indias today. Calls for action have come from predictable fronts – ecologists and anti-poverty campaigners – but also from some of the world's largest corporations that are concerned about declining resources.

Despite gloomy forecasts about the outcome of Rio, some delegates say not all hope is lost – and hope for possible surprises.

EEB's Jeremy Wates says it's possible world leaders could agree to develop a legally binding agreement on corporate sustainability reporting – something some international firms are already doing. Advocates say this would make companies more conscientious about their purchasing and manufacturing, and make consumers more aware about the impact of products they are buying.

But more ambitious outcomes are unlikely.

"Everyone who is looking for a positive outcome is going to be a little bit disappointed, but hopefully there will also be some things we can hang on to," Wates said.

"It's never a question of being an outright success or an outright failure. There will be elements of success and elements of failure. That's the nature of the balance."



Environment Commissioner Janez Potočnik (picture: The Council of the European Union).

# Firms want politicians to 'take responsibility' at Rio



Conservationists who fear that the Earth Summit in Rio de Janeiro will fail to produce binding commitments to environmental sustainability may have some unsuspecting allies – big corporations.

Some of the world's leading business groups and companies say the UN Conference on Sustainable Development, which began yesterday (20 June), should set the stage for clear targets on energy and greener development.

"We are very concerned about the lack of ambition and the lack of drive here amongst the international community to make the change," Peter Paul Van De Wijs, a managing director of the World Business Council on Sustainable Development (WBCSD), said by telephone from Rio.

Referring to epic showdowns in the European Union over mandatory energy efficiency standards and reducing fossil fuel use, Van De Wijs echoed environmentalists' concerns that the Rio meeting will generate more rhetoric than substance.

"There's too much political positioning in these discussions rather than taking a broader society view and to take responsibly," said Van De Wijs, who formerly headed Dow Chemical's water global water strategy team. "That's why it's quite unique that businesses here are calling directly for more targets, more action and smarter regulation."

## All talk, no action?

Billed as the largest-ever UN conference and coming two decades after the first

post-Cold War Earth Summit, world leaders gathered in Rio de Janeiro are likely to issue pronouncements on food security and energy. A draft of the conclusions, "The Future We Want", contains few of the binding targets and commitments that European officials and ecology activists had hoped for.

"If you want to achieve something in life, you've got to set end goals but also milestones, otherwise it remains talk," Jan Zijderfeld, president of Unilever's Western Europe operations, said in a recent interview.

Without targets, he said, "how do you measure success? How do you know how well you're doing? How do you hold people accountable for achieving or not achieving it?"

Earlier this year, the World Economic Forum – representing 1,000 of the world's biggest companies – urged governments meeting in Rio to develop "ambitious, universal and equitable goals for sustainable development" and to vest more in public-private solutions to development and ecological challenges.

## Just greenwash?

Yet some campaign groups don't buy into the big business line at Rio.

Friends of the Earth, a global conservation organisation, has launched a petition drive to counter business pressure on the United Nations to endorse market-based solutions to development challenges.

The Corporate Europe Observatory, a Brussels group

that monitors lobbying in the EU, accused businesses of a "lobbying offensive" at the 2002 Johannesburg Earth Summit and warned of "unprecedented levels of industry activity" at Rio.

"Industry presented [at Johannesburg] a flood of voluntary initiatives, which had been taken to address social and environmental problems," the group said in a statement on the eve of the Rio+20 meeting. "This propaganda show had the desired impact of greenwashing the image of companies whose activities were and are far from sustainable or socially responsible."

## Governments can't do it all

Some experts say regardless of what emerges from the Rio conference, the magnitude of the challenge in tackling a rising population and growing demand for natural resources will take more than government action.

"The scale of the problem is such that all countries have to be designing institutions and policy mechanisms which send a signal to all people, all resource users, that these resources are scarce, that the environment doesn't have the absorption capacity and we need to live more efficiently," said Simon Upton, the environmental director for the Organisation for Economic Cooperation and Development (OECD).

"That whole consumer side, that's what drive the economy, that's where the messages have got to get through. It's not just a government thing."

For Unilever's top executive in Europe, businesses must be prepared to do more to protect resources.

"The traditional institutions that used to look after these sorts of things – governments – actually are failing to pull it together, whether it was the Copenhagen [climate] accord or any of these other big events," Zijderfeld told EurActiv in an interview.

He said corporations need to find "a new way" to grow and make a profit. "But with all these challenges that the world faces – basically due to scarcity, scarcity of water, scarcity of food – we need to take our responsibility and need to develop a new business model."

# Global carbon emissions rise is far bigger than previous estimates

Carbon dioxide emissions have risen by even more than previously thought, according to new data analysed by the Guardian newspaper, casting doubt on whether the world can avoid dangerous climate change.

The data has emerged as governments met in Rio de Janeiro to finalise the outcome of the Rio+20 conference, aimed at ensuring that economic growth does not come at the expense of irreparable environmental degradation, but which activists say has not achieved enough to stave off severe environmental problems.

Global carbon emissions from energy are up 48% on 1992, when the original Earth summit took place in Rio – a historic summit at which governments agreed to limit emissions in order to prevent dangerous climate change.

In 2010, the latest year for which figures have been compiled, the US Energy Information Administration (EIA) said the world emitted 31.8bn tonnes of carbon from energy consumption. That represents a climb of 6.7% on the year before and is significantly higher than the previous best estimate, made by the International Energy Agency last year, that in 2010 a record 30.6 gigatonnes of carbon dioxide were released from burning fossil fuel.

Increases in fossil fuel use of this magnitude are likely to carry the world far beyond the temperature rise of 2C by 2050 that scientists have estimated is the limit of safety, beyond which climate change is likely to become catastrophic and irreversible.

According to the new EIA data, carbon dioxide emissions

from the US have resumed their rise, after a brief blip caused by the financial crisis and recession in 2008. That increase came despite the much-vaunted switch from coal to shale gas – with its lower emissions than coal when burned for energy – that has dominated the US's energy economy in recent years.

China, which in 2006 took over the US's historical position as the world's biggest emitter, raced ahead in 2010, emitting 8.3bn tonnes – up 15.5% on the previous year, and a 240% increase since 1992. That makes China alone responsible for about one-quarter of global carbon emissions from energy, emitting about 48% more than the US.

This data also backs up recent evidence that China may be emitting more carbon dioxide than had previously been thought.

At this year's Rio+20 conference, according to observers, China has not played a leading role in forcing countries to raise their ambitions on reducing environmental impact.

The UK's emissions in 2010 fell by 8% from 1992 and the first Rio conference, which laid the foundation for the Kyoto protocol of 1997 – still the only comprehensive global treaty demanding cuts in emissions from governments. That puts the UK in 10th place in overall emissions from energy consumption, down from 7th place in 1992. Gibraltar, the UK dependency, has the doubtful distinction of the highest per capita emissions in the world, at 135.5 tonnes per year, compared with 8.5 tonnes per person in the UK and 6.3 tonnes in China.



# Why firms should invest in sustainability

Unilever, the European consumer products company, recently announced the first annual results of its Sustainable Living Plan aimed at improving efficiency in the full cycle of its product line – from production through consumption. Jan Zijderveld talks about how the plan – launched in 2010 – has changed the firm's outlook.



*Jan Zijderveld is president of Unilever's Western Europe operations. The following is an excerpt from a wide-ranging, 40-minute interview with EurActiv's Timothy Spence.*

## What is the Sustainable Living Plan?

A couple of things. First of all, the world is facing many, many challenges. We have a population of 7 billion people and growing, we have a billion people who are hungry, we have a billion people who are overeating, we've got food shortages, global warming, we've got plenty of problems. And what we see is that the traditional institutions that used to look after these sorts of things – governments – actually are failing to pull it together, whether it was the Copenhagen accord or any of these other big events.

That's one element. The second element is that companies like ours have said we need to find a new way, we need to continue to grow, we need to deliver the numbers because that's what we're in business for, but with all these challenges that the world faces – basically due to scarcity, scarcity of water, scarcity of food – we need to take our responsibility and need to develop a new business model.

Last year, we launched what we called the Unilever Compass which is basically putting a stake in the ground and saying what do we have to do as a business. And we said we are going to

double the business – we were at the time just under €40 billion – while at the same time halving our environmental impact.

So we have to decouple growth from the impact on the environment. And that really is a switch in our heads to say – I'll use the term 'from scaring to caring for the world' – and seeing it as an opportunity.

Rather than always saying that the world is doomed, we have a whole lot of problems, we have to start saying ... if we start looking at this way, there are many opportunities. And that's really where the Compass and the Unilever Sustainable Living Plan came from. We can grow, and we can grow through also being sustainable and doing it in a responsible way and driving the business forward. ...

So we made a commitment ... to halve [the environmental footprint], that is our first big goal. The second big goal is to help one billion people to improve their livelihoods. And that really is about seeing – especially in the emerging world but also to some extent in the developing world – how can we help people who want to improve their lives, who want the basic necessities that we've got used to in the West ...

And the third big goal is get all our agricultural produce from sustainable sources. Now if you think about all the stuff we buy, half of it comes from agriculture and forestry. That half, the whole lot of it, by 2020 we want to get from sustainable sources, certified sustainable sources.

So these are the big three goals: halving our footprint, helping one billion people, and sustainable raw materials. And those are really the underpinnings of the sustainable living plan as it is.

## How do you define sustainability?

The key issue is different by different industries and different raw materials. ... So in most of the cases we're trying to work with other industries as well as NGOs to come to a definition of sustainable tea, or what's the definition of a sustainable palm oil, because originally all the palm oil came from deforestation. Then what are the criteria that you set in terms of worker relations, so we try with third parties and the industry to define exactly what is sustainability.

## Can you give me an example ...

The Rain Forest Alliance on sustainable tea. I think there are 11 dimensions in the Rain Forest Alliance on Sustainable Tea, which are absolutely clear, and they order third-party audits on a plantation according to these [criteria]. We have a climate element, a social element and an economic element.

You always try to get the key people involved in the definition of sustainability as well as a level of commitment of all the stakeholders, because if you in the end define it so tightly or so difficulty that no one wants to participate, it also doesn't achieve anything. So we have much more about getting an agreement of what a definition of sustainability is, and then moving ahead and then over time you can always improve on them, but you've got to get going on the journey.

## One of your hoped-for outcomes at Rio [the UN Conference on Sustainable Development] is some sort of international target for sustainable development. Is that something that something all industries are looking for, or is that unique to you?

It's more about a lesson of effective management. If you want to achieve something in life, you've got to set end goals but also milestones, otherwise it remains talk. So we really feel that if the world is committed to something, you've got to put a stake into the ground and to say, 'this is what we believe in and this is what we want to achieve', and then you set milestones on the way there.

But if you don't do that, how do you measure success? How do you know how well you're doing? How do you hold people accountable for achieving or not achieving it?

So we feel also in Rio, or on these big debates, that you have to put a stake into the ground with some targets and with some ambition in there with interim milestones, otherwise it remains nice speeches and nice words.

You look at our sustainability report, you've got over 60 KPIs [key performance indicators] with real numbers and commitments, and this is the first year now that we have reported back on those 60 KPIs.

We want people to participate in the debate, and help us. We're doing quite well here, and by the way this is difficult. ...

## Where are you not doing well?

Where we're doing well is on the raw material part, and in our manufacturing. Where we are learning is in education, the helping of one billion people, so we're getting there but it's a bit difficult.

Where we are finding the toughest is the change of behaviour, because over 60% of the [environmental] footprint comes from the way you shower or the way your clothes get washed, and telling you to have a shorter shower – or asking you to have a shorter shower or wash your clothes at a lower temperature or to encourage you to use products with less salt – is quite difficult.

Consumers have habits. We have to find ways either to make it [conservation] more attractive, incentivise them, or make it easy for them. So that's where the tough bit happens and that's where the difficulty changing millions of people in the way they use our products is quite tough.

## You mentioned that your goal is to double sales while halving the total footprint of the company. You are saying there is profit in efficiency?

Oh, absolutely. If you think about old generation CSR [corporate social responsibility] and new generation CSR ... old generation CSR is I run my company, I expect to maximise profit, and I had a good year I sent some flowers to a charity and write a cheque. This was the do-gooder way, but when times got tough you stop doing it.

But what we've said is we can't go on like this, we have to find a new business model, we have to redefine how we run this business because eventually we will run out of resources in this world to run companies like Unilever and to give consumers the goods and service they want.

So first we need take responsibility, but secondly once you start thinking about [it] ... In many cases, when you starting thinking about it differently, you come up with new ideas, new products, new benefits that actually the

consumer likes.

On the other side, if you reduce waste, you reduce packaging thickness or you concentrate your products, you also save money. It's also fair to say, on the other hand, buying sustainable palm oil costs us more money, buying sustainable tea is a little bit more expensive than normal tea. So on the whole, we think it will all work out because we believe in this, we feel this is the right thing to do for our business, this is what the consumer expects from us, this is what the consumer wants us to do and this is where we feel that business like ourselves will make a difference in the future.

Something may be a bit more expensive, some things will be cheaper and more importantly, we will see when we start thinking about this increasing new growth opportunities that the consumers will reward us for.

So we see it as a growth platform, which is the other unique bit, whereas most people don't see that yet – they see it as an add-on. We put it into the heart of our business, who we are, what we stand for, what we believe in.

## Some companies would say, 'we just want to make a profit. Let the policymakers worry about whether there is enough food or water in the world'. Are other companies looking at what you are doing and seeing this as you see it – as a growth opportunity and not just a marketing gimmick?

Increasingly so. Unilever, certainly in our industry, is a thought leader. But it's also fair to say many of the big companies are thinking what they should do. ...

Thinking long-term, where this world is going, increasingly what you see is that thought-leading companies are saying we need to take up responsibility [more]. And that is from all the angles because for and foremost, the conscientious consumer – the more developed, the more education, the more conscientious – wants to buy brands from a company that makes it – do they have everything solved, no, but do they try to solve some of the world's problems, yes.

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The second thing, increasingly the customers want it, so the Tescos, the Carrefours of this world, they are also increasingly thinking the governments are not going to solve them, the NGOs are often too narrow-minded and don't have in the end the power to be able to get things done – they can raise issues but they can't change issues.

So in the end what you start seeing is that businesses increasingly say, well actually we are global, we are more long-term focussed than politicians because we've been in business over 100 years, and we'd like to be in business in 100 years time, we have a long-term focus. ...

In the end, we think that is how we will make a profit: because in the end the consumer will reward us, the customer will reward us, our employees will reward us ... and we will grow faster and we will make more money and then the shareholder will reward us.

We've turned the whole thing upside down. So rather than short-term profits – we've dropped quarterly reporting, only [every] six months, because we want to get a longer term vision – and we're going to focus on doing the right thing. Running this business for the long-term for the consumers and for this planet, and so that we are in business in 100 years time on a planet

that is successful. And we hope and are convinced that it will pay off.

That's the switch that as an organisation we've made, and we will encourage more and more organisations to do the same thing for our children. I've got two kids and you want your children to live in a world where you still breathe the air and drink the water in 20 or 30 years time.

**Is the EU and institutions doing enough to help this business approach to sustainability?**

No, I think they are not thinking about this hard enough. If you look at the Copenhagen [climate] debate

[in 2009], Europe was sidelined. In the end there was a side deal between Obama and China and Europe was sitting there looking at it and saying, what is going on? It was quite sad to see what happened there.

In the world there's a mess of voids: you've got the emerging world driving to improve their living standards and doing it quite successfully, and in Europe as a whole could really be a thought leader and say how do we build a better planet for ourselves.

But that requires leadership from individuals in Europe to say what does that mean – that means a partnership between companies, the governments and the NGOs to create the climate to be able to do these

things and to put in place policies that support the stuff that we're doing, and making it easier to innovate in these areas and to move forward in these areas.

Everyone supports it, but not enough people are doing anything and I think Europe, and especially here in Brussels, they could really help that.

Specifically, when you go to Rio+20, Europe should speak with one voice and should set some milestones and some targets and some ambitions that by 2020. We want to reduce CO<sub>2</sub>, we want to reduce poverty, and we to drive these targets and lobby around the world. That is what Europe could uniquely do. The question is will they do it.

## OECD countries want new measures for growth in Rio



One of the questions that world leaders will discuss while gathering at the UN summit in Rio this week is whether future national development should be measured in terms other than the economic.

"Some countries within the OECD have difficulties living up to their promises on economic growth and therefore there is an increased interest in pointing at other aspects than economic," Marco Mira d'Ercole of the Paris-based Organisation for Economic Cooperation and Development told Swedish Radio.

As OECD's chief statistician, d'Ercole has been asked to help the Swedish government's Commission on the Future investigate the need for an alternative growth measure. Recently, he has participated in conferences in developed countries as well as in Latin America, Africa and Asia, as countries with rapid economic development have begun to evaluate the consequences of growth on the environment and society.

D'Ercole says that some families have to split and children are forced to grow up without their parents when the parents move to seek better jobs. This affects people's opportunities to live a happy life and instead makes them dissatisfied even if they have more money.

In Denmark, Minister for Development Cooperation Christian Friis Bach said the Scandinavian country no longer

wants to measure GDP only in terms of economic progress. The Danish government seeks to introduce a so-called 'green GDP' to measure how much Denmark's growth is affecting the environment.

"Today, the measure for growth is way too simple," he told the newspaper Politiken.

Deforestation can, for example, have a positive economic effect in the short term, but it has negative consequences for the environment in the long term. Environmental deterioration should be subtracted from economic results, said the Danish minister said.

Denmark plans to fund a World Bank study on green indicators and has offered to become a pilot country for the research.

Richard Dobbs, who heads the McKinsey Global Institute, said it's waste of time to measure a green GDP as consideration on nature conservation and the environment will be the key to success in the future because of the growing middle class.

When resources such as water and energy come under pressure, countries and companies that understand how to save the resources will be those who will earn the most – no matter if a green GDP is being measured or not.

"My fear is that measuring a green GDP will be stranded in theoretical discussions instead of actions," Dobbs told Politiken.

# Rio+20: Scientists call for action on population



The Rio+20 Earth summit must take decisive action on population and consumption regardless of political taboos or it will struggle to tackle the alarming decline of the global environment, the world's leading scientific academies have warned.

Rich countries need to reduce or radically transform unsustainable lifestyles, while greater efforts should be made to provide contraception to those who want it in the developing world, the coalition of 105 institutions, including the Royal Society in Britain, urged in a joint report released on 14 June.

It's a wake-up call for negotiators meeting in Rio for the UN conference on sustainable development.

The authors point out that while the Rio summit aims to reduce poverty and reverse the degradation of the environment, it barely mentions the two solutions that could ease pressure on increasingly scarce resources.

Many in the scientific community believe it is time to confront these elephants in the room. "For too long population and consumption have been left off the table due to political and ethical sensitivities. These are issues that affect developed and developing nations alike, and we must take responsibility for them together," said Charles Godfray, a fellow of the Royal Society and chair

of the working group of IAP, the global network of science academies.

In a joint statement, the scientists said they wanted to remind policymakers at Rio+20 that population and consumption determine the rates at which natural resources are exploited and Earth's ability to meet the demand for food, water, energy and other needs now and in the future. The current patterns of consumption in some parts of the world were unsustainable. A sharp rise in human numbers can have negative social and economic implications, and a combination of the two causes extensive loss of biodiversity.

The statement follows a hard-hitting report by the Royal Society in April that called for rebalancing of resources to reduce poverty and ease environmental pressures that are leading to a more unequal and inhospitable future.

By 2050, the world's population is projected to rise from seven billion to between eight and 11 billion. Meanwhile consumption of resources is rising rapidly as a result of a growing middle class in developed countries and the lavish lifestyles of the very rich across the planet.

"We are living beyond the planet's means. That's scientifically proven," said Gisbet Glaser of the International Council for Science, who cited research

on ocean acidification, climate change and biodiversity loss. "We're now at a point in human history where we risk degrading the life support system for human development."

The scientific academies stressed that poverty reduction remain a priority, but said action to promote voluntary family planning through education, better healthcare and contraception can aid that process.

"The P-word is not talked about because people are scared of being politically incorrect or alarmist. Even so, the the population dialogue should not just be about sheer numbers of people – that type of dialogue leads to finger pointing," said Lori Hunter, a demographer who was in Rio for a side-event. She said the picture was more complex and touched upon the need to consider factors that shape fertility decision-making. She mentioned that in some areas, scarcity of natural resources leads to larger families as families need labour. There are also high levels of unmet demand for contraception in many regions of the world.

"You need to push the levers that are shaping family size," said Hunter. "Basically, you can't save the environment without reproductive health policies and programmes." She also mentioned that processes such as migration, urbanisation, ageing are

important in considering the environmental impacts of future consumption.

The draft negotiating text of Rio+20 mentions the need to change "unsustainable patterns of production and consumption" but the US wants to delete passages that suggest developed countries should take the lead.

There is also little recognition in the text that economic growth might be limited by ecological factors. This is partly because although scientists talk about "global boundaries", there is no agreement on where they might lie.

The stock taking of global inventory is still a work in progress, but it may speed up after the launch on Thursday of a new scientific initiative – Future Earth – that brings together academies, funds and international institutions to co-design research related to sustainable food production and changes to the climate, geosphere and biosphere.

The picture might become clearer if proposals at Rio+20 to beef up the UN environment programme are accepted, along with a plan for a "regular review of the state of the planet."

Glaser, who is the lead negotiator for the scientific community at Rio+20, said there was still no agreement on the 80-page text.

"They're negotiating words rather than the issues behind

the words. I'm afraid that if there's no miracle, there'll be a relatively low common denominator that just drops all the main areas of contention."

*Jonathan Watts for The Guardian, part of the Guardian Environment Network*

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