



World Business Council for
Sustainable Development

Executive Member Update
June 2009

Dear Council Member,

“Green” has arrived.

This was my reflection last Sunday when I watched CNN and saw an ad for their upcoming focus on green technology during the first week of July. Even the normally red CNN logo was green.

As you know, I am in advisory roles to the Chinese government, the US Congress and the German Chancellery (Angela Merkel's office) on sustainable development and climate change.

One common denominator for these assignments is that “green” and “low carbon resource efficiency” have become competitive issues. All want to be the world leader on green, low carbon, resource efficient solutions to the world's problems.

Today, Germany is the world's leading exporter of green solutions. However, US actions and stimulus packages and the next Chinese 5-year plan (2011-2016) will challenge that position.

For us within the global business community, this is a tremendous business opportunity. With 50% or 3 billion more people in 40 years, a focus on lifting people out of poverty in developing countries that will represent 85% of the world's population by 2050, and the need to upgrade and build new infrastructure on a massive scale, this is the “biggest growth story” we have ever seen.

The challenge is that it must also be green and resource efficient, otherwise we will not leave a sustainable world to our children and grandchildren.

So, “There you have it,” as the Americans say.

Often, the future is murky and unclear and the focus on what you need to achieve is fuzzy. But with regard to creating a sustainable world, the parameters are clear. Science via the IPCC has defined that we need to keep below a +2°C temperature increase, and that means a maximum carbon concentration of 450ppm by 2050. The water availability challenges are equally clear, as is the need to preserve forests and biodiversity.

All of this is needed to maintain well-functioning life support systems on earth for food, energy, water and biodiversity.

Is it doable?

My assessment is yes, provided we decide we want to succeed.

Politicians cannot handle this on their own. They are too distant from concrete solutions and too focused on being re-elected in the short term.



Therefore, by default, it falls on the global business community to make it happen.

Thinking about this, I remembered a Council Meeting in Berlin in the late 1990s. I had invited the earlier head of Greenpeace International, Paul Gilding, to address the meeting. He stood up and said, “Yes, this is as good as it gets.” And then he was silent. At that point, I kicked myself for having invited him. However, he continued: “You, as members of WBCSD, represent the leading part of the global business community. If you cannot figure out how we come to a sustainable world, it won’t happen. Greenpeace will not do it. Governments won’t do it. It is really up to you.”

I agree with Paul. If we cannot figure it out, it won’t happen. This leads to some fundamental questions:

- Have we understood our role and responsibility?
- Are we up to the task?
- Are we willing to invest to make it happen?

Strategy 2020

I am now struggling with the new WBCSD Strategy 2020.

What happens between 2010 and 2020 will decide the pathway for the future. In this timeframe, we need to deploy the technologies we already have more efficiently, which can take us a long way toward a low carbon economy. Examples are already abundant in buildings, land transport, and electricity generation.

But, we also need to develop breakthrough technologies in some key areas – next generation of nuclear and biofuels, CCS, battery, technology and solar, to mention a few.

And, we need to start deploying these around 2020, or earlier.

Can it be done?

I believe – yes.

The ingenuity in the business community is there to achieve this.

The challenge is our mindset. If we decide to focus on the opportunities and give governments the right advice and support we require to be successful, it can be done.

However, if our focus is on lobbying narrow interests and short-term gains, then it won’t happen.

We have looked in the mirror and as a Statesman once said, “We have seen the enemy and he is us.” I think the time has come to look in the mirror and see the solution providers.

Seldom has more been at stake for the world. We have a crucial role to play as the global business community. Are all answers clear? No. Are there contradictory ambitions? Absolutely.

However, I believe our time has come. Global business is at the heart of the sustainability challenge. It is up to us to provide leadership and solutions.

I am a businessman. I have been selling welding equipment, ventilation systems, and industrial installations, to name a few. Now we have to sell sustainable solutions.



The good thing is that I believe we are looking at an unprecedented business opportunity to earn great returns for our shareholders while also satisfying society.

The Tomorrow's Leaders project that I initiated some years ago concluded, "The companies of tomorrow will be those that provide solutions to the world's major challenges."

We certainly have challenges in our global society, but we, the global business leaders, also have the solutions.

On October 13-14, we meet in Washington DC to set the course for the future. Seldom have we had a timelier Council Meeting, located at the center of where many of the crucial decisions for the future will be made.

We are working on plans to raise the WBCSD's profile in the US with both decision-makers and the news media. One part of that will be a "special report" on sustainable development to be published in Fortune magazine on September 28. An attachment outlining a little more about this project is attached (please see Attachment A). I hope you will consider supporting it.

I am looking forward to seeing you in Washington DC.

Energy & Climate

I enclose an attachment with a status report of the developments on climate change since my last update (please see Attachment B).

New Members

We are delighted to welcome into membership AECOM Technologies, Alstom, Commonwealth Bank and PA Consulting.

Secretariat

Like many of our members, we are facing some uncertainty with regard to our revenue base. As a result, we have been implementing changes in the Secretariat which ensure that we continue delivering value to our members while at the same time adapting to the economic climate.

One decision has been to re-organize the Focus Area Development and the Regional Network. They will be maintained as independent programs, but I have asked Marcel Engel to be the Managing Director of both of these activities, as I believe that we can take advantage of the synergies between them. Let me express my gratitude to Ricarda McFalls for her contribution to the FA Development.

With greetings from the skies above Siberia, on route from Berlin to Tokyo, where I will have meetings with other key actors – the Japanese government and the Japanese business community.

With best regards,

A handwritten signature in black ink, appearing to read "Björn Stigson", is positioned above the printed name.

Björn Stigson
President