Rio+20 Corporate Sustainability Forum
Rio de Janeiro, Brazil

Selected News Coverage
CEOs urge Rio+20 leaders to make water security top priority

By Gerard Aziakou, 18 June 2012

AFP - Some 45 corporate chiefs attending the Rio+20 conference on sustainable development on Monday pledged to make water security a strategic priority and called for decisive action by governments.

Speaking on behalf of the 45 CEOs, Igal Aisenberg, chief executive of Israel's Netafim micro-irrigation company, urged concerted action by governments, the private sector, civil society and others "to tackle the global crisis in water access, quality and sanitation."

Committing to water sustainability were chiefs of global companies such as PepsiCo, Coca Cola, Nestle, Saint-Gobain, Royal Dutch Shell, Akzo Nobel, Bayer, Heineken and Pernod Ricard.

All have endorsed the UN Global Compact's CEO Water Mandate initiative launched by UN chief Ban Ki-moon in 2007.

In a statement addressed to the Rio+20 leaders due to debate sustainable development here from Wednesday to Friday, the 45 executives urged them "to take decisive actions during and after this summit on one of our world's great challenges -- water."

"Problems related to water availability, quality and sanitation are undermining development in many regions of the world - exacting an enormous human cost while also undermining critical life-giving ecosystems," they said.

Roughly 800 million people around the world lack access to safe drinking water, and 2.5 billion lack basic sanitation," according to the United Nations.

The UN also estimates that two thirds of the world's seven-billion-strong population will face water scarcity by 2025.
Adrian Sym, executive director as the Alliance for Water Stewardship, hailed the CEOs statement "as an act of leadership by the private sector".

"The problems are so vast that governments alone cannot solve them," he added, stressing that cross-sectorial leadership was a critical piece in solving the problem.

Robert ter Kuile, a senior executive at Pepsico, said water was critical to "our entire value chain" and reaffirmed his company's goal of "a 20 percent reduction (in water usage) per unit of production in (its) operations by 2015."

http://www.google.com/hostednews/afp/article/ALeqM5iF0Jx8cD6-XdWbvGGS9gY4eNLcbA?docId=CNG.6e8cb246738bfc1e0c48f4ac564e68fa.801

CEOs pledge sustainability, urge 'green revolution'

By Gerard Aziakou (AFP) – Jun 18, 2012

RIO DE JANEIRO — Business leaders gathered at a Rio+20 conference Monday pledged sustainable policies and joined a call for world leaders to usher in "a green industrial revolution" to save the planet.

Two days before a UN summit on sustainable development opens here, 1,200 CEOs wrapped up a four-day meeting with more than 150 voluntary commitments to greater energy efficiency, reforestation and a lower carbon footprint and other green policies.

Forty-five chief executives vowed to make water security a strategic priority and called for decisive action by governments.

"Problems related to water availability, quality and sanitation are undermining development in many regions of the world -- exacting an enormous human cost while also undermining critical life-giving ecosystems," they said.

Signatories include chiefs of global companies such as Pepsico, Coca Cola, Nestle, Saint-Gobain, Royal Dutch Shell, Akzo Nobel, Bayer, Heineken and Pernod Ricard.

Roughly 800 million people around the world lack access to safe drinking water, and 2.5 billion lack basic sanitation, according to the United Nations.

The UN Global Compact, the sponsor of the business forum, said it tallied more than 150 "time-bound, measurable commitments" on which companies are required to report annually.

The commitments centered on the forum's six core themes: energy and climate, water and ecosystems, agriculture and food, social development, urbanization and cities, economy and financing.
US chemicals giant Dupont pledged $10 billion to research and development and announced plans to launch 4,000 new products by late 2020 to produce more food, enhance nutrition and curb food waste.

US technology titan Microsoft vowed to achieve net zero emissions for its data centers, software development centers, software development labs, offices and employee air travel by boosting energy efficiency and buying renewable energy.

Global clothing retailer H&M said it would upgrade to 100 percent sustainable cotton -- organic or recycled -- in its cotton garments while US sportswear giant Nike set a target of zero discharge of hazardous chemicals across its entire supply chain by 2020.

And South Africa's state-owned utility Eskom and US Duke Energy pledged to assist the development of an electrification roadmap to ensure 500 million people across Africa and developing countries have access to energy by 2025.

The Global Compact, which rejects charges by critics that it is a mere marketing tool for big business, said the commitments will serve as a testing ground.

Meanwhile, former British premier Tony Blair, in a speech screened at the Rio+20 conference, joined other statesmen and corporate chiefs in appealing to world leaders to usher in a "green industrial revolution".

"By the end of the decade, the low carbon market could triple in value to over US$2 trillion," said the signatories of an open letter published on the eve of the G20 and Rio+20 summits.

The letter called for a coordinated policy shift to save the world economy and the climate.

"At a time when government and business leaders everywhere are calling for strategies that deliver growth, we have an historic opportunity before us to lead the world out of recession and into a more stable, sustainable future," the signatories said.

They backed the launch in Rio of a Clean Revolution campaign, a major initiative by the Climate Group and other public and private sector partners for a "green growth" push out of global recession.

The Climate Group works with business and governments around the world to promote clean technologies and policies, with the aim of expanding clean technology markets and reducing global greenhouse gas emissions.

The three-day Rio+20 summit, coming 20 years after the first Earth Summit is expected to bring together 130 world leaders for a fresh appraisal of the health of the planet. But US President Barack Obama, British Prime Minister David Cameron and German Chancellor Angela Merkel will be absent.

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Google launches cultural map of Brazil’s Amazon tribe

By Gerard Aziakou (AFP) – Jun 16, 2012

RIO DE JANEIRO — Google on Saturday unveiled a cultural map of Brazil's Surui indigenous people, a digital tool that will help the Amazonian tribe share their vast knowledge of the forest and fight illegal logging.

The map, the result of a five-year partnership between Surui chief Almir and the US technology giant, was released online for the first time at a business forum held on the sidelines of the UN Rio+20 conference on sustainable development here.

The map, a collection of picture and videos mapping historical sites and offering 3-D visualization of Surui territory in the northwestern Brazilian state of Rondonia, is available on the site www.paiter.org as well as on Google Earth.

Donning a multi-colored feather wreath, chief Almir hailed the project that "shows the value of our culture to the world through Google."

Almir, who proposed the idea of the map to Google during a visit to the United States five years ago, told a press conference that he was particularly proud of the contribution Surui youths made to the project, including narration.

Rebecca Moore, Google Earth Outreach leader, described it as Google's first such project with an indigenous people.

"We really believe that this is ground-breaking, ground-breaking for Google," she added. "The Surui people and Google worked together to bring the story of the forest to the global community."

Kristen Coco, a deputy spokesperson for the business forum, hailed the map as an "excellent example of innovation and successful collaboration between the private sector and indigenous peoples."

Google also aired the world premiere of a new documentary titled "Trading Bows and Arrows with Laptops: Carbon and Culture, which chronicles its five-year partnership with the Surui people.

"When you fly over Surui territory, you can see it's a beautiful virgin forest, but it is surrounded by deforestation," Moore said.
Almir said he chose to announce the project at the Rio+20 conference to raise awareness of the need for a sustainable use of the forests and to preserve the way of life of indigenous peoples.

He said his 1,300-strong tribe plans to use the map as well as Android smartphones provided by Google to monitor and denounce illegal logging around its territory.

Deforestation is a key theme at the Rio gathering, which aims to steer the planet toward a greener economy that recognizes the need to protect and restore vital natural resources such as the Amazon rainforest.

Caused by logging, agriculture and development, deforestation in the tropics accounts for up to 20 percent of global emissions of carbon dioxide, making it the second largest driver of global warming after the burning of fossil fuels.

Moore meanwhile said by developing the map, Google had perfected a methodology that can be used to help other indigenous peoples around the world.

"It has taken us five years (to launch) the first cultural map with the Surui and now we feel we have the methodology that can work with other tribes," she added. "There's a project already planned for two tribes who are neighbors of the Surui and the Surui themselves would be trainers of this technology."

Moore said Google had been contacted by tribes all over the world, including aboriginal First Nations in Canada, Maoris in New Zealand and many others in the Amazon.

"So we hope that the Surui cultural map will be the first of a number of maps that will be coming out over the coming years," she added.

http://www.google.com/hostednews/afp/article/ALeqM5gQ4CVVCqKfKzmJi_wqqhTR_RjB5g?docId=CNG.cd10071abd95e4ef7777f2f11df936cdf.10e1

Business chiefs talk sustainable development in Rio

(AFP) – Jun 15, 2012

RIO DE JANEIRO — Some 39 chief executives of banks, investment funds and insurance firms Saturday pledged at a Rio+20 business forum Saturday to integrate the Earth's natural capital into loans and investments.

Twenty years after the first Earth Summit highlighted the importance of the natural environment, they unveiled a "Natural Capital Declaration" that commit their companies also to reporting or disclosing on the theme of natural capital and accounting for natural capital in accounting frameworks.
Natural capital comprises Earth's natural assets (soil, air, water, flora and fauna) and the ecosystem services flowing from them.

Neither these services nor the stock of natural capital that provides them are adequately valued compared to social and financial capital, the signatories said.

The declaration calls on the private and public sectors to work together to create the conditions necessary to "maintain and enhance natural capital as a critical economic, ecological and social asset."

It also urges policy-makers at the UN-sponsored Rio+20 conference to move forward in crafting legislation and regulations that can spur the development of financial products and services that sustain the earth's natural capital.

Among those who signed were chief executives of China Merchants Bank, National Australia Bank, Japan's Sumitomo Mitsui Trust Holding and China's Shenzhen Development Bank.

The World Wide Fund for Nature (WWF), the Carbon Disclosure Project, Fauna and Flora International and Conservation International were the first four non-governmental, not-for-profit organisations to back the initiative.

"The private sector must build momentum post-Rio to ensure that valuing natural capital becomes embedded into both public and private sector investment decisions," said WWF's Director General Jim Leape.

"To achieve this, new indicators may be needed and governance arrangements may need to change. The private sector has a key role to play," he added.

World leaders are to meet here June 20-22 to mull prospects for spurring sustainable development that would reconcile economic growth with poverty eradication and environmental protection.


UN says 45 CEOs, from Coke to Levi’s, join water effort

By Reed Landberg - Jun 18, 2012 10:44 AM ET

The United Nations has received support from chief executive officers at 45 companies, from Levi Strauss & Co. to Coca-Cola Co. (KO), in an effort to use water more efficiently.
The companies joined the UN Global Compact in committing to improve water-management practices during a meeting in Rio de Janeiro today, according to a statement. The compact is the world’s biggest organization backing sustainability measures.

Pedestrians walk past a Coca-Cola Co. delivery truck in New York. Photographer: Scott Eells/Bloomberg

About 800 million people worldwide don’t have safe drinking water and another 2.5 billion lack access to sanitation, the UN estimated. It cited research from McKinsey & Co. showing water demand will outstrip supply by 40 percent by 2030.

“Water is a critical issue, and most companies are doing nothing about it,” Gavin Power, deputy director of the UN Global Compact, said in an interview in Rio de Janeiro. “This is a market failure.”

The CEOs agreed to work “more actively with governments and public authorities in responsible and transparent ways to help solve the global water crisis,” according to a statement from the UN Compact today.

Levi Strauss, based in San Francisco, is working to ensure cotton growers who supply materials for its jeans use water efficiently, and Atlanta-based Coke reduced the amount of water consumed in the process of making 1 liter (0.26 gallon) of its product by 13 percent in 2011, according to the UN.

Other companies participating in the program include Anheuser-Busch InBev NV (ABI), Banco do Brasil SA, Bayer AG (BAYN), De Beers Group, Dow Chemical Co. (DOW), Nestle SA (NESN), Royal Dutch Shell Plc (RDSA), Unilever NV (UNA) and Xstrata Plc. (XTA)

Water Companies

“All companies are water companies because they all rely on water, whether it’s in pharmaceuticals or for beverages,” Power said. “The scale of the water problem is so big that governments can’t solve it alone. They need the help of the private sector.”

The UN announcement is being made in Rio de Janiero, where 50,000 delegates and 130 heads of state have gathered for the Rio+20 conference on sustainable development. The UN and other organizations are hosting conferences across the city.

To contact the reporter on this story: Reed Landberg in Rio de Janeiro at landberg@bloomberg.net

To contact the editor responsible for this story: Reed Landberg at landberg@bloomberg.net
Rio+20 Summit opens with promises, criticisms

By Shasta Darlington, CNN, June 21, 2012

Brazil's President Dilma Rousseff, left, greets Sweden's King Carl Gustaf as U.N. Secretary-General Ban Ki-moon looks on.

Rio de Janeiro (CNN) -- World leaders poured into Rio de Janeiro on Wednesday, 20 years after the landmark Earth Summit, to commit themselves to a new roadmap for sustainable development -- with that roadmap already under fire for failing to set firm goals.

The three-day Rio+20 Summit opened with words of warning from the United Nations Secretary-General Ban Ki-moon.

"Let us match words with actions," he told reporters. "Our scarcest resource is time, and it is running out."

More than 50,000 delegates are expected to participate in the conference, which is aimed at promoting economic growth and poverty reduction while simultaneously preserving the planet's resources.

Population growth can't be ignored
But the summit has been overshadowed by the crisis in Europe and by key elections in the United States and elsewhere that have hobbled governments' ability, or willingness, to act.

Notable no-shows included U.S. President Barack Obama, British Prime Minister David Cameron and German Chancellor Angela Merkel.

Negotiations over a final document that would be signed by leaders when they flew in dragged on until the last moment because countries could not agree on many of the more polemic issues.

Even Ban said he had higher expectations.

"I know some member states hoped to have a bolder and more ambitious outcome document," Ban said. "I also hoped that we should have a more ambitious outcome document."

The resulting text is an often vague commitment to sustainable development, without measurable targets or financial commitments.

Can summit solve environmental problems?

Many member states nonetheless praised the host government for getting all countries to finally agree on a document.

The U.S. delegation, represented by Secretary of State Hillary Clinton, called the summit a "historic opportunity to communicate the value of sustainable development and help galvanize real-world, collaborative action to stimulate growth, protect the environment and provide a healthy future for our citizens."

Businesses played a much bigger role at this summit than they did 20 years ago, with many observers saying they have actually taken the lead by providing real examples of sustainable development.

Georg Kell, head of the U.N. Global Compact, said his group hopes to increase the number of companies agreeing to concrete sustainable development goals to 20,000, from 7,000.

"I hope also we will be able to inspire governments to have the courage to set the right incentives," he told CNN.

Extinction threat 'a call to world leaders'

On Wednesday, the first session of the high-level summit was addressed by 17-year-old activist Brittany Trilford of New Zealand, who challenged leaders: "Are you here to save face or are you here to save us?"

Ban suggested that the highly criticized final document could still be revised by world leaders before the summit ends on Friday.
When asked by reporters about that possibility, he responded: "Why do we have a summit meeting? Why have I been inviting and urging leaders, heads of state and government? They are the ones who can make political decisions, who can make a choice."

http://www.economist.com/blogs/schumpeter/2012/06/rio20-summit

Rio+20 summit: Green business

Jun 22nd 2012, by J.A. | RIO DE JANEIRO

Schumpeter

CAN companies succeed where governments have failed to protect the environment? The question was repeatedly asked in Rio de Janeiro this week, at the UN’s vast three-day environment summit, which was due to end on June 22nd.

That was largely a sign of desperation. Despite the presence of scores of heads of state, Rio+20, as the summit is known, was expected to produce the weakest imaginable commitment to greening the global economy. On many counts—including a wishy-washy commitment to look beyond GDP as a measure of progress—it represented little or no progress on the summit’s more illustrious forebear, the 1992 Earth Summit, at which important agreements on combating climate change and biodiversity loss were reached.
Yet the prominence of many of the world’s biggest companies in Rio this week was a cause for genuine, if perhaps limited, cheer. Hardly any were represented in Rio in 1992; in 2012 companies were all over the summit—and many had interesting progress to report.

A coalition of 24 large firms, including Coca Cola, Unilever, Nike, announced a common commitment to make conservation a main plank of their planning. Most were already well-known for their green thinking. Kimberly-Clark, the world’s biggest tissue maker, was less noted: it announced it would cut its use of wood from natural forests by half by 2025.

On a grander pitch, a coalition of institutional investors, led by Aviva, a big British insurer, sought to influence the outcome of the summit itself. They clubbed together as the Corporate Sustainability Reporting Coalition, a group that also includes the asset management arms of Schroder and Kleinwort Benson and claims to have around $2 trillion dollars in assets under management. Its aim was to lobby governments to pressure companies into providing regular reports on their environmental and social performance. And the expected Rio+20 agreement suggests the coalition has scored a modest success.

Point 47 of the agreement reads: “We acknowledge the importance of corporate sustainability reporting and encourage companies, where appropriate, especially publicly listed and large companies, to consider integrating sustainability information into their reporting cycle.”

That is much flimsier than Aviva’s coalition wanted—having been watered down, in last-ditch negotiations, due to objections from America, India and Kazakhstan, who feared it would put an onerous regulatory burden on their companies. Nonetheless Paul Abberley, boss of Aviva Investors, claimed to be pleased with the outcome. “It’s 30% of what I wanted to see. But I thought I was going to get 0%.”

The coalition wants companies to publish data on their greenhouse-gas emissions, use of water, employee satisfaction (measured by recent staff turnover) and many other such indicators. Its recommendation to governments was that this should be required in the Rio+20 agreement on a “report or explain” basis. In other words it would not be mandatory; but the non-compliant would need a good excuse.

Mr Abberley says investors require such information for honest-to-goodness selfish reasons. Companies that take sustainability seriously are thought to perform better than those that do not: probably because such attention to detail is typical of well-managed companies. More important, ungreen business practices—including profiting from an unpriced externality, such as carbon dioxide emissions—could represent a serious investment risk. “Our customers want to a good return on long-term investments,” said Mr Abberley. “And we think unsustainable business practices are a genuine risk to the investment.”

This sort of corporate reporting is not new. It started in earnest in 2001, with the launch of the UN’s Global Compact, which coaxes firms to publish a range of data. It has been followed by many similar initiatives, including the more stringent Global Reporting Initiative. As a result around a third of listed companies publish at least some data on their environmental and social performance; though most provide much less than Aviva and its allies want.

The Rio+20 agreement has given modest support to their demands. The question will now be how to implement it.
Rio+20: Big businesses club together to demand water is given fair value

Forty five influential CEOs commit to lobbying for political change to stave off water crisis

Jo Confino in Rio de Janeiro, Guardian, Monday 18 June 2012

In response to the global water crisis, a host of multi-national companies have signed a communiqué calling for the fair and appropriate pricing of water. Photograph: Christopher Furlong/Getty Images

It's not often that you get 45 of the world's most powerful CEOs calling on governments to push up the price of a key resource.

But this is exactly what happened today when companies ranging from Coca Cola, Nestle, Glaxo SmithKline, Merck and Bayer signed a special communiqué at the Rio+20 conference on sustainable development highlighting the urgency of the global water crisis and calling on governments to step up their efforts and to work more actively with the private sector, civil society and other stakeholders to address it.

Of particular importance is their call to establish a "fair and appropriate price" of water for agriculture, industry, and people.

Gavin Power, deputy director the UN Global Compact, which is overseeing the collaboration, said that it was in companies' long-term interest to preserve water supplies and that in many countries water is not treated with respect because it is too cheap.

"For companies this is enlightened self interest," he told the Guardian. "Those who can afford water should pay. Water is essentially over exploited because we are not valuing it as an economic good. Introducing methodologies such as escalating tariffs, which some countries have already done, will help in terms of using water intelligently, often for the first time.

"If there is not appropriate pricing, it becomes a free for all around water with all sectors of society drawing from the same pool and that will lead to acute water shortages. What will tend to happen is that companies will get the blame for over-extracting.
"Companies like certainty and in areas where there is no pricing they are very vulnerable. It could potentially push up prices in some markets but better to pay more and have certainty of supply."

The communiqué from the CEOs calls on governments for the development of policies and incentives to improve water productivity and efficiency in all sectors, especially agriculture and for increasing investment in infrastructure.

It also calls for the sharing of policies, innovations, and tools among governments and other stakeholders in order to scale-up good practice.

Power says the communiqué is not just about signing a piece of paper but commits the companies to actively lobbying for change. Any company that does not engage in political advocacy and report on progress will be asked to leave the group.

"What is unique here is that companies commit to responsible engagement in public policy," says Power. "There are very clear guidelines around how companies engage, for example they need to make sure these are inclusive by involving communities."

Not only will the companies have significant influence by banding together, but Power says countries will need to listen to corporate concerns if they recognise the risk that companies will either move their factories or not put in new investments if water supplies cannot be guaranteed.

"The last thing they want is for companies to pull up stakes or consider stopping investment," says Power.

For their part, the companies commit to expanding their water-management practices, which include actions such as setting targets on water efficiency and waste-water management in factories and operations, working with suppliers to improve their water practices and partnering with NGOs, UN agencies, governments and public authorities, investors, and other stakeholders on water-related projects and solutions.

In a letter to government leaders who are taking part in the Rio+20 talks, the CEOs write: "Water is well recognised as one of the critical sustainability challenges of the 21st century. Problems related to water availability, quality, and sanitation are undermining development in many regions of the world – exacting an enormous human cost while also undermining critical life-giving ecosystems.

"At the same time, it is important to consider the strong linkages between water-related challenges and other sustainability issues, including energy, arable land and food security. Indeed, water is a profoundly cross-cutting issue. Given the scale of the global water challenge, we pledge to expand and deepen our efforts.

"As we look beyond Rio+20, we commit to working more actively with governments and public authorities – in responsible and transparent ways – to help solve the global water crisis."
"However, we feel strongly that as an international community we will not make meaningful progress towards global water security without much greater action by governments to create an enabling environment in the form of proactive funding and supportive policies in the coming years and decades. While important strides have been made by some governments in recent years, we believe much more could be done."

Approximately 800 million people in the world lack access to safe drinking water, and 2.5 billion lack basic sanitation. The UN estimates that two thirds of humanity will live in water-stressed regions by 2025 as a result of population growth, urbanisation and industrialisation trends and climate change.

**All 45 chief executives are already signatories to the Global Compact's [CEO Water Mandate](http://www.ft.com/intl/cms/s/0/bd8a251a-b96d-11e1-a470-00144feabdc0.html#axzz1yMdWXz3F), a business-focused initiative launched by UN Secretary-General Ban Ki-moon in 2007.**

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**Nasdaq joins environmental push**

By Pilita Clark in Rio de Janeiro, FT, 18 June 2012

Nasdaq OMX has joined forces with four other stock exchange groups to encourage companies listing with them to disclose more about their environmental and social performance.

The five, including Brazil’s BM&FBovespa and the Johannesburg, Istanbul and Egyptian stock exchanges, jointly list more than 4,600 companies in developed and emerging markets.

In a statement unveiled at a business conference in Rio de Janeiro ahead of this week’s [UN Rio+20 sustainable development summit](http://www.ft.com/intl/cms/s/0/bd8a251a-b96d-11e1-a470-00144feabdc0.html#axzz1yMdWXz3F), they said they wanted to promote “long-term sustainable investment and improved environmental, social and corporate governance disclosure and performance among companies listed on their exchange”.

Sandy Frucher, Nasdaq vice-chairman, said the move would not have any immediate impact on companies listed on the US exchange, which had no intention of going it alone to make such disclosure a condition of listing.

“Theoretically you could do it but it would not be very effective, in fact it would be counterproductive,” he told the FT, noting that exchanges operated in a globally competitive market. “If we took a position, perhaps someone at this conference would stand up and call it..."
heroic, but all kinds of companies that did not want to have that as part of a mandatory reporting requirement would list on our competitors [so] it would not be particularly effective.”

Mr Frucher said Nasdaq and the four other exchanges were keen to work with regulators and their trade group, the World Federation of Exchanges, to try to develop global standards that all exchanges could use to promote sustainable investment.

The announcement was welcomed by corporate sustainability campaigners at the Rio conference, who said Nasdaq was the first exchange in the US or Europe to make such a commitment.

“What Nasdaq is doing is outstanding,” said Steve Waygood of Aviva Investors, which has been a leading backer of pushing companies to disclose more about their sustainability actions and strategies.

James Gifford, executive director of the Principles for Responsible Investment group, said: “Nasdaq OMX’s announcement is a huge step forward for the sustainable stock exchange agenda and is a clear indication that exchanges worldwide understand the crucial role they have to play in building more sustainable capital markets.

“We know that the majority of exchanges are interested in promoting greater corporate transparency and responsibility on sustainability issues and this will really move the needle for them to do more.”

http://www.ft.com/cms/s/0/efc1983e-ae5e-11e1-b842-00144feabdc0.html#ixzz1x7hXvDEi

Environment: Capitalist conservationists

Businesses are taking the lead in proposing green strategies but they need government direction

By Pilita Clark, FT, 4 June 2012

©Getty
Model enterprise: Lego has joined companies such as Google and Ikea in branching out of its core business to build wind farms in preparation for future energy crunches

At first glance, a windswept plain in northern Oregon might not seem the most obvious spot for Google to be spending $100m.

But this is where one of the world’s biggest wind farms is taking shape and the money the internet group has put into it is just a slice of the $915m Google has invested in renewable energy projects over the past two years.

It is not alone: on the other side of the world, the parent of the Danish toy group, Lego, is spending around DKr3bn ($500m) on a wind farm off the German coast. Sweden’s Ikea has a collection of wind farms located from Scotland to France and Germany.

“We have no desire to become a power utility,” says Rick Needham, Google’s head of energy and sustainability. Neither do Ikea or Lego, but what all three do want is to promote the use of green electricity.

Observers might ask: so what? Companies have been brandishing their environmental credentials since at least the 1980s, the decade when Ed Woolard, then chief executive of the DuPont chemicals group, said CEO stood for “chief environmental officer” at his company (then under fire from critics who labelled it one of the world’s worst polluters).

But something different is happening now. A small but prominent group of companies has begun to adopt far grander green strategies requiring large outlays of money and a change to the way their businesses operate.

This more thrusting version of corporate sustainability may itself prove unsustainable. And it is easy to dismiss it as merely another public relations tactic in an age when the term “greenwash” – using green PR to whitewash corporate misdeeds – has entered everyday language.

While some companies certainly are parading their green credentials as a marketing strategy to court consumers who are ever more responsive to environmental issues, many businesses do appear to be moving well beyond greenwash. Some believe we are at the beginning of a fundamental shift in corporate behaviour that will intensify as companies face increasingly severe problems from soaring population and limited resources.

That will be the message in the Brazilian city of Rio de Janeiro later this month when more than 100 world leaders gather for the UN’s Rio+20 sustainability conference, named because it comes 20 years after the 1992 Rio earth summit.

Business leaders will play a greater role this year than in previous meetings, with many saying that companies are now at the vanguard of crafting initiatives, while governments repeatedly fail to agree effective or policeable policies for sustainable global growth.
Business involvement in the 1992 summit was trifling, says Rachel Kyte, vice-president of sustainable development at the World Bank. “It was a different era.”

**Modest hopes pave way to Rio**

It is supposed to be the biggest conference the UN has ever organised, a historic chance for world leaders to address a long list of global environmental and social woes.

But with only weeks to go before the UN conference on sustainable development gets under way in the Brazilian city of Rio de Janeiro, it is still far from clear what it will produce.

More than 100 leaders are expected to attend the Rio+20 conference.

But not Barack Obama, US president, who is in the middle of an election campaign. Germany’s chancellor, Angela Merkel, and Britain’s prime minister, David Cameron, will also be absent.

And some who had initially planned to come, including a European Parliament delegation, abandoned the idea when confronted with stratospheric hotel prices in a city with an estimated 33,000 beds for an anticipated 50,000 summit visitors.

It has not helped that some hotels insisted that guests book for at least a week even if they only wanted to come for a few days – hardly a heartening omen in a city due to host the 2014 World Cup and the 2016 Olympics.

Some problems have been beyond the organisers’ control. The original summit date had to be pushed back because it clashed with Queen Elizabeth’s diamond jubilee in Britain.

No one could have known that meant the conference would be held in the same week that Greece would hold an election critical to the fate of the eurozone.

But many are more concerned by the negotiations on the summit outcome itself. They have been so fractious that diplomats were still meeting in New York last week to try to turn a rambling final text into a more focused political document.

“There seems to be a lack of urgency, which is worrying,” says Peter Paul van de Wijs of the World Business Council for Sustainable Development.

“What’s on the table is completely inadequate for an earth summit,” adds Daniel Mittler, political director of Greenpeace International. “These kinds of events should be about making transformational changes.”

But some remain optimistic. “Things have moved on considerably in the last few days,” said Farooq Ullah of the Stakeholder Forum sustainability group. “I think we will get to a reasonably good point with the outcome document.”
By contrast, executives are this year expected to account for one of the largest non-government groups in Rio, and will meet for several days ahead of the formal summit. They will devise their own sustainability strategies and deliver them to officials.

“It’s designed to feed into governments on a quite large and ambitious scale and it’s the first time this has happened,” says Georg Kell, executive director of the UN Global Compact, a green business initiative behind the move.

What this will achieve is still unclear. But the gathering in Rio will nonetheless highlight that it is harder for a company to try to pass itself off as a green champion by planting a few trees in an Indonesian rainforest or publishing a sustainability report.

Today, some corporations are making far more radical changes. Walmart, the retail group, is driving thousands of suppliers to make greener goods. Puma, the sports goods maker, has introduced an environmental profit and loss account to prioritise which parts of the business to make greener. Under pressure from Greenpeace, McDonald’s has promised not to sell chicken fed on soy beans, a crop responsible for deforestation in the Amazon.

Many observers note the number of companies taking such steps remains small and doubt whether companies – whose ultimate objective is profit – can really steer the agenda without far more robust direction from governments. Dirty heavy industry and oil companies face particular criticism for peddling greenwash.

Still, many companies undoubtedly feel under more immediate pressure to overhaul their business models amid forecasts that the world’s population will jump from 7bn to 9bn by 2050, largely driven by emerging economies. The consequent strains on water, food and energy resources have encouraged many executives to imagine how their businesses might cope with – or exploit – a world of $150-a-barrel water, let alone oil.

At the same time, no single nation or bloc of countries appears to have the will or ability to drive an international agenda in what US political scientist, Ian Bremmer, has described as a “G-zero” world, as opposed to one led by groups such as the G7 or G20.

Forbes

From Talking to Walking at Rio+20

http://www.forbes.com/sites/francisvorhies/2012/06/19/from-talking-to-walking-at-rio20/

By Francis Vorhies, Contributor, 19 June 2012
Our governments are not quite on their feet, but thanks to the Brazilian diplomatic corps, the negotiations on the outcome text were ‘completed’ in the late hours of Monday night. This morning a consolidated text was distributed to the delegates. We are sure to hear much about it in the coming hours and days.

I say ‘completed’ in inverted commas because it seems as if the whole Rio process has been hijacked by the negotiators. We never seem to reach completion. In addition to the endless negotiations around the current Rio+20 outcome statement, since 1992, we have had 10 Conferences of the Parties (COPs) of the Convention on Biological Diversity with the 11th taking place this October, 16 COPs of the UN Framework Convention on Climate Change with a 17th in November, and 10 COPs of the UN Convention to Combat Desertification with the 11th next year, not to mention the countless preparatory meetings and subsidiary meetings associated with all of these COPs. These three conventions – biodiversity, climate change and desertification – are known as the Rio Conventions as they were launched at the Rio+0 back in 1992. That 20 years of non-stop negotiations.

Surely after two decades of negotiating what we need to do to save our planet, we should by now be getting on with the job. Yet negotiators are clearly born to negotiate. For a flavour of the passion for adding and deleting words and bracketing text have a read of ENB’s report on the last day of informal negotiations before the Brazilians said in very diplomatic terms that’s enough. It describes a scene of frenzied negotiation:

“As negotiations on the “pre-conference consultation” text neared the host country’s deadline for the creation of a clean text, a familiar flurry of huddles and informal consultations became the order of the day. Delegates and observers rushed from room to room at RioCentro, trying to figure out where and when consultations were taking place because schedules and plans seemed to change frequently.”

Capitalising on Nature

Also on Monday, the Rio+20 Corporate Sustainability Forum ended with a most interesting request for a role for business in determining a new set of Sustainable Development Goals (SDGs). I wonder if our business leaders have the stamina to stick with the protracted negotiations which will surely be needed to agree on these goals. Nevertheless, their endorsement is clearly well intentioned.

In the closing remarks of the Forum from an impressive line-up of corporate leaders, key phrases included ‘putting humans on a sustainable track’, ‘scaling up efforts to advance corporate sustainability’, ‘sustainable architecture is critical to food security’, ‘scaling up private-public partnerships’, ‘solution-driven engagement’, ‘standards for respecting human rights,’ ‘capacity building for social entrepreneurs’, and my favourite ‘sustainability without business is impossible’. (ENB coverage)

Meanwhile over at the Rio Conventions Pavilion, another Business Day was taking place. This one explored the linkages between business and the three Rio Conventions on biodiversity, climate change and desertification. There were also discussions about sustainable innovation and
the green economy, as well as the official launch of the Natural Capital Declaration Roadmap which emphasised the materiality of biodiversity and how it can be accounted for in financial decision-making.

Elsewhere, one of UNEP’s 16 side events (on Monday alone!) looked at how biodiversity/ecosystem services can be integrated into traditional development planning; while at the German Pavilion environmental fiscal reform was a topic of discussion. The ISO held an event to highlight the importance of their standards for a green economy, and a new ‘Rainforest Standard’ was launched which aims to “fully integrate requirements and protocols for carbon accounting, socio-cultural/socio-economic impacts, and biodiversity outcomes.”

It was a busy start to the week as the talking continues.

http://www.forbes.com/sites/francisvorhies/2012/06/17/rio20-are-we-there-yet/

Rio+20: Are We There Yet?

By Francis Vorhies, Contributor, 17 June 2012

No, we are not yet there, but we may be getting closer. On Saturday, the Brazilians took over the once again informal negotiations on the outcome document. The world is fortunate in this regard, as Brazil has one of the best diplomatic corps in the business.

To move the process forward, Brazil tabled a new text for negotiation which – given the inability of the governments to come up with agreed text in the 3rd PrepCom – was certain to both please and upset various delegations. Perhaps the biggest concern by most is that it was less ambitious than it could have been, but again this understandable give the deadlock in formal negotiations. (ENB coverage)

Nevertheless, the Brazilians bravely rallied the troops by steering the initial discussion on four priority topics – Sustainable Development Goals, reform of the international institutional framework for sustainable development, Oceans, and the so-called Means of Implementation (MOI), i.e. financing. Though by Saturday evening, they had not made a great deal of progress, it appeared as if the Brazilians might be able to provide the leadership needed to bring the Conference to a resolution on a set of outcomes.

Business starts talking at Rio+20

Among the many events which took place on Saturday, there were a growing number of events for the business community, including a full day of the RIO+20 Corporate Sustainability Forum. The Forum is as widely focused as the official negotiations with Saturday workshops on ‘business ecosystems,’ human rights, energy efficiency, multi-stakeholder planning, food security and sustainable agriculture, planning in innovation, the base of the pyramid, responsible investment, sustainable cities, sustainable water in textiles, corporate sustainability management and reporting, the green economy and reporting, board oversight of sustainability, renewable...
energy, sustainability standards, clean energy, and water conservation. And all of these took place before the lunch break!

One of these events was organised by the Business Call to Action and explored “Profits and Opportunities at the Base of the Pyramid.” Here was business coming together with other stakeholders to discuss business models which can alleviate poverty among the poorest of the poor. Clearly business can be part of the solution here.

Also on Saturday, 37 CEOs from the finance sector announced their commitment to natural capital in the launch of a most interesting Natural Capital Declaration. This includes the following:

“Build an understanding of the impacts and dependencies of Natural Capital relevant to our operations, risk profiles, customer portfolios, supply chains and business opportunities;

“Support the development of methodologies that can integrate Natural Capital considerations into the decision making process of all financial products and services – including in loans, investments and insurance policies.”

While our governments negotiate, business commits

In addition to the Natural Value Declaration, the UN has already registered dozens of voluntary commitments. From the private sector, these include public commitments from ABB, ArcelorMittal, BASF, Bridgestone, DuPont, Eskom, GDF Suez, Holcim, KPMG, Nike, Procter & Gamble, Sumitomo Chemical, and Unilever. Expert more corporate commitments in the coming week.

It looks as if business is also getting there.

http://www.nytimes.com/2012/06/15/opinion/getting-down-to-business-in-rio.html?_r=1

Getting down to business in Rio

Op-Ed Contributors

By NADER MOUSAVIZADEH and GEORG KELL

Published: June 14, 2012

Where’s the voice of business when you need it? For governments in the West, this has been a common refrain of the financial and economic firefighting over the past four years.
Where relations between chief executives and political leaders haven’t soured completely, as in the United States, there has been a distinct absence of business from the critical debates about how a new and more legitimate form of capitalism can be created out of the ashes of the credit crisis.

It is one thing for leaders of embattled financial institutions to keep their heads below the parapet as they focus on reinventing broken business models and avoiding the question of bonuses defining the entirety of their shareholder dialogue. It is quite another for corporate leaders to remain on the sidelines when their balance sheets are strong, growth markets hold still-great potential for their products, and youth unemployment and widening inequality in their home markets threaten profound social instability.

Entering the public arena is never without risks for chief executives and other business leaders. But three factors are making such a decision less a matter of choice than necessity.

First, social expectations of business are undergoing a transformation — driven on the one hand by the political economy of austerity and on the other by technological innovation. From above, through increased government scrutiny and regulation driven by fractious politics and diminished public resources. From below, by the emergence of social media narratives about corporate practices and products far more powerful than any advertising campaign can deliver. From their own employees, by the demands of creating a rewarding professional environment that goes beyond providing a paycheck.

Second, we are entering an era of competitive sovereignty, replacing two decades of consensus around the universal benefits of globalization — however uneven and unequal its path. Vertical integration of public and private interests, among Western and growth markets alike, is increasingly considered more promising for national prosperity than the benefits of interdependence. For business, this is decidedly mixed prospect: On the one hand, offering the prospect of greater state support in the struggle for new markets; on the other, the threat of greater barriers to their goods by governments looking to protect “national champions.” In this fragmenting landscape of capital and global markets, if business doesn’t make the case for a rules-based system that enables market solutions to flourish amid openness and competition, who will?

Third, the social compact that has underpinned the value creation of the market economies of the past 30 years throughout much of the world is under real, and dangerous, strain. The Arab Awakening has in large measure been about the breakdown of that compact between the rich and the rest, young and old, educated and uneducated. For China’s growth miracle to endure, it is critical that the allocation of state capital continue to be decided on public interest grounds, rather than for the personal gain of strategically placed individuals. And in the crisis economies of the West, dramatically widening income inequality is combining with soaring long-term unemployment among youths to create a permanent underclass for which business is in danger of becoming seen as the enemy.

At the Rio+20 Corporate Sustainability Forum, convened by the U.N. Global Compact and set to begin on Friday, more than a thousand chief executives and investors will meet with global
leaders from civil society, academia, cities and government. The four-day event will comprise over 100 sessions focused on six themes central to the Rio+20 agenda: Energy & Climate, Water & Ecosystems, Agriculture & Food, Social Development, Urbanization & Cities, and Economics & Finance.

Rather than dwell on the inevitable inefficiencies and absurdities of such conferences, business leaders should focus on Rio’s convening power to re-enter the global debate, and help fill a dangerous vacuum of populism and protectionism from which they ultimately stand to lose the most.

Waiting for governments to get it right is neither a solution, nor a sufficient excuse, if business is to meet the wave of rising expectations.

Businesses don’t need governments to tell them whether or where to treat their workers properly, invest in their communities, or contribute to the broader social fabric from which they source both their customers and their employees. They can — and should — do these things by themselves.

This is the true sustainability challenge for business. No shelter is strong enough to protect business from the consequences of a breakdown in the social compact required to make liberal capitalism sustainable, and wider development a boon to all. For global businesses, it’s time to enter the arena — and Rio’s the place to do it.

Nader Mousavizadeh is chief executive of Oxford Analytica. Georg Kell is executive director of the U.N. Global Compact.

A version of this op-ed appeared in print on June 15, 2012, in The International Herald Tribune.

http://www.reuters.com/article/2012/06/18/idUS166113+18-Jun-2012+HUG20120618

Sustainable Stock Exchanges Initiative: Exchanges listing over 4,600 companies commit to promoting sustainability

Mon Jun 18, 2012 1:31pm EDT

Rio de Janeiro, 18 June 2012 - A core group of five stock exchanges - NASDAQ OMX, BM&FBOVESPA, the Johannesburg Stock Exchange (JSE), the Istanbul Stock Exchange (ISE) and The Egyptian Exchange (EGX) - today announced a commitment to promote long-term, sustainable investment in their markets.
The announcement comes amid high-profile discussions among governments on the role of the private sector - including finance - in building a green economy and the importance of corporate sustainability reporting, on the eve of the United Nations Conference on Sustainable Development (Rio+20), taking place between 20-22 June.

These leading exchanges, with over 4,600 listed companies in developed and emerging markets, have voluntarily committed to work with investors, companies and regulators to promote long-term sustainable investment and improved environmental, social and corporate governance disclosure and performance among companies listed on their exchange.

"Going forward we would like to publicly recognize those exchanges that are committed to promoting sustainability," said UNCTAD Secretary-General Supachai Panitchpakdi, who announced the commitment in the presence of senior regulators, investors, and representatives from stock exchanges. "This is the first step of a larger global call to stock exchanges to publicly commit to promoting sustainability" explained Georg Kell, Executive Director of the Global Compact. "We take this opportunity to call on all stock exchanges around the world to join these leading exchanges in making this potentially transformative commitment."

The endorsements came today during the Sustainable Stock Exchanges (SSE) 2012 Global Dialogues, held at the Corporate Sustainability Forum in Rio de Janeiro. The SSE initiative, is co-organized by the Global Compact, UNCTAD, UN-backed Principles for Responsible Investment (PRI) and UNEP Finance Initiative, builds on three years of successful engagement with major stock exchanges. With these new commitments, the SSE initiative is moving into a new phase with a more robust programme of activities and support for greater engagement of stock exchanges with companies and investors.

Committed exchanges provided key insights behind their support for the SSE initiative.

"NASDAQ OMX is happy to be a founding signatory of the Sustainable Stock Exchanges commitment and will work together with the other founding signatories - BM&FBovespa, ISE, JSE and EGX - through the World Federation of Exchanges to encourage all exchanges to sign up to the new SSE commitment," said Sandy Frucher, Vice-Chairman of NASDAQ OMX.

"By encouraging companies to adopt good corporate governance practices where a social and environment dimension is taken into consideration, and by helping investors to make socially responsible decisions the SSE initiative can enhance transparency of information as regards capital markets and help creating more aware investors" said Edemir Pinto, CEO of BM&FBOVESPA.

"We believe that stock exchanges have to play a vital role in encouraging the companies to apply ESG practices to create a responsible investment environment where investors could reward sustainability sensitive companies. Therefore, we strongly support SSE initiative and invite other exchanges to be part of it" said Ibrahim Turhan, Chairman and CEO of the Istanbul Stock Exchange.
"Being one of the leading exchanges in the MENA region, we have been applying highly standardized listing and disclosure rules that are periodically updated to guarantee the highest transparency on ESG criteria. We therefore welcome this initiative as it will allow us to share our practice with other exchanges," said EGX Chairman Dr. Mohammed Omran.

The commitments were welcomed by UN and investor representatives.

"Stock exchanges are uniquely positioned at the intersection between investors, companies, and regulators" said James Zhan, Director of UNCTAD's Division on Investment and Enterprise. "As such, they can play a key role in promoting responsible investment and sustainable development."

"Since 2011, a group of PRI signatories led by Aviva Investors have been engaging with the 30 largest stock exchanges on ESG-related issues" said James Gifford, Executive Director of PRI, who was encouraged by the continued collaboration between investors and exchanges. "Commitment of stock exchange to sustainability is an important element of the PRI's mission to mainstream integration of ESG into financial markets."

This was echoed by Steve Waygood, Chief Responsibility Officer at Aviva Investors: "As a major institutional investor with over $500bn in assets under management, we've been a big supporter of the SSE since the outset. We strongly welcome these public commitments by stock exchanges. For some years we have made it clear that Aviva Investors would prefer to trade on exchanges that embed better ESG disclosure in their listing rules."

The announcement follows a recent report by the SSE, 2012 Sustainable Stock Exchanges: A Report on Progress, that underscores that the majority of exchange entities are interested in promoting greater corporate transparency and responsibility on sustainability issues.

THE WALL STREET JOURNAL.

http://online.wsj.com/article/SB10001424052702303360504577409740365832330.html?mod=googlenews-wsj

Nothing Grand in Rio

An environmental meeting this week in Brazil may not accomplish much of note. But promoters say that's OK.

By JOHN BIERS, June 18, 2012

Thousands of officials from government, business and other groups are converging on Rio this week to advance the cause of sustainable development. Their timing couldn't be worse.
The conference, led by the United Nations, comes as leading Western powers struggle to recover from one of the worst economic downturns in memory. The event also comes hot on the heels of other global environmental gatherings that have fallen short of hopes, leading to summit fatigue and diminished expectations.

Some news coverage has already depicted the meeting as a failure, in part because some prominent world leaders won't attend and in part because there isn't a clear agenda to frame the discussion.

But supporters say the problem isn't with the summit. Instead, they argue, the problem stems from unrealistic expectations. They believe that the summits can succeed—if people start to think about the kinds of things that such events can accomplish, instead of simply focusing on what they can't.

Rio and similar gatherings may not produce major new treaties, the boosters say, but they can still raise awareness about pressing environmental problems and their possible solutions, and build political will for future action. And even if some national governments won't make environmental pledges, the meetings can lead to commitments from local governments and businesses.

In those terms, Rio is "potentially historic and transformative" in shifting the mission of such gatherings, says Jacob Scherr, director of global strategy and advocacy for the Natural Resources Defense Council, an environmental group.

**Steep Obstacles**

The stated aim of the conference certainly doesn't lack for ambition. Organizers want to get a handle on the management of natural resources amid surging population growth that is stretching capacities world-wide.

A painting by a local artist during the 1992 Earth Summit in Rio

Yet turning those goals into meaningful action will be tough. Foremost among the obstacles is the bleak economic outlook, especially among the U.S. and other Western governments, which have previously been tasked with financing environmental priorities.

Even as emerging countries like China, India and host Brazil grow wealthier, they continue to argue that richer countries should do the heavy lifting. But this year, many Western governments are simply tapped out, and politicians are fixated on doing whatever it takes to get their economies humming again. Key leaders like British Prime Minister David Cameron have said they won't attend, while the U.S. delegation will be led by Secretary of State Hillary Clinton and not President Barack Obama.

What's more, this year's conference joins a steady stream of international meetings on many of the issues to be discussed in Rio. Biodiversity, water security, food security and other topics all have their own events, stealing some of the summit's thunder.
The last major environmental negotiation, the 2009 Copenhagen climate talks, underscored the difficulty of getting 190 countries to reach agreement. The Copenhagen talks did attract President Obama, Chinese Premier Wen Jinbao and other heads of state. But the outcome—a series of voluntary pledges rather than a binding international agreement on emissions reduction—sapped momentum from the cause of international environmental accords and raised doubts these treaties could succeed.

"There are more inherent limits to what these kinds of multilateral agreements can accomplish," says Richard Andrews, a professor of environmental policy at the University of North Carolina.

A Different Approach

Yet others are holding out hope that Rio could bring meaningful progress, in part by charting a new "bottom up" approach for international summits. Instead of focusing on major international treaties that set binding commitments on countries, some conference organizers are hoping to get commitments from smaller players.

Matthias Stausberg, a spokesman for the UN Global Compact, the United Nations corporate-sustainability initiative, expects about 1,000 business executives to participate in a corporate sustainability forum a few days before the gathering of heads of state. He expects numerous pledges that companies will, for example, be carbon-neutral or recycle water.

Corporations have the will to make those moves regardless of what national governments do, Mr. Stausberg argues. "Companies are increasingly looking at corporate sustainability as an opportunity," he says. "They are learning to understand the business case."

Backers of the summit are also hoping to build on support for environmental measures that exists among some local governments—despite the fact that those policies may have stalled nationally. In the past, for instance, the state of California and the province of British Columbia have enacted binding emissions targets for themselves even as the U.S. Congress remains deadlocked on the issue and as the Canadian national government has backed out of its commitment under the Kyoto Protocol.

Other Measures

Backers also hope that they'll be able to at least raise awareness of some particular issues among national leaders. "What these meetings do is they create political will" for progress, says Mr. Scherr of the NRDC.

For instance, there's the idea of using new benchmarks when weighing environmental policies. Critics have argued that gross domestic product alone places too much emphasis on economic production and not enough on social well-being. So, many environmentalists would like to complement GDP data with indicators that quantify environmental degradation or set an estimated value on maintaining natural resources.
Organizers also hope to build support for a UN initiative to provide energy access to the 1.3 billion people who currently lack access, and to raise the percentage of renewables in the global energy mix.

Supporters say some of these measures could prove significant over the long term, even if they seem small in comparison with some of yesterday's triumphs.

They can also take some solace from the past: The 1992 Rio conference, which history has declared a triumph for the environment, was initially greeted with plenty of negative headlines, too.

Mr. Biers manages energy coverage for Europe, the Middle East and Africa for Dow Jones Newswires. He can be reached at john.biers@dowjones.com.

A version of this article appeared June 18, 2012, on page R10 in the U.S. edition of The Wall Street Journal, with the headline: Nothing Grand in Rio.

Major National Media

(Included in this section: China Post, Economic Times (India), The Independent (UK), and Brasil Economico, Folha de Sao Paulo and O Globo (G1), (Brazil).


Rio+20 talks for new environment pact heading into overtime

RIO DE JANEIRO -- Talks on a new global charter to protect the environment and eradicate poverty were heading into overtime Friday as officials admitted they faced a battle to seal a deal ahead of a U.N. summit.
The cornerstone document of the June 20-22 Rio+20 summit aims at setting a path for nurturing the planet's natural bounty and promoting green growth.

But after five months of wrangling, talks on a draft entered their final scheduled day on Friday with agreement on only 28 percent of the 81-page text, officials said.

Responsibility for steering the haggle was expected to be handed on Saturday to Brazil, the conference host, said Nikhil Seth of the U.N.'s Division for Sustainable Development.

“It's everyone's hope that by (June) 19 at the latest, everything will be wrapped up,” he said.

“There is a sense of optimism, but in every room there is a sense also that the enemy now is time.”

Brazilian delegation chief Luiz Alberto Figueiredo, confirming the target date, said “we have no intention to hand undecided issues to heads of state.”

Ahead of next week's U.N. summit, hundreds of corporate leaders launched a four-day forum here Friday to discuss how the private sector could help advance sustainable development goals.

In opening remarks, Georg Kell, executive director of the U.N. Global Compact, underscored the key role of “innovation and collaboration” in the process.

The Global Compact, a U.N. initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, has 7,000 corporate participants in 135 countries.

Forum organizers said private-public partnerships and more than 100 corporate commitments would be announced and recommendations would be submitted to Rio+20 summit leaders next week.

The Conference on Sustainable Development is the 20-year follow up to the Earth Summit, when U.N. members made historic agreements to combat climate change, wildlife loss and desertification.

An expected turnout of 116 heads of state or government will cap a week-long gathering of as many as 50,000 activists, business executives and policymakers.

Progress on the so-called outcome document has been mired by discord, often pitching developing economies against rich ones.

“There are lively discussions still going on,” the U.S. special envoy for climate change, Todd Stern, said in a conference call with journalists. “There's still a lot to be wrestled with.”
Problems include a set of sustainable development goals to succeed the U.N.'s Millennium Development Goals, due to expire in 2015, to encourage the green economy and mustering funds to promote sustainable development. Poorer countries are calling for US$30 billion a year.

But another area of friction is over how or whether to reaffirm the “Rio Principles” set down in the 1992 summit, which say countries have “common but differentiated responsibilities.”

The phrase is designed to ensure that poor countries do not have to shoulder the same burden as rich countries in fixing Earth's environmental problems.

But Stern was scathing, saying the phrase belonged to an era when China and other countries that today are emerging giant economies were far poorer and less able to contribute.

The summit is taking place against a backdrop of ever-worsening news on the environment, while financial crises in rich economies have slashed the political will for concessions.

A colorful counter-conference got under way at a Rio park, with the dramatic appearance of 82-year-old Amazonian chief Raoni, stomping and brandishing a club.

The “People's Summit” will feature several different demonstrations, including a main march expected to draw 50,000 people on June 20, when the official Rio+20 gets underway.

**THE ECONOMIC TIMES**

*Rio+20 Summit: Business leaders back sustainable development*


RIO DE JANEIRO: More than 2,000 corporate leaders from around the world are set to embrace sustainable development at an upcoming forum here on the sidelines of the UN Rio+20 conference.

"Industrialists have decided to embark on this road because for them this is an issue of managing long-term risks such as water shortage" that threaten the planet, Yolande Cerqueira Leite, the Brazil executive secretary for the UN Global Compact.

The Compact is a UN initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies.

"Corporate leaders are getting involved because their interests depend on it. They want action to control these environmental assets," Cerqueira noted.
By adopting the Global Compact launched in 2000, corporations pledged to respect 10 universally accepted principles dealing with human rights, work standards, environment and the fight against corruption to ensure fair trade.

The scheme has received 7,000 signatures from 135 countries but the aim is to collect 20,000 by 2020, according to Cerqueira.

The business forum will showcase practices that contribute to the sustainable development that will be debated at the Rio+20 summit here next week along with innovation and job creations.

It will feature 120 thematic workshops on the summit agenda, addressing energy and climate, water and ecosystems, agriculture and food, social development, urbanization and cities, economy and financing.

One of the forum organizers, Matthias Stausberg, told AFP that the role of governments was "fundamental" to spur "green" production.

"A company which has higher costs because of sustainability can become less competitive on the market and it is up to the government to give it incentives," Cerqueira said.

Forum participants will produce a document listing company commitments, which will be handed over to world leaders at the June 20-22 summit.


Rio de Janeiro: Corporate giants pledge to go green

UN's biggest ever global-business event – the Rio+20 forum – sees 1,200 executives make commitments on more ethical, greener ways to work

Irene Hell, Rio de Janeiro, Sunday 17 June 2012

More than 150 commitments to conduct more ethical and greener business will be announced by large corporations at the Rio+20 Corporate Sustainability Forum over the next couple of days. Around 1,200 business executives have joined government and NGO representatives at the three-day conference, which started in Rio on Friday. The Forum, organised by the UN Global Compact, is the biggest event the UN has ever hosted for global business.
The UN Global Compact promotes ethical, fair and sustainable business practices, and some participating firms have already implemented changes. Unilever, the Anglo-Dutch soap giant, will soon grow all its palm oil in a sustainable way. Paul Polman, its chief executive, told The Independent on Sunday in New York: "Two billion consumers use our products every day. More and more consumers want green products, and only companies who fulfil this desire will stay in business in the long run."

His decision to stop filing quarterly reports for investors – which are often an obstacle to long-term sustainability goals – created uproar in the business community. "With a company of our size we can move the world. We can make a significant impact," Mr Polman said. "We have to consume differently. We cannot steal from our children."

Bank of America has pledged $50bn towards efficient renewable energy and low-carbon economies. The Swiss food and water giant Nestlé, which has faced international criticism and boycotts in past decades for its business in the developing world, now provides clean drinking water and education in Punjab villages; has created farming co-operatives in El Salvador that produce the Fair Trade certified Nescafé; and has helped Brazilian women start a more independent life by packing wagons with consumer goods they can sell.

Ban Ki-moon, the UN Secretary-General, said: "More than a billion people lack access to basic needs such as food, electricity and safe drinking water. Business can help us to change the cause. Solutions exist that have profound impact. We need many more companies to awaken to this agenda."

Georg Kell, architect of the UN Global Compact, hopes Rio+20 will start a global movement. He has already managed to get more than 7,000 firms to commit to its principles. Norway's Telenor gives mobile phones to farmers in Bangladesh so they can check the price of corn and not be cheated by traders. Chemicals giant BASF provides vitamins to African countries. Global Compact participant Siemens announced last year that it would stop its billion-dollar nuclear-plants business in order to invest more in renewable energy. And during Rio+20, the Siemens Foundation will launch a global competition to identify and sponsor technical solutions that will contribute towards sustainable development.

The Corporate Sustainability Forum will be followed by the UN Conference on Sustainable Development on 20-22 June, which Ban Ki-Moon has described as "too big to fail". A parallel "People's Summit" on 15-23 June will present a critical approach to the official conference's principles, debates and solutions.

Elsewhere, Sir David Attenborough, Jonathon Porritt and former Chief Scientist Lord May warned Rio+20 that no progress would be made if the problem of population growth was ignored. Population Matters chair Roger Martin said: "Rio's plans for sustainable development will be little more than a wish list if they ignore the urgent need to stabilise our numbers."

Additional reporting: Azar Zaidi
Interview GEORG KELL: Executive Director of the United Nations Global Compact

Enterprises from emerging markets can surpass those from rich countries in sustainable development.

Business initiatives, combined with governmental incentives, will accelerate the process of economic growth

By Chrystiane Silva, Brasil Economico, 12 June 2012

Private businesses have an important role in the debate over the creation of an economic model for sustainable development. Next week, Georg Kell, executive director of the United Nations Global Compact, will meet with more than one thousand businessmen from diverse sectors at the Corporate Sustainability Forum (CSF), an event that occurs during Rio+20, to discuss corporate practices and strategies toward a new era of global sustainability. The Global Compact brings together more than 7,000 companies in 135 countries. In this interview, he affirms that the government is an important part of this process, be it placing sanctions on companies that disrespect the environment or incentivizing the companies that develop sustainable practices. The event will have more than 100 parallel sessions in which specialists will discuss energy, climate, water, agriculture, social development, urbanization, and economics and finances.

Is it viable to believe in economic development that considers sustainability when China, which is the engine of global growth, is a country with few industrial sustainable practices?

China has an advanced strategy in terms of sustainability. The country has 20 pilot sustainable energy projects and is responsible for the world’s largest investment in this area. By 2020, the Chinese hope to have 20 per cent of their energy coming from sustainable sources.

How can companies collaborate with a more sustainable world?

The first thing is the commitment of CEOs who have a vision of sustainable business. After, it is necessary to have transparent politics, to implement sustainable actions, and invest in informing the functionaries and the business about economic, social and environmental issues. After analyzing more than 100 businesses, I am convinced that it is necessary to have a representative on the Board, who will observe these issues.
Emergentes podem superar ricos em desenvolvimento sustentável

Iniciativas empresariais somadas ao incentivo do governo vão acelerar processo do crescimento econômico

Por Chrystiane Silva, Brasil Económico, 12 de Junho de 2012

As empresas privadas têm um papel importante no debate para a criação de um modelo econômico de desenvolvimento sustentável. Na semana que vem, Georg Kell, diretor-executivo do Pacto Global das Nações Unidas, estará reunido com mais mil empresários de diversos setores no Corporate Sustainability Forum (CSF), evento que acontece durante a Rio+20, para discutir práticas corporativas e estratégias para uma nova era de sustentabilidade global. O Pacto Global reúne mais de 7.000 empresas em 135 países. Nesta entrevista, ele afirma que o governo é parte importante deste processo, seja punindo companhias que desrespeitam o meio-ambiente ou incentivando as empresas que desenvolvem práticas sustentáveis. O evento terá mais de 100 sessões paralelas em que especialistas vão discutir energia, clima, água, agricultura, desenvolvimento social, urbanização e economia e finanças.

É viável acreditar em um desenvolvimento econômico que mire a sustentabilidade quando a China, que é a locomotiva mundial, é um país com poucas práticas industriais sustentáveis.


Como as empresas podem colaborar com um mundo mais sustentável

A primeira coisa é o comprometimento dos presidentes com a visão de negócios sustentáveis. Depois, é preciso ter políticas transparentes, implementar ações sustentáveis e investir na informação dos funcionários e da empresa sobre as questões econômicas, sociais e ambientais. Depois de analisar mais de 100 empresas, estou convencido de que é necessário ter um representante no Conselho, que irá observar essas questões.

Como estão as indústrias brasileiras

O Brasil é líder mundial em diversos setores como biocombustíveis e energia limpa. Há bons exemplos de empresas de energia que têm incentivado a troca de lixo reciclável por um desconto na conta de eletricidade ou pela regularização das instalações ilegais.

Qual o papel do governo no desenvolvimento sustentável

É preciso que os governos sejam eficientes na hora e punir companhias que causam danos ao meio ambiente. Mas, eles também precisam incentivar quem investem em práticas sustentáveis porque a implantação desses programas é cara.

Empresas e governo podem trabalhar juntos

Sim, por meio de Parcerias Público-Privadas (PPP) em que o governo oferece subsídios para as
companhias disseminarem o que estão fazendo de melhor na sociedade. O governo também têm de investir na formação dos cidadãos por meio da educação, não apenas a universitária, mas também no ensino básico.

Os países emergentes estão atrasados
Em relação ao desenvolvimento sustentável, eles podem recuperar o tempo perdido utilizando mecanismo que já estão em uso nos países desenvolvidos. Mas, os países mais pobres também podem ser exemplo. O sistema de pagamentos por meio do celular começou no Quênia.

Quais setores da economia têm bons exemplos de desenvolvimento sustentável
São vários, mas há alguns que estão mais adiantados do que outros. É o caso da tecnologia da informação, biotecnologia, nanotecnologia, indústrias de ponta e energia elétrica.

Bancos propõem que empresas divulguem consumo de recursos naturais
Por Lucas Vettorazzo, Folha de Sao Paulo, 16 Junho 2012

In the near future, it is likely that companies will have to disclose in their financial statements the amount of natural resources that they consumed during a certain period. Depending on the consumption, such as the intensive use of energy or water, for example, the company would have to propose some method of compensation.

Even though it is far from becoming a reality, this is the intention of 37 presidents of banks, investment funds and insurance companies, who have signed the Declaration of Natural Capital, which is a sustainable commitment made by the financial sector, and was presented at the Corporate Sustainability Forum, an event at Rio+20.

The idea is that consumption by companies is seen as active or passive, depending on its intensity. The Natural Capital Declaration is a UNEP (United Nations Environmental Programme), GCP foundation (Global Canopy Programme) and FGV (Getulio Vargas Foundation) initiative.

Bancos propõem que empresas divulguem consumo de recursos naturais
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Em um futuro próximo, é provável que as empresas tenham que divulgar em seus balanços financeiros o quanto de recursos naturais elas consumiram durante determinado período.
Dependendo do consumo, a companhia teria de propor alguma compensação pelo uso intensivo de energia ou água, por exemplo.

Ainda que esteja distante de se tornar realidade, essa é a intenção de 37 presidentes de bancos, fundos de investimento e companhias de seguros, que assinaram a Declaração do Capital Natural, que é um compromisso do setor financeiro com a sustentabilidade, apresentado no Fórum de Sustentabilidade Corporativa, evento da agenda da Rio+20.

A ideia é que o consumo das empresas seja visto como ativo ou passivo, dependendo de sua intensidade. A Declaração do Capital Natural é uma iniciativa do Pnuma (Progama das Nações Unidas Para o Meio Ambiente), da fundação GCP (Global Canopy Programme) e da FGV (Fundação Getúlio Vargas).


"É idéia é incorporar nos balanços das empresas o uso que ela faz dos recursos públicos. Isso é uma tendência que temos que começar a criar para que num futuro próximo as companhias venham, inclusive, a pagar pelo nível de utilização desses recursos. É uma contribuição do setor financeiro para com a sustentabilidade", afirmou Carlos Frederico Aires Duque, diretor superintendente do Infraprev.

No momento, as ideia de como implementar -- se será via governos ou se partirá da própria iniciativa privada -- ainda não estão definidas. No dia 20 de julho, as 37 intituições irão se reunir em Londres para desenvolver o modelo a ser proposto para outras empresas no mundo.

"A declaração pretende trazer a verdadeira riqueza do plano do plano invisível para o plano visível. O objetivo é mostrar o que as empresas consomem e fazer pender a balança da degradação ambiental para a da gestão sustentável das comunidades, empresas e países", afirmou Achim Steiner, diretor executivo do programa e sub-secretário geral do Pnuma.
Business forum has 200 commitments signed

Final document highlights the union of sectors and public-private partnerships. The Forum brought together 1400 representatives from the private sector for four days of discussion.

By Lilian Quaino, G1, 18 June 2012

At the end of four days of discussion at the Corporate Sustainability Forum, executives, businessmen, and investors finalized around 200 commitments on themes such as neutral carbon, biodiversity, social investments, preservation of the environment, and rational use of water and other natural resources. This Monday night (18), at a hotel in Barra da Tijuca, Western Zone of Rio, representatives from the private sector signed a document with commitments and proposals, to be taken to the world leaders who will meet at Rio+20.

The Forum document highlights the potential for the collaboration of different sectors and public-private partnerships regarding changes that should be made in areas of global interest such as water, energy, food and women’s empowerment. It shows the power of the innovations from the private sector to promote sustainable development. The document of the Forum with proposals and recommendations will be given to United Nations Secretary-General Ban Ki-moon and to Heads of State on Thursday (21) at Rio+20.

With 1400 representatives from the private sector, the Rio+20 Corporate Sustainability Forum brings together the largest number of businessmen and executives ever at a United Nations conference, according to the organizers. The total number of participants reached 2700 people, including government representatives and universities. The Forum was organized by the Global Compact, a branch of the United Nations for the private sector.
Fórum de empresários tem 200 compromissos assinados

Documento final ressalta união de setores e parcerias público-privadas. Fórum reuniu 1.400 representantes do setor privado em 4 dias de debates.

Ao fim de quatro dias de debates no Fórum de Sustentabilidade Empresarial, executivos, empresários e investidores firmaram cerca de 200 compromissos sobre temas como carbono neutro, biodiversidade, investimentos sociais, preservação do meio ambiente e uso racional da água e outros recursos naturais. Na noite desta segunda-feira (18), reunidos num hotel na Barra da Tijuca, Zona Oeste do Rio, representantes do setor privado assinaram um documento, com compromissos e propostas, a ser levado aos líderes mundiais que se reunirão na Rio+20.

O documento do fórum ressalta o potencial da colaboração de diferentes setores e das parcerias público-privadas nas mudanças que devem ser feitas em temas de interesse global como água, energia, alimentos e o empoderamento da mulher. Mostra ainda o poder das inovações do setor privado para promover o desenvolvimento sustentável. O documento do fórum com propostas e recomendações será entregue ao secretário-geral da ONU, Ban Ki-moon, e aos chefes de Estado na quinta-feira (21), na Rio+20.

Com 1.400 representantes do setor privado, o Fórum de Sustentabilidade Empresarial da Rio+20 reuniu o maior número de empresários e executivos numa conferência da ONU, segundo os organizadores. O total de participantes chegou a 2.700 pessoas, com a adesão de representantes de governos e de universidades. O fórum foi organizado pelo Pacto Global, órgão da ONU para o setor privado.

Entre as propostas está um documento assinado por 45 CEOs de grandes corporações, dirigido aos governos, pedindo avanço nos investimentos para garantir acesso a água e a saneamento básico às populações. O lançamento de uma nova política corporativa para assistir empresas no desenvolvimento e na implementação de práticas relacionadas ao ecossistema e à biodiversidade é outro compromisso do setor privado.

Cinco bolsas de valores (BM&FBovespa, Nasdaq OMX e as bolsas de Johannesburgo, Istambul e Egito) firmaram um compromisso de longo prazo para promover o investimento sustentável em seus mercados. Reunindo 4.600 companhias listadas, as bolsas prometem dialogar com investidores, analistas e empresas para estimular práticas ambientais, sociais e de governança responsáveis.

Ainda no setor financeiro, executivos de 37 bancos, fundos de investimento e companhias de seguro assinaram a Declaração do Capital Natural para que seus recursos sejam aplicados somente em empresas comprometidas com práticas de sustentabilidade e desenvolvimento social.

Mais de 70 organizações empresariais e governamentais apoiaram a política de economia verde, para que as corporações adotem práticas sustentáveis como o uso eficiente de energia e outros recursos naturais, e mais de 60 institutos de educação em negócios se comprometeram a colocar o desenvolvimento sustentável no currículo.

No encerramento do fórum, executivos e empresários de todo o mundo assistiram a um show da bateria de jovens do Afroreggae e provaram típicos petiscos cariocas como caldinho de feijão e linguíça acebolada.