

**Meeting with Under Secretary-General Sha and Ambassador Ntwaage
Statement on Behalf of Business and Industry Major Group**

**Delivered by: Louise Kantrow
ICC Permanent Representative to the United Nations**

November 3, 2011

Mr. Sha and Ambassador Charles, thank you for your introductory remarks. As you know Business Action for Sustainable Development (BASD) was created last January. It is the official United Nations coordinator of business and industry at the upcoming Conference on Sustainable Development (Rio+20). A temporary coalition of business organizations, BASD 2012 will ensure the voice of business is heard at the conference and during the preparatory process. This initiative is convened by the International Chamber of Commerce (ICC), the World Business Council for Sustainable Development (WBCSD) and the United Nations Global Compact (UNGC) and has been expanded with the addition of fifteen sectoral international business organizations as partners. This broad partnership and group of networks enables us to consult with thousands of businesses from the SME to the MNE in every region of the world.

The BASD 2012 submission to the compilation document consists of a main chapeau text on the two main themes of the Rio+20 Conference, complemented and supported by submissions from BASD partners and conveners highlighting their specific contribution to Rio+20. This range of private sector inputs illustrates the collaborative effort of BASD 2012 partners, conveners, and their respective memberships. The topics include:

- a) Access to Energy
- b) Agriculture and Food Security
- c) Ecosystems and Biodiversity
- d) Food - Water - Energy Nexus
- e) Science, Technology, and Innovation
- f) Social Development, Human Rights, and the Role of Business
- g) Resource and Materials Management
- h) Transformational Partnerships
- i) Urbanization
- j) Water for Green Economy and Poverty Alleviation

Regardless of company size or location, corporate leaders understand how sustainability issues affect the bottom-line and, thus, are looking beyond traditional business and financial factors. For example, market disturbances, civil unrest or ecological strains which are happening nearby or far away can have wide-ranging and material impacts through the value chain, capital flows, public opinion or employee productivity. Companies view sustainability issues from both, a risk management perspective, and the increasingly evident and appealing benefits and opportunities – particularly associated with green growth and poverty alleviation. In short, the business case for sustainability has strengthened as a response to the deep interdependencies in today's globalized world.

Business hopes the Rio+20 outcome to focus on the following key deliverables to catalyze private sector action towards a green economy:

- **Take stock of progress** since the 1992 Earth Summit, and develop policies and approaches that address new and existing challenges, recognizing the economic, social, and environment pillars of sustainable development as essential components of recommended policies and solutions.
- **Encourage widespread adoption and uptake of sustainability principles** by businesses of all sizes, sectors and regions.
- **Provide the enabling environment necessary to accelerate and intensify the practice of corporate sustainability so that business can fully contribute to sustainable development.** Combating corruption and ensuring peace and security will be critical to diffuse corporate sustainability practices. The private sector is committed to work collaboratively with the public sector and civil society to create incentives and remove barriers to achieve green economies.
- **Embed the “green economy” concept in the broader sustainable development concept.** The business community believes that the term “green economy” is embedded in the broader sustainable development concept⁴. While business would rather speak about —greener economies¹¹ to acknowledge the many opportunities and risks for its sectors, value chains, and different national contexts, for the purpose of the Rio+20 Conference, we acknowledge the term —green economy¹¹ and view it as a unifying theme to articulate the —sustainable development direction¹¹ in which all global economies need to move albeit the existing tensions and global economic turmoil.
- **Recognize that in order to move forward, it is crucial to green all sectors in all countries and advance resource efficiency and life cycle approaches.** We consider improvements of existing processes (manufacturing technologies, jobs, logistics, research, etc.) to be as important as launching new products and technologies. Both approaches should be pursued simultaneously for a step change. It should be noted that business operates across global supply and value chains and greening all stages along the life cycle of its products and services is becoming a guiding principle for many leading companies and sectors. The actions needed to transition towards a green economy vary from sector to sector, value chain, and from country-to-country, depending on national circumstances, for example near term priorities may differ significantly especially for least developed countries.

Recognize that collaboration and collective action is needed to operationalize and mainstream the concept of a green economy. The transition towards a green economy is a shared responsibility by all actors in the value chain. No one stakeholder group, whether business and industry, governments or society, can do this on their own. Collaboration and collective action on innovation and technology development and their appropriate deployment via sustainable production and consumption (SCP) concepts are at the heart of greening economies. It should also be noted that education is the cornerstone of any strong and competitive green economy and a skilled workforce is a prerequisite. Stepping up education efforts will foster the mindsets and behavioral changes needed to drive the required innovations

into the direction of a green economy. Public private partnerships can hereby play a major role in building the essential knowledge and skills required for the transition to a green economy.

Therefore, business and industry believes that the ***Rio+20 outcome should outline high level system conditions***, including the following core items which seek to describe what is required to transition towards a green economy, from both business and governments:

Social innovation

1. Awareness
2. Education and skills
3. Employment

Environment innovation

4. Resource efficiency and decoupling
5. Life cycle approach

Economic innovation

6. Open and competitive markets
7. Metrics, accounting, and reporting
8. Finance and investment

Mutually enforcing cross-cutting elements

9. Integrated environmental, social and economic policy and decision making
10. Governance and partnerships

Thank you for the opportunity to share some of our views.