

Environment Rio+20 Earth summit Caroline Spelman's speech on Rio+20 summit

*UK Environment secretary Caroline Spelman
addresses businesses and charities at London's Guildhall*

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Ladies and Gentleman, thank you for joining us this morning.

In four months' time, the world will meet to plot the path to sustainable development and green economic growth at Rio +20. What will govern it is the level of ambition. Today I will set out the Government's priorities. And let me tell you, ladies and gentleman, that I, for one, am ambitious. Because, frankly, our economic, social and environmental security – our future well-being – relies on tangible outcomes from Rio+20.

Not just exhortations and aspirations. It has to be a workshop, not a talking shop. Let's just remind ourselves of what's at stake here:

- ❑ Today, over a billion people still live in poverty;
- ❑ Today, two thirds of the world's ecosystems are still in decline ;
- ❑ And today we are facing economic challenges on a scale not seen for decades – challenges of delivering growth, prosperity; equality, employment and quality of life.

We've come a long way since the first Earth Summit 20 years ago - and it's important to acknowledge that. Many of the organisations represented here today have been crucial to the shift we've seen. Sustainable development is no longer a sideline or an afterthought. There's real recognition that it matters, and our location here, in the City of London, is testament to that. But – and it's a big but – some people still think that there's a tension between being green and delivering growth.

I disagree. Being green is integral to sustainable economic growth. If we fail to protect our natural resources we'll make long term economic growth impossible.

We have the evidence:

- ❑ We have Nicolas Stern's estimates that global GDP will fall by a quarter because of climate change;
- ❑ We know that deforestation costs the global economy up to \$4.5 trillion a year;
- ❑ We know that 1.2 billion people rely on forests for their livelihoods;
- ❑ And we know that the natural world underpins 40% on the global economy.

We have the evidence. What we need is action. This government is determined to see Rio +20 trigger that action. To deliver outcomes that will make a real, lasting difference to the economy, to the environment, and to our well-being. So let's get specific.

The UN's negotiating text – the 'zero draft' – has been titled simply 'The Future We Want'. It's a strong title, and a good start. But the text lacks focus and ambition. It needs to be a lot stronger if Rio+20 is to deliver the transformational change that we know it can. And it's missing some important elements.

1. Green growth

It doesn't properly make the case for green growth. It doesn't explicitly link natural resources, poverty, and the economy. Rio has to recognise that interdependency. So we will be pushing for a clear commitment to sustainable development and green growth from politicians around the world. We need to make clear that long term, sustainable growth can only be achieved with efficient use of resources; the reduction of carbon emissions; and the eradication of poverty.

This is something we all here understand.

A growing number of companies, including those represented here today, recognise that their own success is directly linked to sustainability: Companies like Aviva - calling for global leadership on sustainability reporting; Companies like Unilever - committing to halve the environmental impact of their products by 2020; And companies like Marks and Spencers - who saved over 70 million pounds last year, and 50 million pounds the year before, through resource efficiency.

The recognition is spreading. Over 90% of CEOs now think of sustainability as the most pressing issue facing their business. In a world facing the challenge of resource security, sustainable business practices need to become commonplace – not just for the sake of corporate responsibility, but to protect the bottom line. And there are also opportunities to be had. Resource efficiency offers UK companies £23 billion of savings. It offers the global business sector savings of £2.9 trillion.

We need the private sector across the world to be inspired – at and beyond Rio+20 – to seek out these kinds of new opportunities, new products and innovations, new investment and markets. I have really been heartened by the efforts that UK businesses and NGOs are making to drive forward the green economy. I'm working with UKTI to encourage the Brazilians to host a trade fair at Rio, and we are keen to work with businesses and civil society on plans for what the Brazilians are calling the 'middle bit'.

We need to work together – because there is much work still to do.

2. Mainstreaming

Ban Ki Moon's Panel said last week that Sustainable Development is not yet mainstreamed into economic policy on an international scale. We still do not value our natural resources. Rio has to put this right.

We want action to ensure that businesses and governments factor sustainability into every decision they make - and for this to be transparent. So we will join the call for Rio to drive uptake of sustainable business

practices – in particular transparent and coherent sustainability reporting. Not as a burden on business, but as something they are asking for. We need companies to do this as a matter of course, and we need shareholders and investors to demand it.

3. Natural capital/green accounting

We will call for governments to take steps to measure and account for their natural and social capital, as well as their GDP. It's becoming more and more apparent that GDP is not a perfect measure of progress, because it deals solely with economic output. It does not consider the other factors that contribute to sustainable growth such as natural resources, or social wellbeing. Known as '*GDP+*' it's an area where the UK is taking the lead.

Our Prime Minister is taking steps to measure the well being of society, recognising the need to reflect our quality of life. We're establishing a Committee that reports to the Chancellor on the state of natural capital in England. The Office of National Statistics is looking to embed natural capital in our environmental accounts by 2020. We're working with the World Bank on their Wealth Accounting and Valuation of Ecosystem Services, which pilot new approaches to wealth accounting in a number of developing countries.

We're working to develop indicators which will allow us to measure and track progress towards a green economy. We want to share these experiences in Rio. Because it is essential we create the conditions for the value of nature to be reflected in everyday decisions.

We've made a start here in the UK – we've worked with business to establish an Ecosystem Market Task Force – chaired by Ian Cheshire - that looks at the opportunities for businesses to develop new green goods and services. Rio provides an opportunity to showcase this kind of approach on a global scale.

4. Sectors

So we need that political commitment. We need to drive green growth. We need to mainstream sustainability into decision making of governments and businesses across the world.

In addition to all of this, I want to see a real focus on the specific global challenges we face. Agriculture, water, and energy are fundamental to our economy and to the lives of many of the world's poorest people; and they are inseparable. Ban Ki Moon's Panel excellent report notes that by 2030, the world will need at least 50% more food, 45% more energy, and 30% more water. And we need to produce this without further damaging our environment. So my ambition at Rio is to chart a clear course of action on food security and sustainable agriculture – one of the most pressing issues of our time. The UK Foresight project identified the scale of the challenges facing the global food system. We need to produce more food, with less impact - particularly if we are to feed a billion extra mouths in 13 years time.

We need sustainable intensification that takes account of available water resources. We need to reduce waste, and we need to be climate smart. I

want to see water high up on the agenda. In addition to its importance for food security and energy, access to safe and clean drinking water is one of the basic requirements for development – and a prerequisite for green growth.

And I want to see action on sustainable energy for all. Sustainable energy is fundamental to growth and prosperity – and is currently a luxury that a quarter of the world's population cannot afford. So I warmly support the UN Secretary General's *Sustainable Energy for All* by 2030 initiative, which will be launched this year at Rio+20. This initiative has an important emphasis on raising private capital, and we shall co-ordinate this with the support we provide to sustainable energy from the International Climate Fund - to ensure that our public finances have maximum impact.

5. SDGs, Sustainable Development Goals

The international community has not made sufficient progress on these issues. We need renewed focus to drive forward change. Which is why the UK will call for Sustainable Development goals to drive international action on linked challenges such as food security, water security, and access to energy – as an absolute priority. We have seen the role that global goals can play.

Just look at the impact of Millennium Development Goals – which over the last 12 years have helped get the world on track to reduce the levels of poverty and tackle development issues. The international community now needs to step up to the mark and work towards goals that tackle the great sustainability challenges. *Sustainable Development Goals* – proposed by the Colombian Government – would give us the makings of real progress. Progress our generation has a moral obligation to deliver. Let me be absolutely clear that SDGs cannot and should not attract attention away from achieving the Millennium Development Goals by 2015 – the UK is firmly committed to achieving this.

We must work towards a clear position beyond 2015 – one which builds on the existing MDGs, and one in which the Sustainable Development Goals could play an important part.

6. Conclusion

So I think we have a strong message to take to Rio. I will be working hard with my colleagues in the EU for a strong common position, and with colleagues internationally to make sure that we harness the political will from Durban.

Governments can and must provide the framework for green growth:

- Through reducing or removing environmentally harmful subsidies;
- Through getting price signals right;
- Through standards and voluntary approaches;
- And through valuing natural resources, developing indicators of green growth.

And I genuinely believe this Government is leading the way with that agenda. In the UK, the Green Deal, the Green Investment Bank, our Climate Change Agreements, EU Emissions Trading Schemes, and the our Natural Environment and Water White Papers are all key examples of our efforts to provide this kind of framework. But the private sector and civil society have a major role to play in delivering the green economy:

- ❑ through trade, innovation, and investment;
- ❑ and through campaigning, evidence, and implementation.

I realise that we are in tough times, but I hope that many of you will be involved in the Summit, and the preparations for it. I want to hear you making the case for green growth – to embed sustainable development in the economy of tomorrow. I want you to help us push the envelope on natural capital and green accounting. And I want to see you striving for solutions to the challenges of energy, agriculture and water resources.

These are ambitions that will see us agree achievable and practical outcomes. Generating the political will and a proper understanding of what we need to do. An understanding that inspires real change in the world through sustainable development and green economic growth. Representing the fusion of economic and environment recovery. And above all demonstrate to the world that this country is an environmental leader pursuing goals that balance environmental responsibility and economic security for today and for tomorrow.

Thank you.