



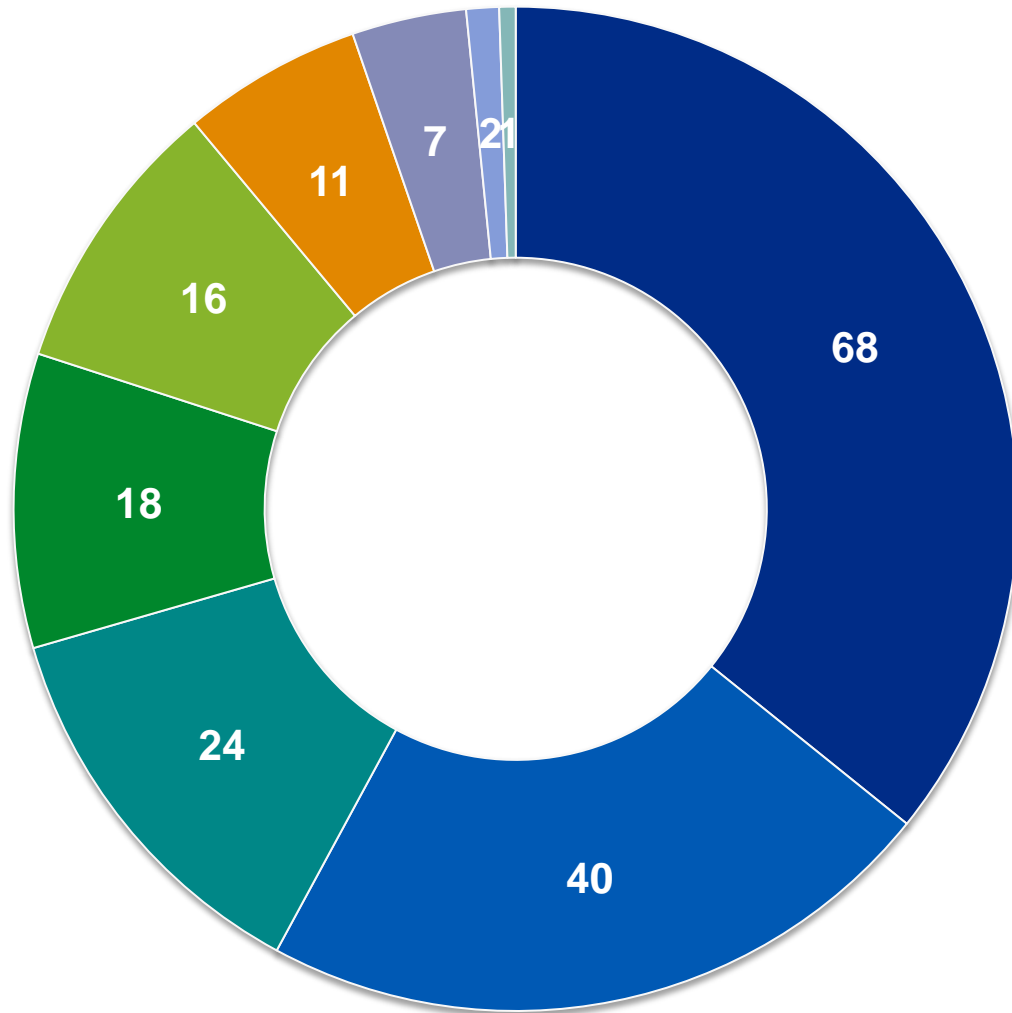
The Sustainability Challenge

Bjorn Stigson, President, WBCSD

BCA–WBCSD Forum, Sydney

31 August, 2011

WBCSD Membership by Region

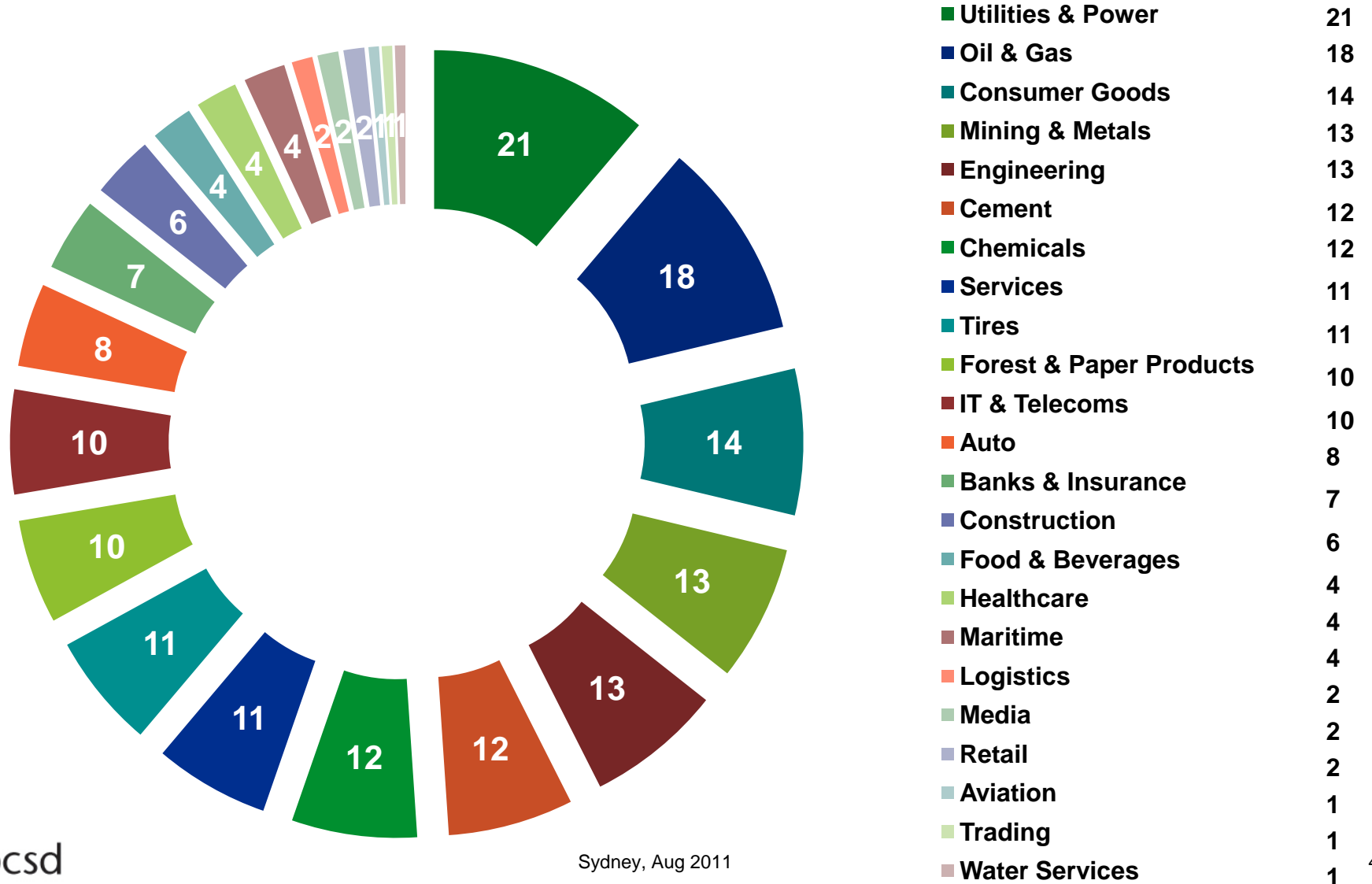


■ Europe (EU)	68
■ North America (NAFTA)	40
■ Japan	24
■ Europe (non-EU)	18
■ Asia (ex-Japan)	16
■ Latin America	11
■ Oceania	5
■ Africa	2
■ Middle East	1

Our Members in Australia

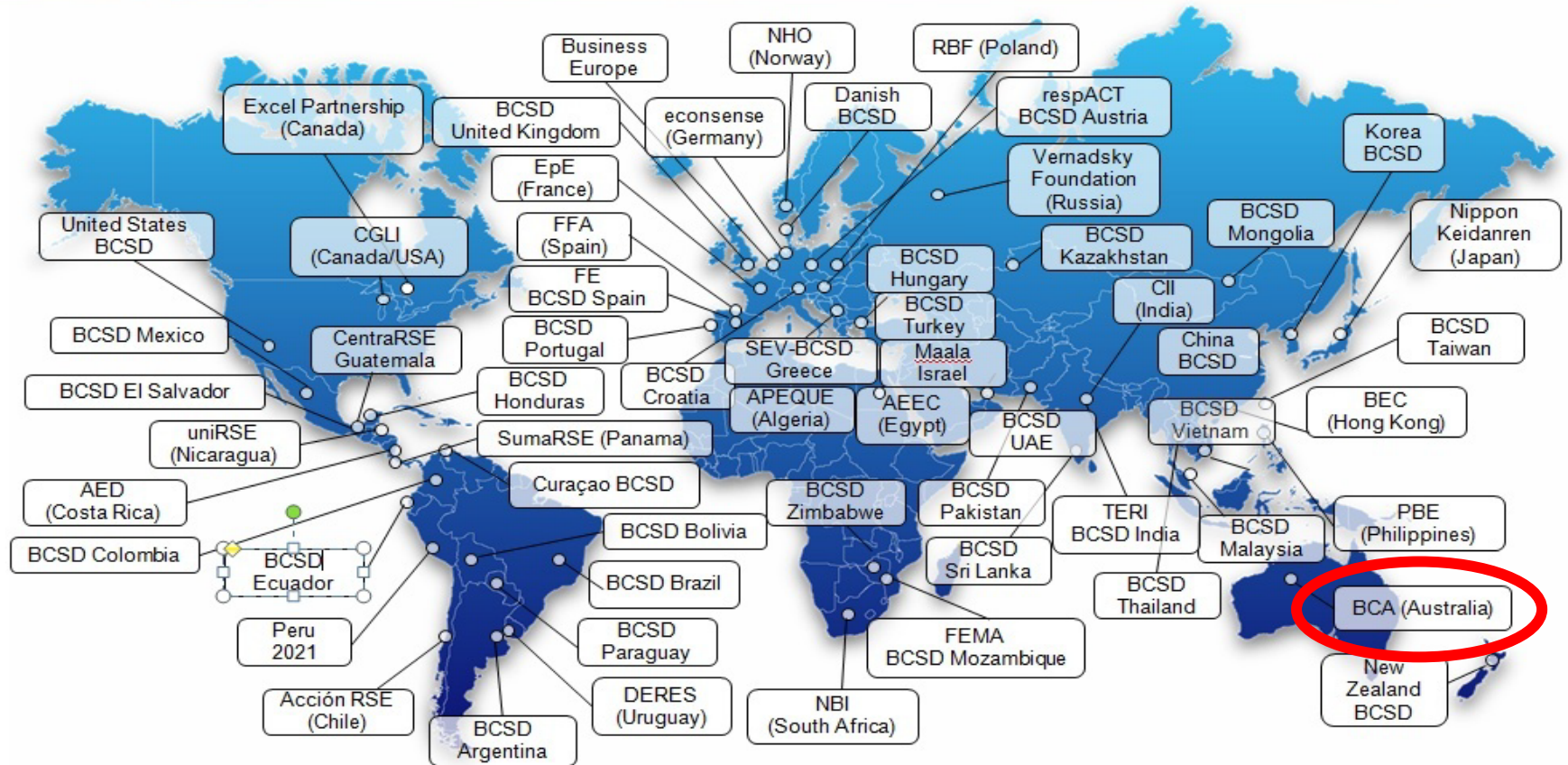


WBCSD Membership by Sector

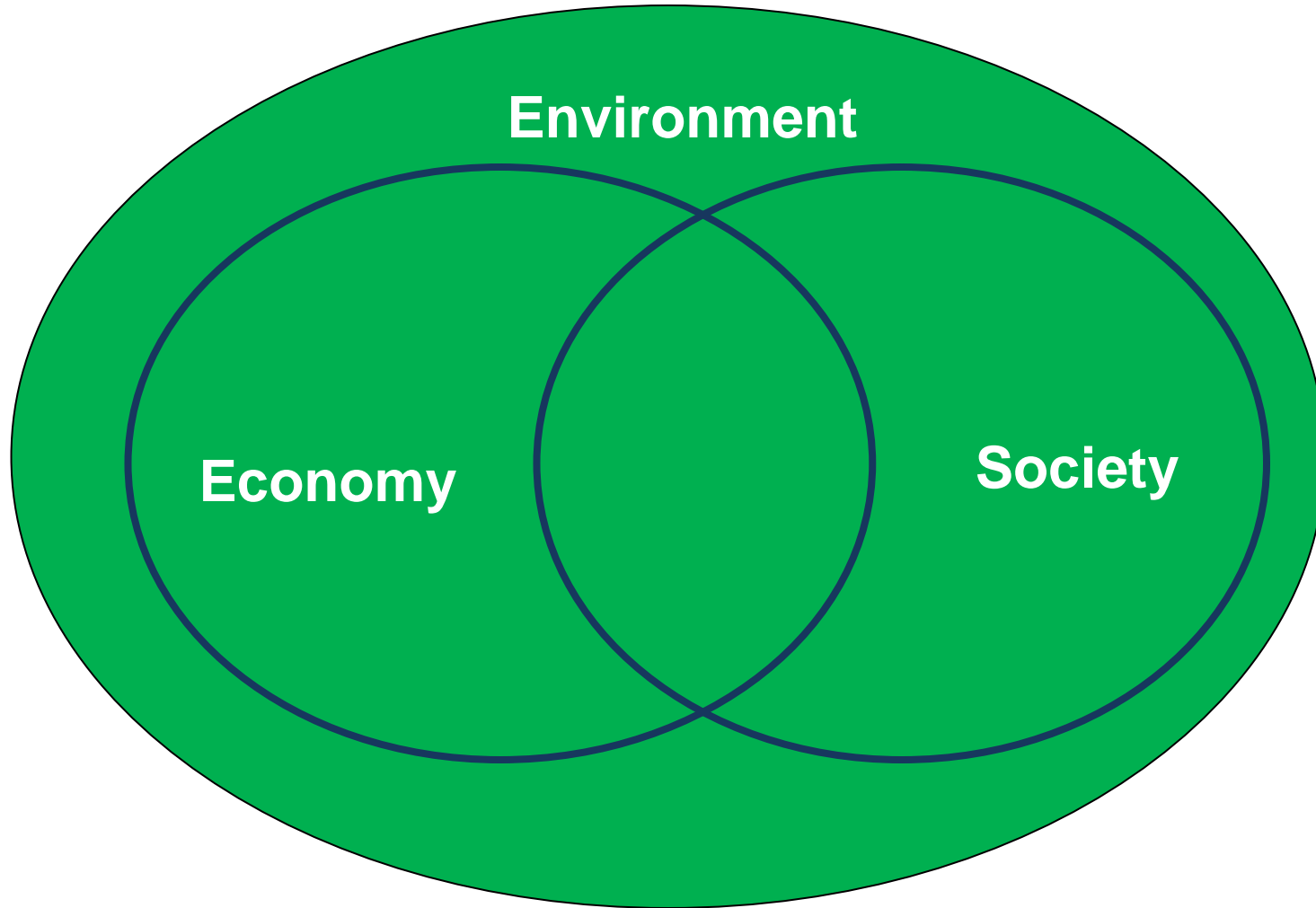


Regional Network

60 Partner Organizations

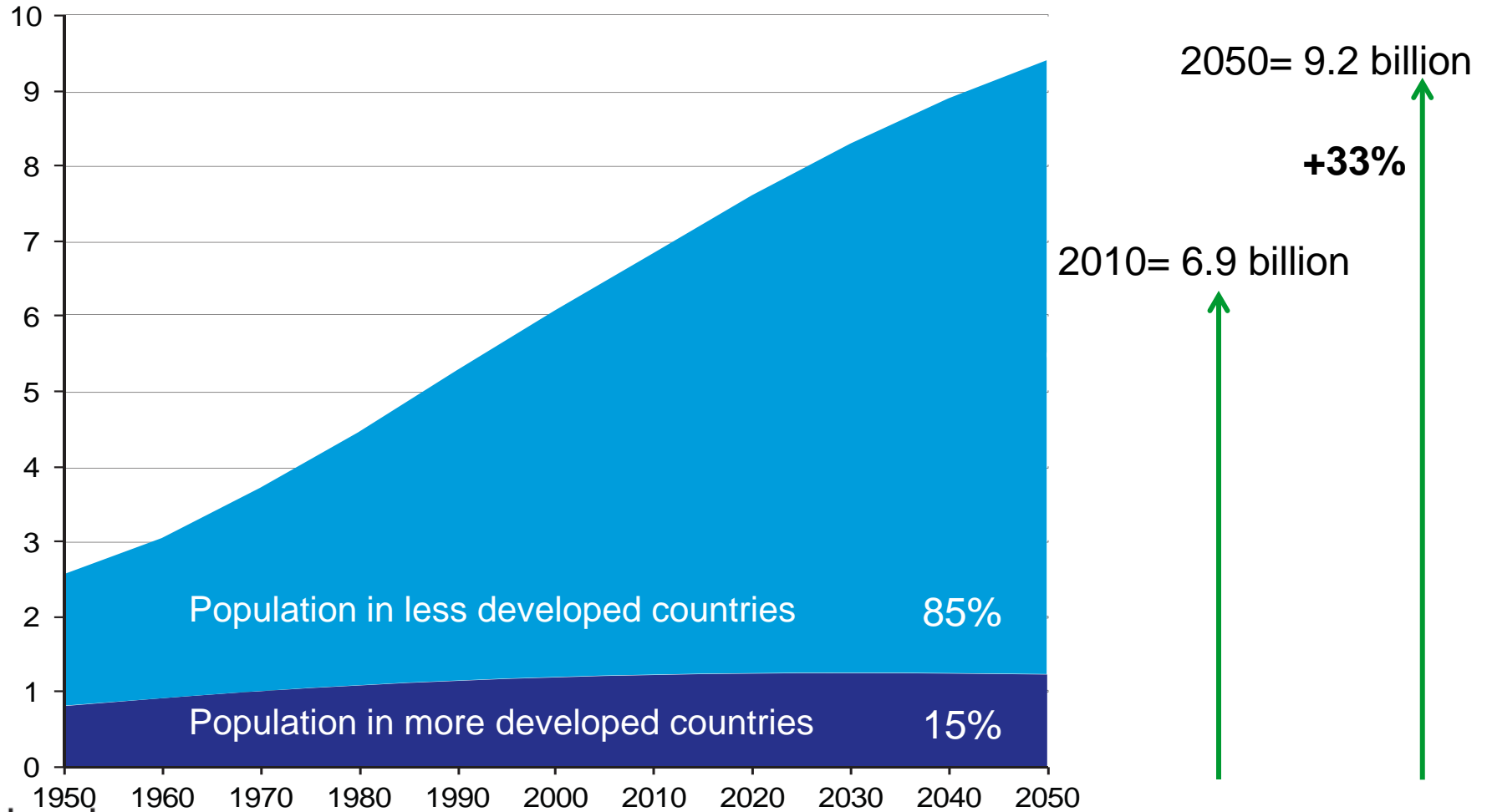


A World in Transition to Sustainability



The Future Society: A Growth Story

World population (in Billions): 1950–2050



Sydney, Aug 2011

Source: United Nations Population Division, World Population Prospects: The 2006 Revision.

Development: The Poverty Challenge

Income poverty:

- Over 2 billion people live on less than \$2/day

Energy poverty:

- 1.6 billion people today without access to electricity

Mobility poverty:

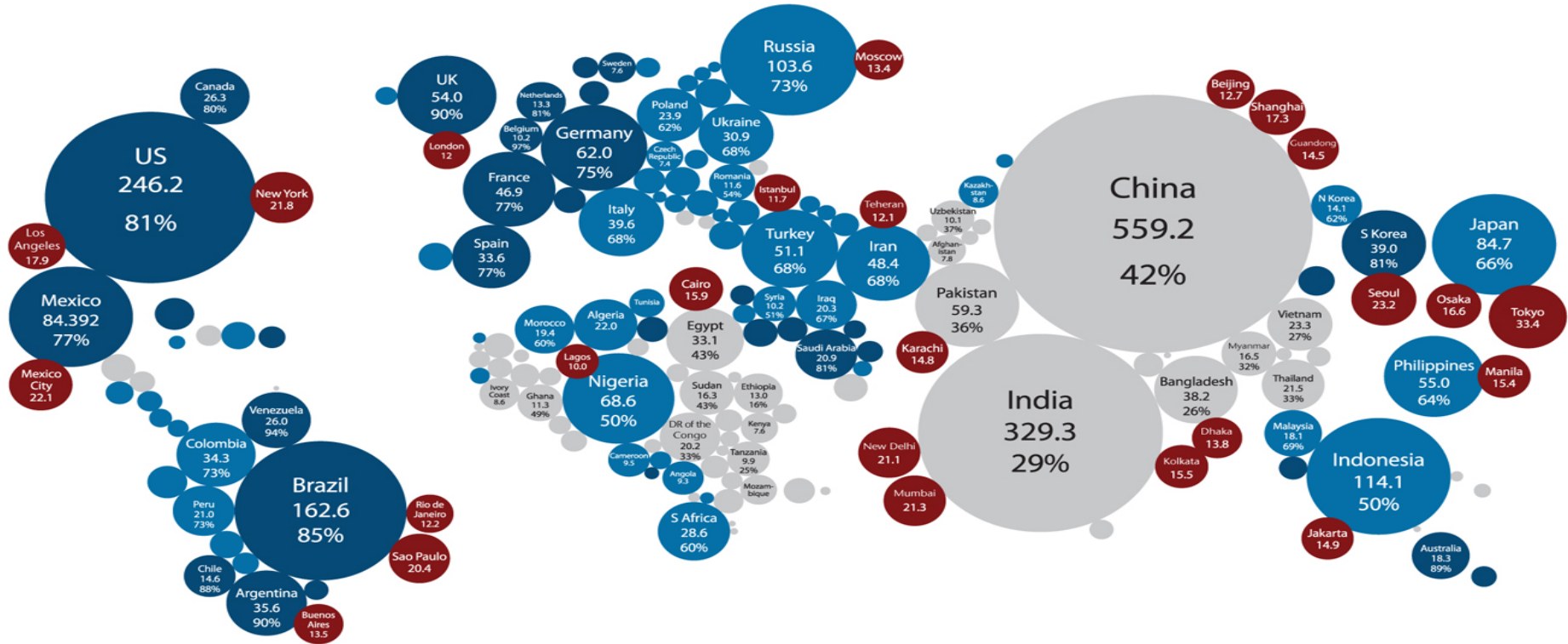
- 900 million people without access to transport

Water poverty:

- 1.8 million deaths per year due to lack of sanitation, poor hygiene and unsafe drinking water.

Urbanization

50% urban in 2010: 3 billion
70% urban in 2050: 6 billion



Key

- Cities over 10 million people (greater urban area)
- Predominantly urban 75% or over
- Predominantly urban 50-74%
- Urban 0-49% urban

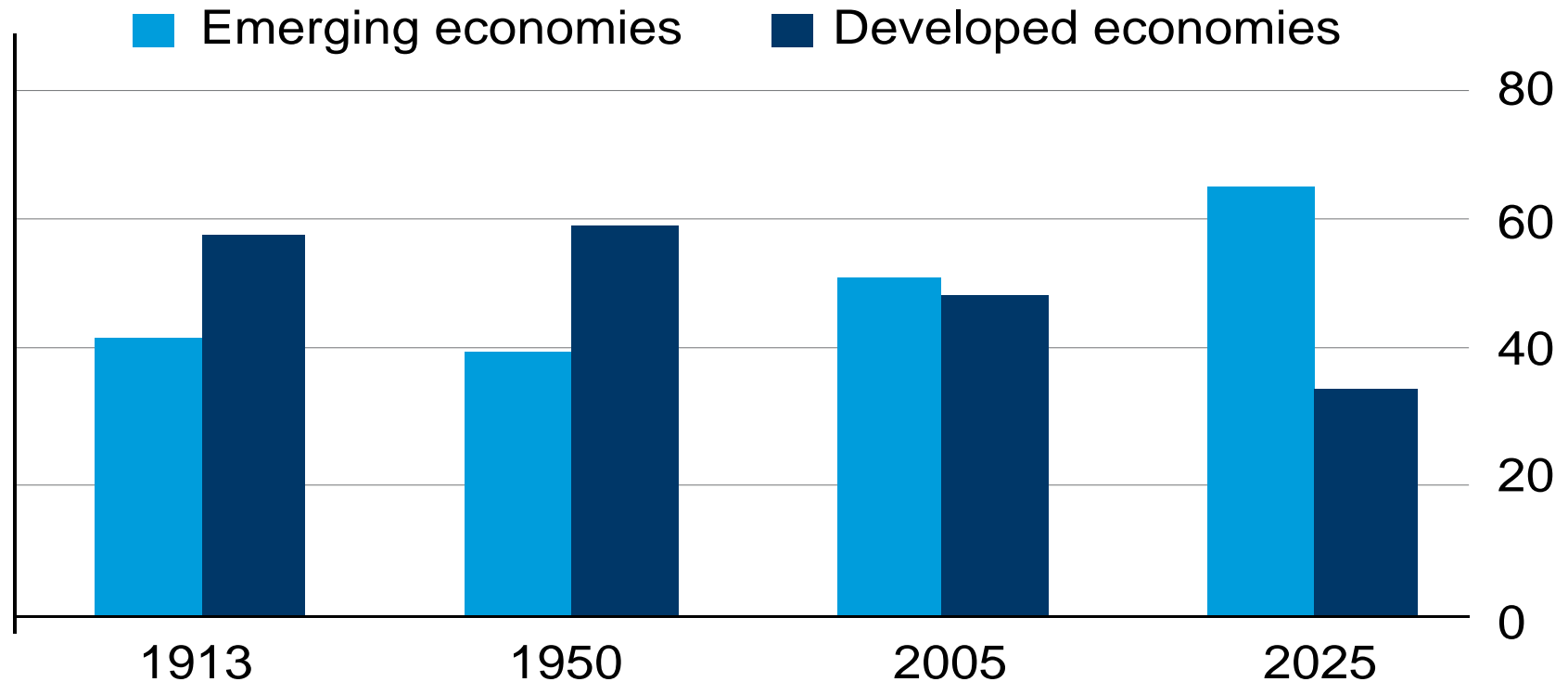
Source: United Nations population fund, 2007

Urban population in millions and urban percentage

Shifting Fortunes

% Share of GDP

* At purchasing-power parity



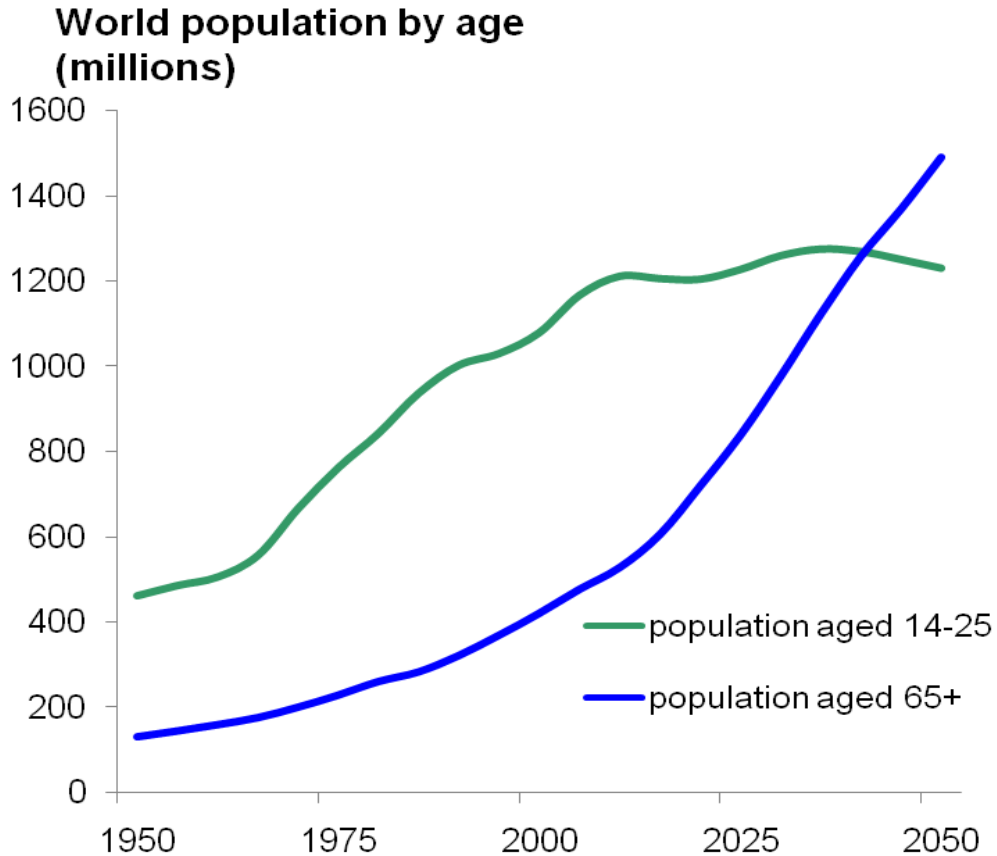
Source: Angus Maddison, OECD; IMF
From 'The Economist' print edition,
"Wrestling for Influence," July 3rd 2008.

Emerging economies > 50% of global GDP and trend will continue



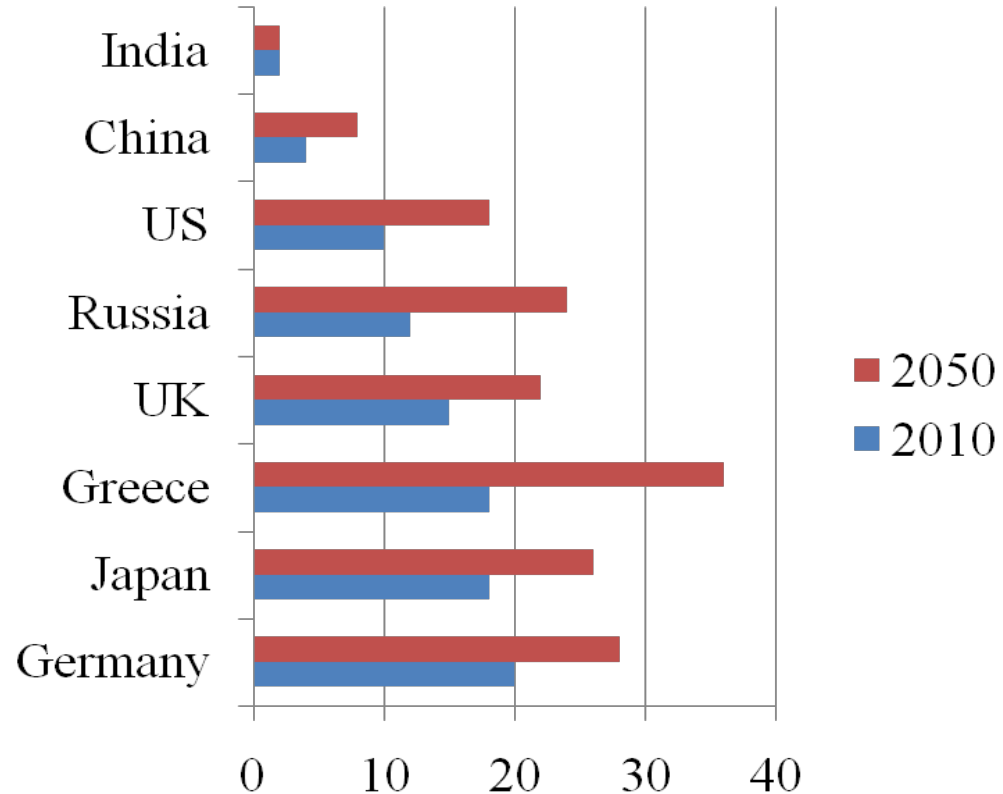
Shifting Demographics

A largely aging world



Source: UN population prospects, 2008

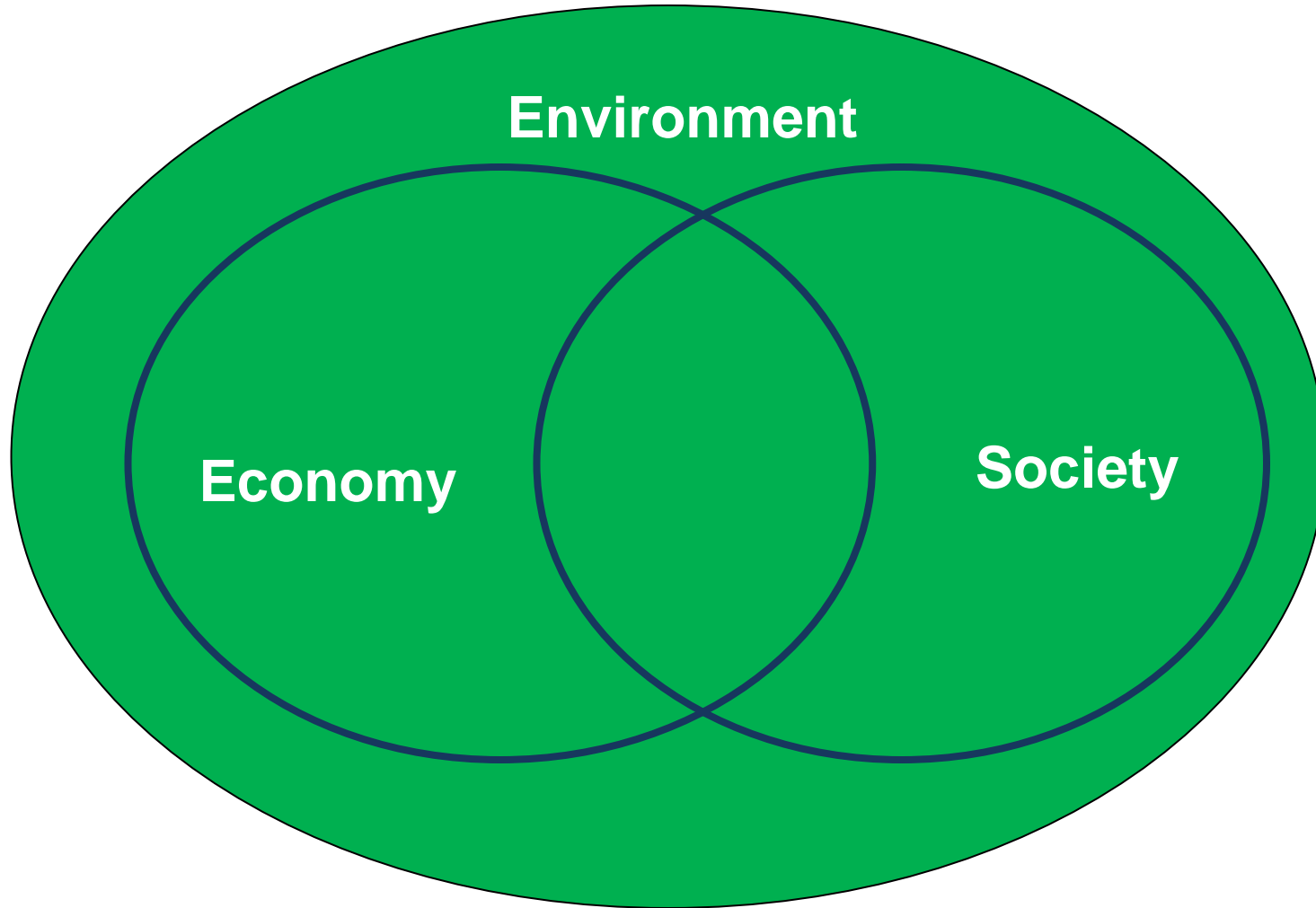
The cost of growing old



Age-related spending (as % of GDP in selected countries)

Source: Standard and Poors 2010

A World in Transition to Sustainability



Long Term: A World with Limits

Consequences

- Competition for resources
- Environmental protection
A competitive issue related to economic development and trade
- Increased tension on how to “share the pain” in reducing CO2 emissions
 - UNFCCC climate negotiations
- Growing demands to measure and report ecosystems impacts

The Green Race Is On

- “The Green Race is on” between countries to transform to low carbon economies and to become the leading supplier of resource efficient technologies & solutions
- If you want to win:
 - Transform your home market to build domestic demand, competences and scale for exports

The Green Race Is On



China

- About to become the leader in the race
- Key component of next 5-Year Plan (2011–2015)
- Clean energy investment : No. 1 rank with 21% of the 162 billion USD invested globally in 2009
- Taking the lead on solar & wind

The Green Race Is On



Korea

- Largest share of economic stimulus devoted to “green” sector (80%)
- “1 of 5 Green Powerhouses globally”
- GGGI – Global Green Growth Institute



Japan

- Most energy efficient economy
- Has a good technology platform for green solutions

The Green Race Is On



India

- Supplier of low-cost solutions based on domestic demand from a large, poor population

The Green Race Is On



EU

- Market leader today on green technology exports (40% market share)
- 300% increase in R&D for green technologies in 2009
- Transformation of the internal market?



US

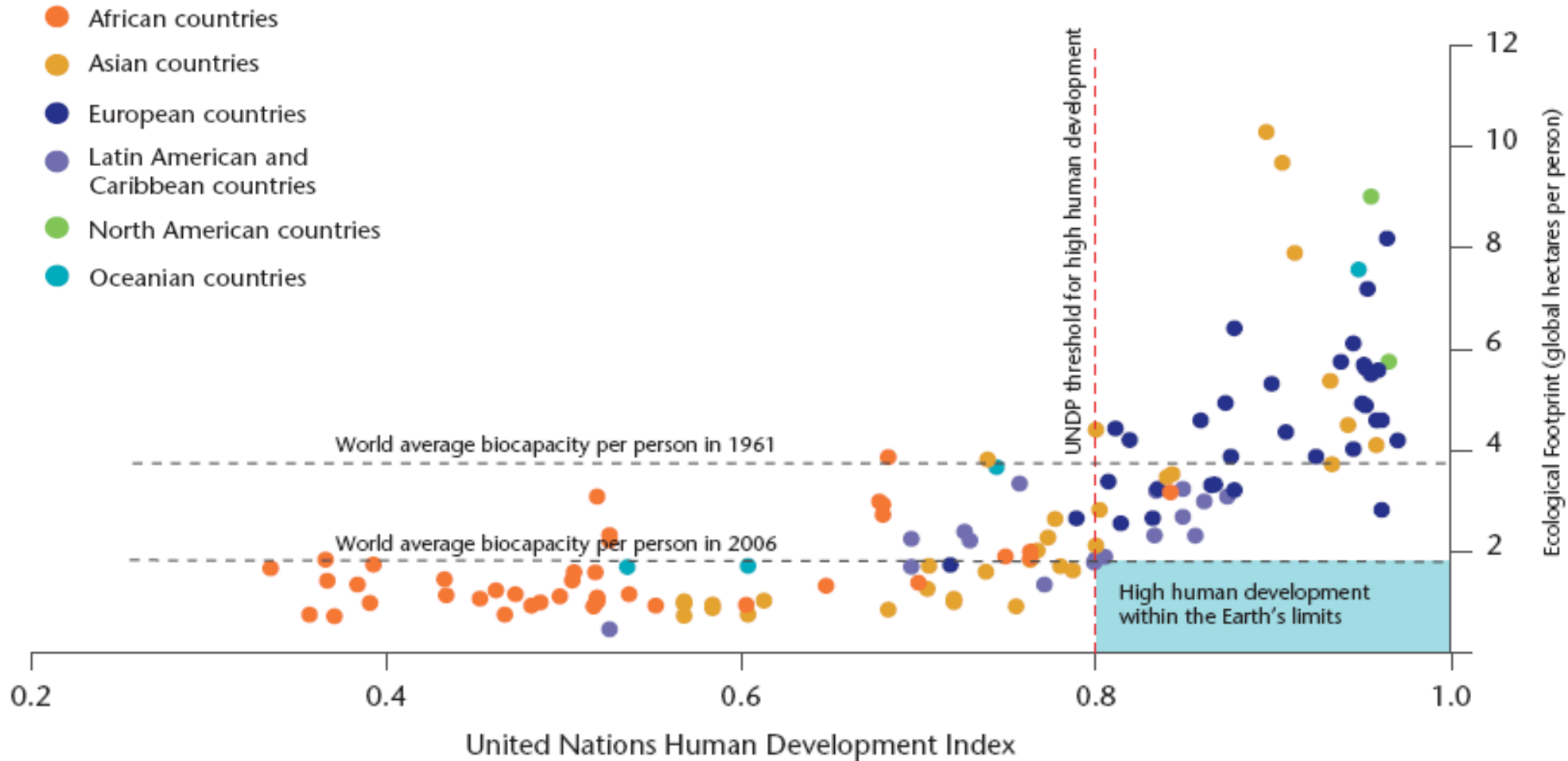
- Mobilizing the US innovation capability?
- Transformation of the home market?



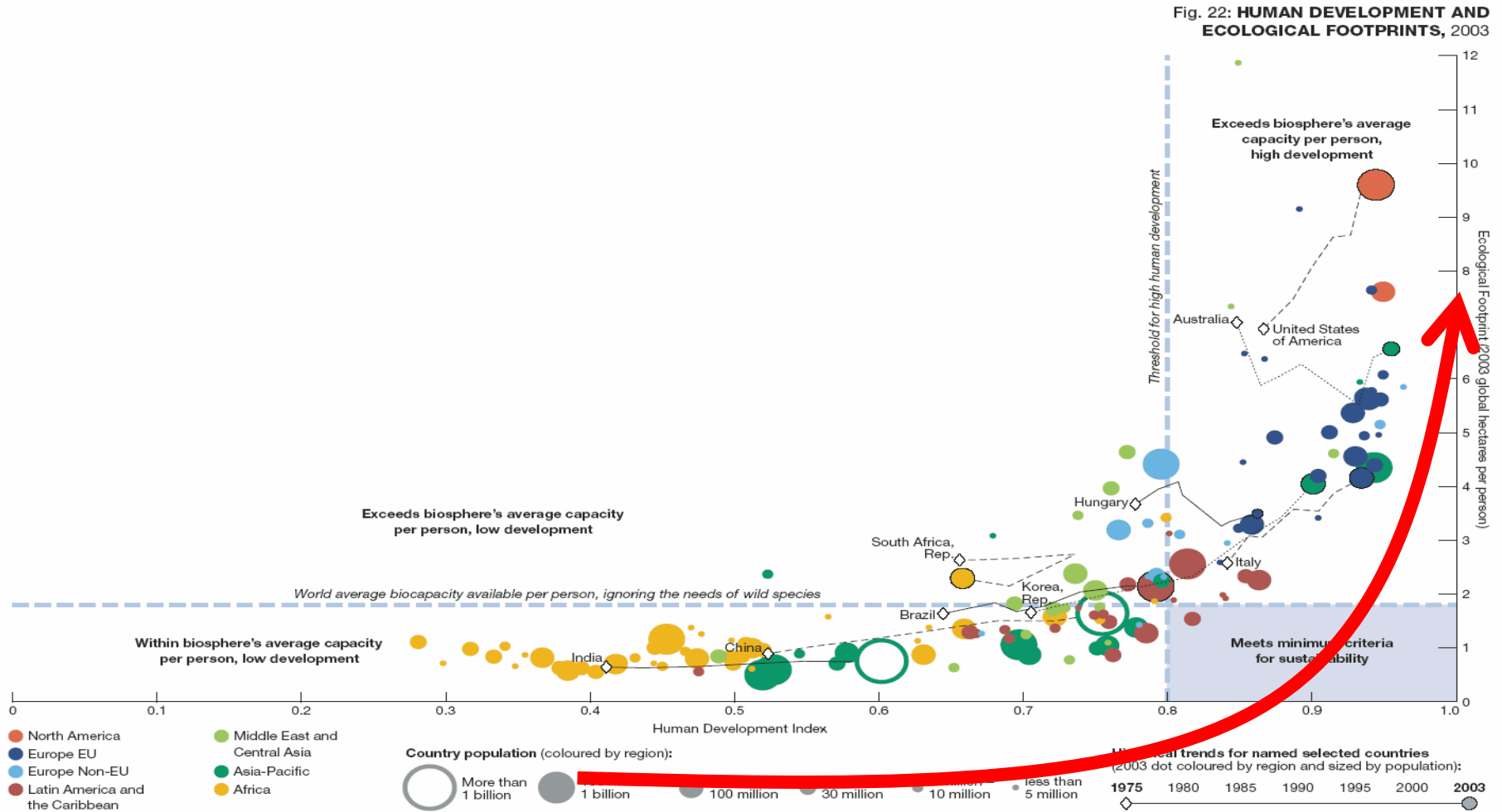
WBCSD Vision 2050



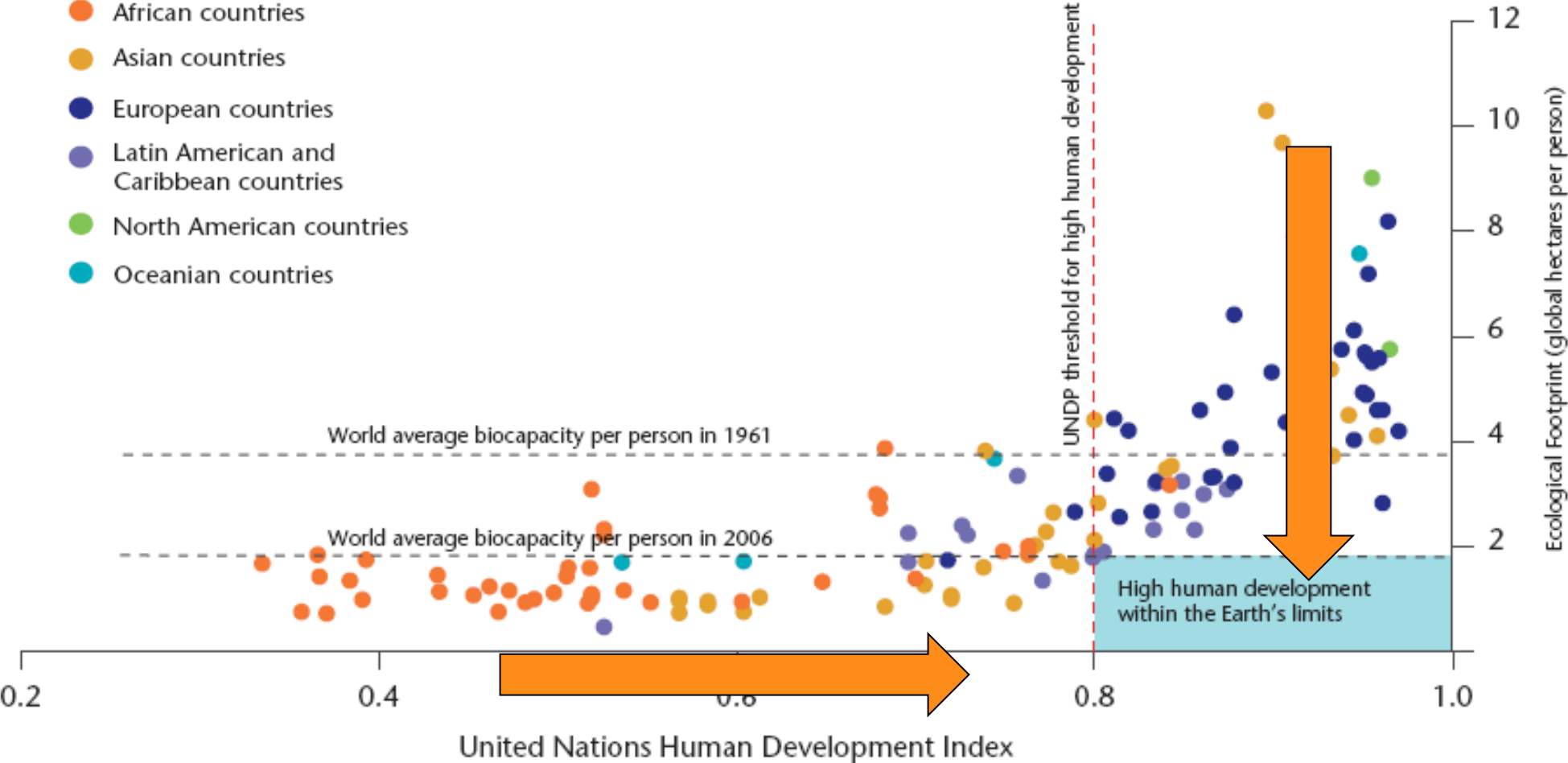
Vision 2050: 9 Billion People, Living Well, Within Limits of the Planet



The Path We Know



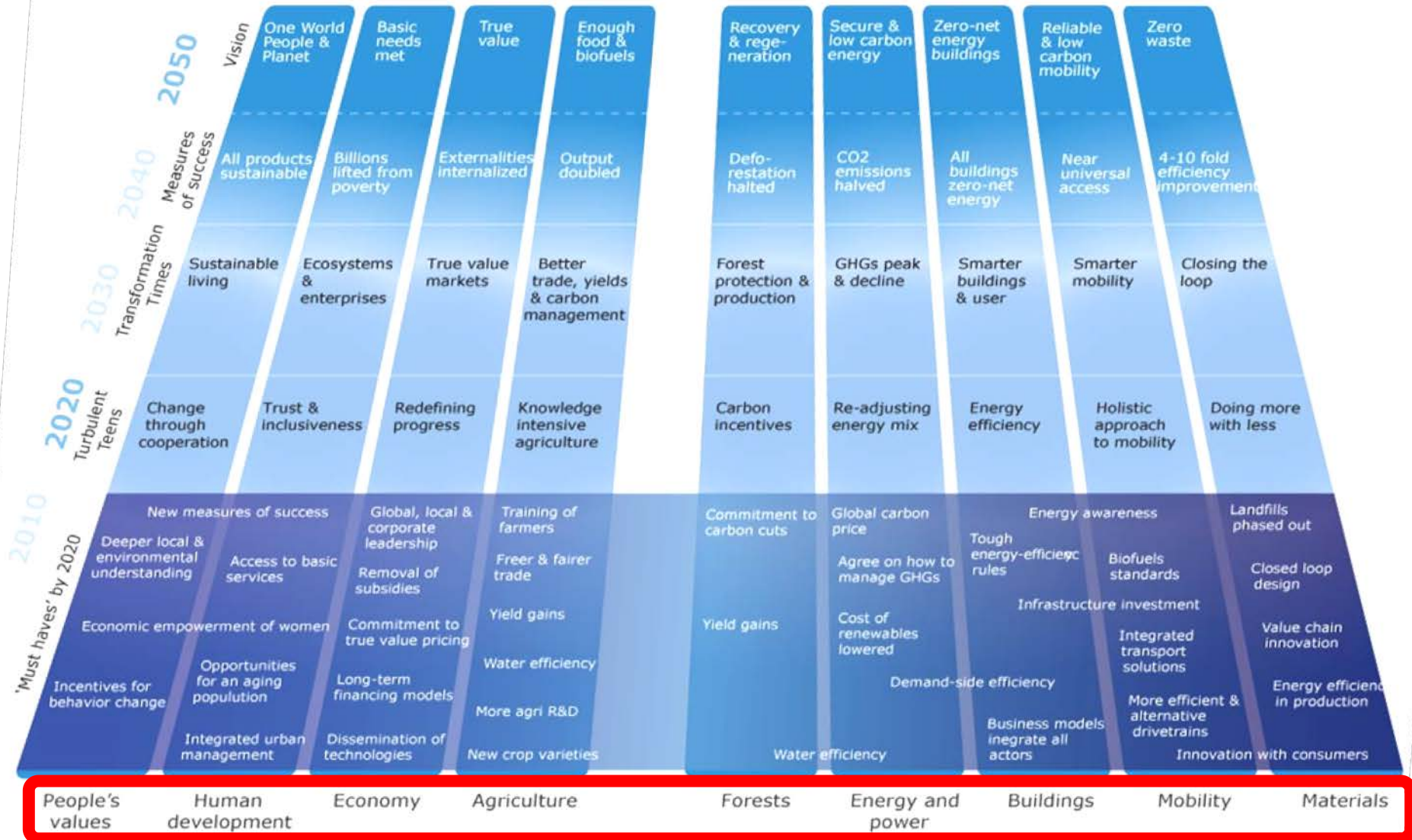
Reaching Vision 2050: Two Mega Changes for Success, Two Innovation Challenges for the World



Source: GFN / UNDP

Vision 2050 Pathway: 9 Elements

The pathway to *Vision 2050*

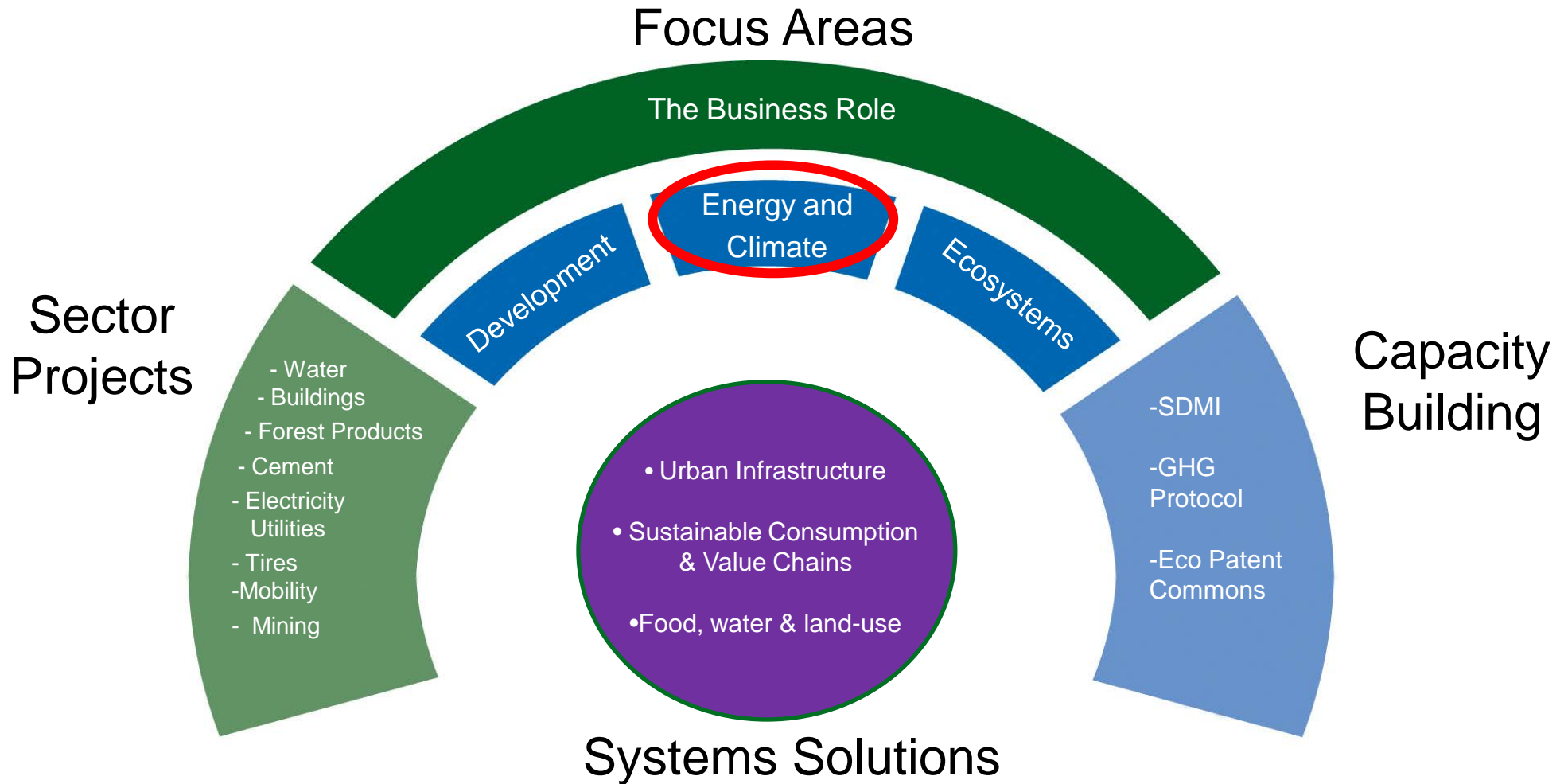


TODAY

Business Opportunities in Vision 2050



WBCSD Work Program



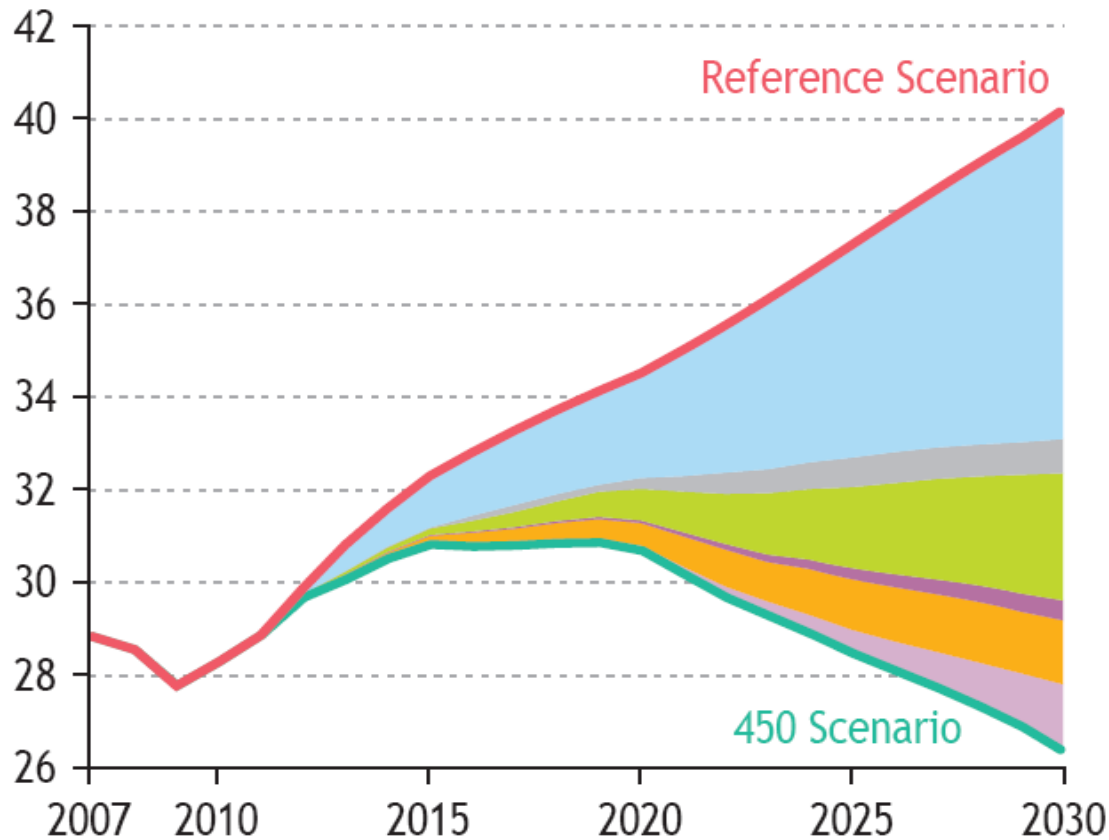
Energy and Climate Today: I

- The future energy system post Fukushima?
 - More awareness
 - Focus on energy efficiency
 - Greener energy
- Energy access for all/ reduced energy poverty

Energy and Climate Today: II

- Many critical systems solutions/trade offs remain to be solved
 - Energy
 - Water
 - Food
 - Land use
- More balance between environmental and economic dimensions needed
 - Pricing of energy
 - Funding of infrastructure

The Growing Importance of Energy Efficiency



	Abatement (Mt CO ₂)		Investment (\$2008 billion)	
	2020	2030	2010- 2020	2021- 2030
Efficiency	2 517	7 880	1 999	5 586
End-use	2 284	7 145	1 933	5 551
Power plants	233	735	66	35
Renewables	680	2 741	527	2 260
Biofuels	57	429	27	378
Nuclear	493	1 380	125	491
CCS	102	1 410	56	646

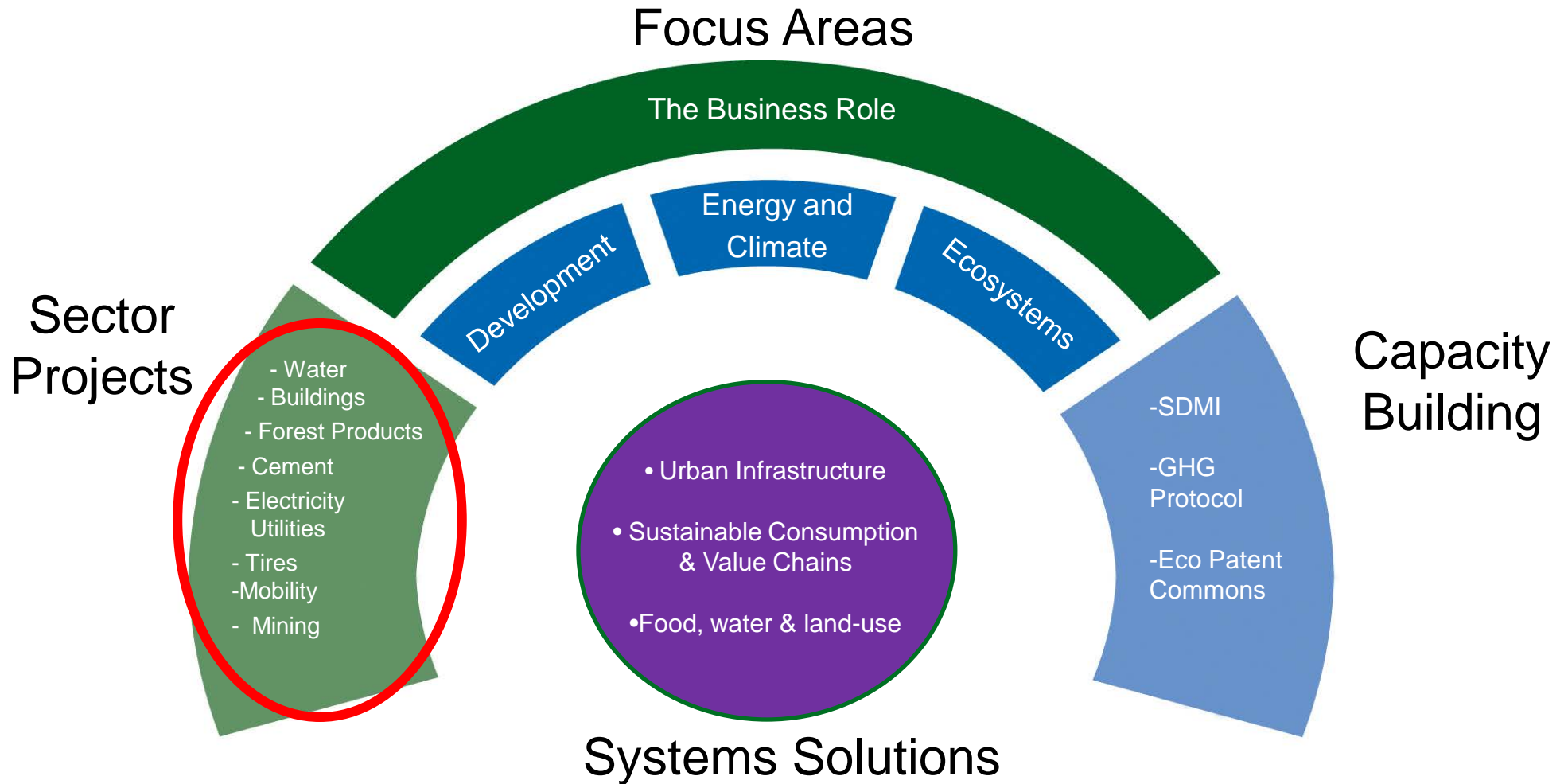
SOURCE: IEA WEO 2009

Total(2030) = 13840 MT
Efficiency= 57%

Possible Outcomes from the Durban COP 17

- Change from the “top down” global target setting (Kyoto Protocol) to “bottom-up” nation based action – NAMAs
- Progress on technical issues (MRV, technology mechanism)
- Financing :
 - Very tricky issue
 - Decision of some governance rules for the GCF
- Some sectoral progress : agriculture, forestry, aviation
- Emphasis on Adaptation

WBCSD Work Program



Sector Approaches

- Gain momentum as drivers for effective national implementation (NAMAs)
- Engagement along the entire value chain
- Technology Roadmaps
 - IEA technology road map
- GHG Protocols
 - Consistent measurement and reporting for the sector

Short Term – A “Post” World

- Fukushima nuclear disaster
- Political unrest in the Arab world
- Continued economic and financial challenges in OECD countries
- US mid-term election
- A “Nobody in Charge” world
 - Post Cancún – bottom up actions
 - Political capital for tradeoffs?

A World in Transition to Sustainability



Rio+20, 2012

- Key Themes:
 1. Green Economy
 2. Global Governance of Sustainable Development

