

February 21, 2011

## **UNEP Global Major Groups and Stakeholders Forum**

February 19-20, 2011 in Nairobi

### **BUSINESS AND INDUSTRY MAJOR GROUP STATEMENT**

#### **26<sup>th</sup> SESSION OF THE UNEP GOVERNING COUNCIL (UNEP GC26)**

#### **AND GLOBAL MINISTERIAL ENVIRONMENT FORUM (GMEF)**

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##### **GENERAL COMMENTS**

- Business welcomes UNEP's strong engagement in the preparations for Rio+20. Business believes UNEP will make a substantial contribution to advance the environmental aspects of sustainability, green economy and international environmental governance. We urge UNEP to continue to work closely with business and other stakeholders to bring practical recommendations and solutions forward, including in the planning process for Rio+20.
- Enabling frameworks and incentives in policies, markets and institutions are critical to implementation. In addition to sound, science- and risk-based national environmental regulations, we encourage UNEP to focus on the importance of rule of law, democratic process, strong institutions, and open trade and markets to the dissemination of cleaner technologies and know-how's, stepped up investment in greener options and resource efficiency.
- To continue to strengthen implementation and address implementation gaps, we urge UNEP to emphasize capacity building as a priority area in its initiatives, including in its green economy work.
- The inter-connections and synergy between green economy, the sustainable consumption/production output of the Marrakesh process, and IEG topics and actions deserve careful consideration as they are advanced in UNEP, recalling that business plays a central role in each. We urge UNEP to strive for a 'mosaic' of solutions and approaches that would create synergy across global, national and local levels.

## GREEN ECONOMY

- For business, "green economy" is embedded in sustainable development.
- Business supports international cooperation towards greening economies and jobs: in our view, to reach its full potential, the green economy concept must become global, seeking to green all elements of the economy. The objective is to foster innovation, rather than mandate it.
- In addition to global inter-governmental green economy initiatives, there are already green economy-oriented policies underway in some countries. These mainly domestic efforts largely depend on public sector support. While green stimulus actions taken at the domestic level are a necessary first step, greening economies will need to become integrated and self sustaining in the context of globalized markets.
- For the green economy transition to reach its potential and be sustainable, the next steps in this arena will have to follow an international cooperative approach and transition from public support and subsidy to market-based efforts that are internalized within the private sector, allowing it to provide economically viable products and services.
- Companies and industrial sectors operate in supply and value chains, across a wide range of national contexts. The actions needed to transition towards "Green Economy" will therefore vary from sector to sector, value chain, and from country-to-country, depending on business and national circumstances. Just as countries are at different stages of development with a diversity of national circumstances and societal priorities, we can expect there will be numerous "green economies."
- In addressing challenges of returning to full employment in the developed world and employment to overcome poverty in developing nations, policies aimed to create green jobs shouldn't lead to a net reduction of jobs across the overall economy.
- Governments around the world play a significant role defining the conditions for and enabling a transition to greener economies. Enabling policy frameworks will be necessary for making continuous improvement in greening products, services and production processes for companies to remain competitive and profitable.
- Green Economy depends on an engaged and incentivized private sector working in partnership with the public sector. Greening economies is a systemic challenge and a shared responsibility that will require collaborative action between all actors in society – business, governments, civil society and consumers.

- Neither a “one size fits all” approach nor one overly focused on environmental aspects will achieve this macroeconomic change. For business, the critical question will be how this diversity interacts in global markets and regulatory frameworks.

## **INTERNATIONAL ENVIRONMENTAL GOVERNANCE**

- Business supports the objective of strengthening international environmental and sustainable development governance.
- From our standpoint, enhancing the engagement of business and business organizations – along with other major groups -- is an indispensable element of a substantive outcome in both UNEP GC26 and Rio+20 contexts as governments move to strengthen international environmental governance, while improving the effectiveness of frameworks for sustainable development.
- Business believes a system-wide strategy for environment is needed in the United Nations system. All agencies – including UNEP -- must evolve to better accommodate all three pillars of sustainability, and other social and economic international institutions should be brought in for dialogue towards a more integrated approach to sustainability.
- Environment is integral to long-term sustainability, and should be viewed in the context of economic wellbeing and social stability. We welcome UNEP’s efforts in this regard. The long-term goal of integration will require global economic and social institutions to become more responsive to environmental concerns, but will also require more integration of social and economic dimensions by “environmental” institutions. We encourage UNEP to work with other sustainability, economic and social institutions in the preparations for Rio+20 and in its ongoing work.
- Business supports strengthening the science-policy interface within UNEP, with the full and meaningful participation of developing countries. This must also include channels to consider credible and robust science from stakeholders, particularly B&I.
- Business encourages UNEP GC26 to pursue appropriate synergies between compatible multilateral environmental agreements, while preserving their independence and individual natures.
- Business urges a stronger link between global environmental policy making and financing, to widen and deepen the funding base for environment. Governments must approach the challenge of the overall framework of intergovernmental institutions with more deliberate and strategically guided resourcing, as well as more vigilant oversight.