



Rio+20

Our second
chance for a
sustainable
future?

INTRODUCTION

In 1992, when the world's leaders last met in Rio for the first Earth Summit, I was about to join the Labour Party and was working as a student journalist with a local radio station. I was sent out to interview people in the street to hear what they thought about the Summit and I can still remember the hopeful views they expressed. Rio was where we were going to save the planet.

Twenty years on, as the world's leaders return to Rio, what progress have we made in meeting this lofty objective? Sadly, in the intervening years, far from saving the planet, the world's environment has continued to be degraded. Global demand for natural resources has risen even further and biodiversity loss has accelerated. Carbon emissions have increased by 40% – despite the international agreements and reduction targets that have been put in place since, and sadly, one in six people still don't have enough food. With the world's population set to increase further into the future, the pressure on the environment is only

likely to get worse in the next 20 years. Far from reviewing progress, the pressure is on at Rio+20 to finally find solutions that can work.

And since the 2010 General Election the UK Government has become as much a block to environmental progress as it has to supporting economic growth. At the Copenhagen climate change talks in 2009, Ed Miliband led from the front – literally – working through the night to try and secure a progressive outcome. That spirit of British leadership has disappeared under the coalition.


But apart from time passing and environmental challenges getting greater, there has been one other significant change since 1992 that offers a glimmer of hope today. We are now clearer than ever that the choice between the environment and the economy is a false one. Today we understand that developed economies are the ones most able to tackle environmental concerns and that the only stable economy for the 21st century will be a sustainable economy too.

This pamphlet outlines a Labour perspective about Rio as well as reflections from some of the leading NGOs involved in the negotiations. Our argument is that as well as offering a second chance to save the planet, Rio+20 offers a new chance to save our economies too. The debate about sustainable development goes to the heart of what Ed Miliband has described as responsible capitalism. We discuss the importance of biodiversity on land and in our seas, the challenge of food security and the future covenant for international development. We also consider the role of the business sector as well as the political levers available to us at home, within Europe and on the International scene. The clock is ticking, the sands of time are running, but Rio+20 is the second chance we need, to finally agree how we will build a sustainable future, that will support and nurture all of our planet's inhabitants.

Melanie Smallman
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June 2012.

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WE SHOULD BE LEADING THE WORLD ON SUSTAINABLE DEVELOPMENT

MARY CREAGH MP

The Rio+20 Summit is the biggest global gathering on sustainable development since the original Rio summit in 1992. The original declaration, including such worthy goals as the eradication of poverty, reducing unsustainable production and consumption, and cooperation to protect the world's ecosystems is as relevant today as it was 20 years ago. The Rio declaration worked to the Brundtland Commission's (named after Norway's former Prime Minister, Gro Harlem Brundtland, who chaired it) definition of sustainable development as:

"Development which meets the needs of current generations without compromising the ability of future generations to meet their own needs".

In other words, development that is environmental, socially and economically sustainable.

But the 20 years since Rio have seen the challenges posed by climate change, and over-exploitation of natural resources remain, and in many cases, worsen. The 193 governments attending Rio+20 must make significant progress to establish Sustainable Development Goals (SDGs) as the bedrock for development when the Millennium Development Goals (MDGs) reach their end date in 2015. To do so the world community must move beyond the vague rhetoric of lofty ambitions and set specific, measurable and timebound milestones for 2015 and beyond.

Before Ministers jet off to Rio, however, they should remember that sustainable development starts at home. And here they have some tough questions to answer. One of the first actions of the current Coalition Government was to abolish the Sustainable Development Commission, its own green watchdog.

As the cross-party Environmental Audit Committee report on 'a green economy' stated in May: 'For the government to be a credible voice at the Summit, it must ensure that it has put in place a strong domestic policy framework to drive the transition to a green economy in the UK.'

FOOD SECURITY

Tonight, over a billion people will go to bed hungry. Another 1.5 billion people are overweight or obese. Food, and equitable access to it, is one of the defining political issues of this century with many commentators stating that 2011's Arab Spring was prompted, in part, by soaring food prices.

In April, I visited South Sudan with the World Food Programme, a country where 4.7 million people are food insecure. Moderate food insecurity means one meal a day. Severe food insecurity means one meal every 2 to 3 days. There can be no food security without political and economic security and the absence of war. I saw and heard for myself how people will not plant seeds if they do not know what they will eat tomorrow. They will not invest in tools or irrigation systems if they will be taken in raids. The majority of the world's subsistence farmers are women. How can we teach them about farming techniques in South Sudan, a country where the female illiteracy rate is a staggering 93%? How can people move from subsistence farming, where they are only ever one bad harvest away from starvation, to access markets and finance that enable them to withstand such shocks? Educating girls and building roads in sub-Saharan African countries must be at the heart of a sustainable global food system.

The Foresight Report into the future of food and farming – commissioned by Labour's Hilary Benn as Environment Secretary in 2009 and published in January 2011 – set out the global challenge of feeding 8 billion people by 2025. The central question of the Foresight report was how do we produce more with less impact on the environment?

Changing weather conditions from climate change and a growing population will increase the pressure on natural resources – on the ability to grow food, access clean water and generate energy. We must act to reduce climate change, biodiversity loss and desertification.

We cannot have food security without sustainability. It's not either produce more or produce sustainably. It's both. The best farmers realise that the only long-term business strategy is one which puts sustainability at its heart, which respects its people and our planet's finite resources. In Government, Hilary Benn launched the government's first food strategy for 50 years in 2010, Food 2030. It tackled some of the very difficult issues – defining what is a sustainable diet, and the imperatives to reduce food waste and the food system's greenhouse gases. Sadly, it appears to have gathered dust on the Defra Ministers' bookshelf, abandoned in favour of a free market strategy on food – a completely inadequate response to such a huge, systemic challenge.

Food and drink is the largest manufacturing sector in the UK, with a turnover of £76.2 billion, directly employing 400,000 people across the UK. It is a key player in the move to create a more green economy. The Government needs to give certainty for farmers and businesses wanting to investment in renewable energy such as solar and Anaerobic Digestion. The row over the cuts to feed-in tariffs risk investor confidence in the whole renewable energy sector. We need a comprehensive approach to carbon reduction across agriculture and food manufacturing. The Food and Drink Federation reports that the sector has cut its CO₂ emissions by 25% since 1990, saved water and

halved the amount of waste going to landfill, but there is still more to do.

Sustainable food production in other parts of the world is very different to the UK, as highlighted by the Oxfam Grow campaign. The Rio+20 Summit needs to deliver an unambiguous commitment for investment in small-scale farming and producers, as part of a wider global approach to sustainable food production. Eradicating unfair trade barriers and subsidies which lock farmers in developing countries out of western markets must be a priority. It is encouraging that the Gates Foundation is now focusing on sustainable agriculture and how to scale-up successful small scale agricultural extension services which can make a huge difference to communities.

The UK will be attending Rio as part of the European Union (EU) delegation whose negotiating position includes targets to halt the loss of biodiversity and investment in sustainable agriculture by 2020. 75% of the world's subsistence farmers are women. So, the education of women is critical to raising food output and development. Supporting women farmers to increase productivity will also help stimulate local economies and reduce the amount of food wasted before it goes to market.

The Summit also provides an opportunity to set out an international approach to sustainability for agricultural production and fisheries. Over-exploitation of our oceans has damaged the marine environment and depleted fishing stocks. The EU bears a major burden for this, which is why Labour supports radical, science-led reform to the Common Fisheries Policy. The EU is proposing a target to eliminate illegal fishing

TACKLING RURAL POVERTY

Fair trade campaigners have rightly highlighted the plight of farm workers in developing countries. Yet the pay and conditions of farm workers in the UK is facing a sharp decline, thanks to the Government's decision to abolish the Agricultural Wages Board (AWB). For over 60 years, 152 000 fruit and veg pickers and packers, foresters and farm workers have had their pay and conditions set by the AWB, set up by the Attlee Government in 1948. The AWB is the only surviving wages board, as successive governments have recognised the unique vulnerability of rural workers, who may have poor language skills, are unlikely to be in a trade union, who may follow the harvest around the country or whose accommodation may be tied to their employment.

Defra's own figures show the abolition of the AWB will take £9 million a year out of the rural high street from holiday and sick pay alone. 42,000 casual workers will see a drop in their wages once the AWB goes, and the remaining 110,000 could see their wages eroded over time. Children under 16 – who do summer jobs or part-time jobs – currently receive £3.05 an hour, set by the AWB. They are not covered by National Minimum Wage laws so will have no wage protection when they do holiday or weekend work.

Employers will begin to charge workers more for their weekly accommodation, currently capped at £33 a week. An excellent recent report from the Joseph Rowntree Foundation, 'Experiences of Forced Labour in the UK Food Industry', gave a disturbing insight into the harsh conditions migrant workers face. Getting rid of the AWB is an unjustified attack on some of our lowest paid workers who do an

essential job in one of our most dangerous industries. At the heart of Britain's biggest manufacturing industry – the food production sector – farming needs more skilled workers. Instead the Government is allowing employers into a race to the bottom on pay that will see skilled workers turn their back on the industry. When Nick Clegg argues for justice for workers in the developing world, I and my Labour colleagues will remind him that he voted for injustice here at home.

TACKLING FOREST DESTRUCTION

Saving the great tropical forests of Indonesia, Brazil and Democratic Republic of Congo must also be a key task for Rio+20. Forests provide food and water, support biodiversity, help prevent floods and capture and store carbon. Deforestation and forest degradation, through agricultural expansion, conversion to pastureland, infrastructure development, and logging, accounts for around 20% of all greenhouse gas emissions. The role of the UN's REDD (Reducing Emissions from Deforestation and Forest Degradation) fund in reducing the poverty of forest people, protecting wildlife and paying for carbon services is still in its infancy. Rio+20 must act as a springboard to getting more countries ready for REDD funding and widen the donor pool from national government, potentially to involve the private sector.

The Public Forestry Estate (PFE) is the largest single land-holding owned by the Government and is managed by the Forestry Commission. It covers 258,000 ha of land, 2% of the total land area of England, and 18% of England's woodland in 1,400 sites across

England. In November 2010, the Government announced plans to sell 15% (c.40, 000 hectares) of English PFE, as part of the Comprehensive Spending Review to generate £100 million over 4 years. The Public Bodies Bill contained a clause that would have allowed the PFE to be sold lock, stock and barrel.

The public furore that ensued, which culminated in a public petition with more than 600 000 signatures, and a parliamentary debate and vote which put ministers and backbenchers on the rack, led to the government's first major u-turn. Forest sales were put on hold and the Independent Panel on Forestry, chaired by the Bishop of Liverpool, James Jones was established. The panel's interim report, published in December 2011 commented that the funding for the PFE represented "very good value for money" and that more woodland needed to be created. The final report will be published in July 2012 but the resumption of forest sales has never been ruled out by Defra Ministers.

In 1997 Labour ended the widespread forest disposals practiced by the preceding Conservative administration, which saw a net loss of 179,119 hectares, 40% of public woodland. We want to see a long-term, sustainable future for England's forests which will prevent the kind of smash and grab approach which Ministers tried and failed to implement here. Again, developing countries will look to the behaviour of the British Government and see it practising one thing at home and preaching quite another abroad.

CORPORATE SUSTAINABILITY REPORTING

Rio+20 represents a real chance to chart a path to a safer, greener more equitable economy, particularly for the world's poorest. Over the next decade, consumers and institutional investors will want greater transparency and accountability from large companies about the carbon impact of what they produce and how they operate.

Carbon reporting will be a key driver in creating the regulatory level playing field that business needs to invest in green jobs and growth. Labour in government understood this, and our 2008 Climate Change Act required the government by law, to announce its plans for mandatory carbon reporting by large businesses by April 2012. Yet despite promoting sustainability reporting abroad, with Caroline Spelman, Secretary of State for Environment, Food and Rural Affairs, saying "companies are asking for governance...the exciting thing is that businesses want to do this", Defra Ministers simply threw up their hands when the deadline passed and said carbon reporting at home was all too difficult.

In the UK, the Aldersgate Group of businesses has been leading the calls for mandatory carbon reporting. The group brings together leading businesses like PepsiCo, The Co-operative Group, ASDA, Aviva and Cisco, plus organisations like WWF and Friends of the Earth. In May, after the deadline had been missed, Peter Young, the chairman of the Aldersgate Group wrote to Nick Clegg urging him to act on carbon reporting:

"...the Government's position on mandatory GHG reporting is regarded as a litmus test for its wider commitment to better corporate governance... In opposition, you signed an Aldersgate Group letter supporting its introduction and the Conservative Party committed to "enhance by secondary legislation the powers of the Secretary of State and to bring forward the date that the largest companies are required to report on carbon emissions"."

The government is ignoring the voice of businesses who want regulatory certainty and is bowing to the Treasury's anti-environment, anti-regulatory rhetoric. It risks missing this opportunity to create a level playing field for carbon reporting across all sectors. The Corporate Sustainability Reporting Coalition, a group of progressive organisations, led by the UK's Aviva, wants to go even further. It is lobbying for the Rio+20 Summit to agree a binding global commitment requiring public and private companies to publish sustainability reports as part of their Annual report and accounts.

The last Labour Government commissioned the UK National Ecosystem Assessment, the first ever analysis of the benefits of the UK natural environment to society and the economy. Published to great fanfare in June 2011, it estimates the value of social and environmental benefits of woodland in the UK alone as £1.2 billion per annum.

Since then a Natural Capital Committee, Chaired by economist Dieter Helm has been established. We wait to see what it proposes,

and more importantly, whether Treasury allows Defra to act.

CONCLUSION

The Rio+20 Summit must boost to global efforts to create a sustainable economy. Yet we have a Tory-led Government ideologically wedded to a failed economic approach and a Chancellor who sees the environment as a barrier to growth.

The UK must diversify its economy at home to drive green growth by investing in clean energy and lead the way in green technology and resource efficiency. The Government claims it is ambitious for change, but with the forest sell-off, a stalemate on carbon reporting, indifference to growing food and rural poverty at home, and the debate over the planning reforms, this ambition has not been matched by domestic action. We need an ambitious government that wants to lead the world on sustainable development, eradicating poverty and creating the green jobs and industries of the future. Instead we have a Government that is out of touch with anyone who cares about sustainable development.

The Government has said that Rio+20 has to be a workshop not a talking shop. To have credibility, it isn't enough to talk the talk on the world stage; they have to walk the walk, back home.

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BUILDING A GREEN ECONOMY: A LOW-CARBON PLAN FOR JOBS AND GROWTH

CAROLINE FLINT MP

When I took over the brief as Shadow Secretary of State for Energy & Climate Change in 2011, I was aware of the contradiction that, on the one hand, the BBC's Frozen Planet was gaining record viewing figures of nearly eight million while on the other hand public attitudes showed that just one month later, the number of people who rated the environment as important was just four percent. My gut instinct told me that central to my brief were prices, jobs and security. Prices – because we must have an energy market that delivers fair, competitive prices and works in the public interest. Jobs – because as the UK seeks new growth and jobs, energy generation and energy efficiency have the potential to transform our economy. And security – because the first responsibility of every Government is to keep the lights on. That's the only way we'll build a consensus for tackling climate change.

We are fortunate in the UK that one of the legacies of Labour's period in office was broad agreement that we

need to tackle climate change. Even the current Coalition Government appeared to accept Labour's climate change targets, set out in the 2008 Climate Change Act, leading me to believe that Labour had created a new cross-party consensus. That clarity of direction was making the UK attractive to green investments.

Today however the question marks over the Government's green credentials have proliferated, raising genuine scepticism over whether the Government is sincere in its support for that consensus and open for green business. Yet a new era of economic transformation is upon us – one that will create growth and investment opportunities, but only if Government can grasp the nettle.

Labour believes that the UK must have an active industrial strategy to seize the opportunities green economic growth can create. A new energy industrial revolution beckons, and our country must embrace it without delay.

The starting point is the question

of climate change and the corresponding drive to reduce emissions. Is this a threat to business or an opportunity? Two well-rehearsed arguments are in contention for the ear of business and Government.

On the one side are those who argue that Government-led action on climate change is a threat to growth – an unnecessary burden on business – a lead weight around the neck of UK plc. That view says that economic growth is not possible if we tackle climate change.

The likes of the present Chancellor not only believe that the green agenda is bad for business, bad for jobs and bad for growth, but actively revel in their contempt for environmental protection. According to this view, environmental policies are a luxury that can only ever be afforded when times are good.

It is an argument, I believe we should firmly reject.

On the other side, there is the view that all economic growth threatens to deplete the world of resources; that the need to protect the planet means that advanced societies should break with their addiction to the motor car; end holidays abroad; and focus on quality of life rather than material consumption. The West, they believe should accept a lower standard of living in the interests of the planet.

Both the "extreme eco view" and the Tory right share one central premise – that economic growth and environmental sustainability are inherently irreconcilable. One forsakes the environmental policies; the other forsakes the growth. I reject both arguments.

History shows us that only economic growth spreads wealth and prosperity and with it the means to reduce poverty and civilise societies. There is a path between untrammelled growth at all costs and a zero growth world. We can grow our economy and benefit the planet; we can provide for our citizens and meet their aspirations without ruining our planet. It is not a zero sum game.

Investing in the green economy is not just a route out of recession, but a necessary and urgent adaptation to the economy and society we will need in the decades ahead. It is not something that can wait for our economy to emerge into those broad, sunlit uplands – some sort of optional addition afforded only once prosperous times have returned.

The transition to a low carbon economy must begin now, during the toughest of times; preparing

the road for recovery. This is not a journey of economic altruism – but a battle for economic survival. We are on the cusp of a new industrial revolution, which is shaking up the old world order. The UK can be followers or leaders in that revolution. But the longer we delay action, the costlier mitigating and adapting to climate change will become – and the economic opportunities will slip through our fingers.

Our society did not reach this point without centuries of economic convulsion. Convulsions that created economic advance by harnessing technological change.

Successful economies are those that adapt to new technologies quickest, build the new industrial base for that era and plan the transition to avoid huge economic shocks.

Countries that first introduced rail networks in the 19th century made the fastest industrial progress. Linking their manufacturing bases with their sources of power; their goods with the ports.

The German post-war rebuilding created a new industrial base. Their production embraced cars, machines, electrical equipment, furniture – investment in manufacturing industries that underpinned their economic growth for decades; and continues to do so today.

The companies and countries that seized on the emerging communications technologies of the 20th century, saw their economies gain advantage. Frances Cairncross noted in her 1997

book *The Death of Distance* that the telephone, invented in 1876, was crossing the Atlantic by the 1930s, so by 1956 J Paul Getty could run his Californian oil empire from hotel rooms in Europe. More recently, the information superhighway; broadband and mobile technologies, the grandchildren of the electronic computer first invented in the 1940s, are transforming the way our economies and societies function. Such is the power of this revolution that Apple is now the world's most valuable company overtaking oil giant Exxon Mobil; Google sits at about 12th.

The next big transition in economic terms is the move from high-carbon power to low-carbon. We need to develop plans on grid enhancements, high-speed rail network, carbon capture and storage pipelines, distributed generation technologies, integrated recycling plants, energy efficiency improvements and electric vehicle charging networks that are the platforms for green growth of the economy as a whole. These will underpin national prosperity in the 21st century in exactly the way the motorway networks underpinned prosperity in the 20th century and the railways in the 19th.

The lessons of history tell us that the early adopters win. The movers, the visionaries, the investors lock in their advantages; create oases of ideas; clusters of creativity; pools of knowledge and skills. They are the companies and nations that change the world and walk away with the prizes.

Would anyone today dispute that the green arms race has already started? A race for dominance of a global market already worth £3.2 trillion. Global investment in clean energy reached a new high of £169 billion last year – a five percent increase since 2010, even amidst a global economic slowdown. But in this race, the tectonic plates are shifting away from the developed world.

HSBC predicts that the share of the three largest industrialised low carbon markets, the USA, the EU and Japan will fall from 60% in 2009 to 53% in 2020, while China, India and Brazil will grow from 25% to 34%.

I believe those countries are not just acting to respond to climate change, but they are putting in place the productive sectors to respond to the inevitable economic demands of this new era.

In the green arms race, for UK plc the stakes could not be higher - and yet, the UK is falling behind. Since the Coalition Government came to power, the UK has slipped from third in the world for investment in green growth to seventh – behind countries like Brazil and India. Clean energy investments in the UK reached over \$11 billion in 2009, but fell to just \$3.3 billion in 2010 and \$9.4 billion in 2011, meaning that jobs and industries that should be coming to the UK are now going overseas.

The UK's decline in the green race hasn't happened by chance or by accident, or because of decisions made by other governments or

factors beyond our control. It has happened for three reasons.

Firstly, because of the Government's mixed messages. Before the election, George Osborne said this: *"I want a Conservative Treasury to be in the lead of developing the low carbon economy and financing a green recovery."* But last year, to cheap applause from Tory party members at their conference, he pledged: *"We're going to cut our carbon emissions no slower but also no faster than our fellow countries in Europe."* In the autumn statement last year, to placate his own backbenchers, he said that environmental measures and the transition to a low-carbon economy was a "burden" on British businesses.

Perhaps the Chancellor thinks that it's actions, not words that count. But these throwaway remarks have real market consequences. They create uncertainty, and make the UK a less attractive place to invest. Even when people do still want to invest, they raise the cost of capital, by increasing the perception of risk in whether or not the government has the political will to deliver.

But it's not just the Government's pronouncements that are the problem, it's their policies too. The second reason the UK is falling behind our rivals in the race for a low carbon economy is simply this Government's sheer incompetence.

The best example of that is their chaotic mismanagement of the reduction in the tariff level for solar power. No one disputes the need to reduce the tariff level.

Not even the solar industry.

But the way this Government has handled the process – giving just six weeks' notice, trying to bring the cuts into force before the consultation had even finished, changing the eligibility criteria so that nine out of ten homes would be excluded – has real implications for investor confidence.

Some people might think that in the grand scale of total investment in renewable energy, what happens to the solar industry isn't all that important. I don't agree. At a time when the economy is flat-lining and unemployment is rising, we have to ask ourselves what sort of Government chooses to destroy an industry that is actually growing and creating jobs.

And when you look at Germany, which is still second in the world for investment in clean energy, in 2010, 88% of its clean energy investments were in solar, and 83% were in small-scale projects.

In any case, what's happened to the solar industry in this country has implications for investment in the green economy as a whole. How can the Government encourage investors to support the renewable heat incentive, the green deal or any other green policies in the future, when a growing sector, built on a flagship policy that had cross-party support, was cut off at the knees with just six weeks' notice?

Where investors expect clarity and certainty, this Government created confusion and uncertainty. This brings me to the third reason why the UK is falling behind.

The failure of the Government's economic policies is having a knock-on effect for our ability to make the transition to a low carbon economy. Commentators often say that the construction sector is a barometer of the health of the economy; and new build is where new standards, new skills and innovation come into play. Yet Government policy has brought housing starts to the lowest levels on record; the Government has had a stop-start approach to public sector schools and road projects; and unemployment and squeezed living standards have reduced demand so people are not investing in home improvements. Just one measure – a cut in VAT to 5% on home renovation and energy efficiency, would provide an immediate fillip to all of those individual endeavours that green homes.

Labour recognises that when public money is in short supply, the Green Investment Bank could leverage private investment and drive economic growth. But plans for the Green Investment Bank are in limbo, because the government is set to borrow £158 billion more than they planned a year ago. The date at which we will have a proper functioning Green Investment Bank, with full borrowing powers, has slipped to 2016 at the earliest.

The Government's claim that the Green Investment Bank is part of a strategy for growth looks pretty thin if by the time it is able to deliver any real investment, growth has already returned to the economy.

The longer we put off action, the costlier mitigating and adapting to climate change will become – and the economic prizes will have been surrendered to more adventurous nations. Of course, there are risks in pioneering new technologies and developing new industries.

But sooner or later, we will have to make a transition to a low-carbon economy. The UK Government has a legal obligation to cut our carbon emissions by 80% by 2050, and that requires a programme of action.

So the real question is not whether we make a shift from a high to low carbon economy, but when, and how we do it, and whether we do it in a way, and a time, that maximises the benefits to our economy.

There will only be a small window of opportunity to assert leadership in the years ahead. The world won't wait for us.

The transition to a green economy, is as much about making existing industries greener, through energy efficiency, technological innovation and improving industrial processes, as it is about investing in new sources of clean energy.

The vast majority, if not all, economic activity in Britain, and across the world, will have to reduce its environmental impact significantly. The evidence suggests that those companies that do so, will gain economic advantages and reduce their energy overheads.

So what are the hallmarks of an active industrial strategy to bring about the energy industrial revolution?

There are five parts. First, unlocking private investment, by delivering on Electricity Market Reform and Government acting decisively and consistently. Second, better public procurement. Third, a strategy for skills for a low-carbon economy. Fourth, a rebalanced economy, supporting growth in our regions and encouraging manufacturing. Fifth, engaging the public and communities.

The first component of an active industrial strategy is unlocking private investment. In 2010, the private sector in the UK generated a surplus of £110 billion. But the total amount of investment in the UK in clean energy – by both the public and private sector – was just £2 billion.

Around a quarter of our existing electricity generation capacity will go offline in the next decade. Replacing those power stations is a once in a generation opportunity to secure our supply and deliver a cleaner, more diverse and more sustainable electricity mix. But it will require unprecedented levels of investment – perhaps as much as £200 billion in the next decade. To get that investment we need clarity and confidence in the future of low carbon technologies. Only Government can provide the credible long-term policy signals and the comprehensive policy framework that the private sector seeks. That's why the Government's Electricity Market Reforms are so crucial. Outside the proposals for EMR, we also need the Government to act decisively and consistently.

The second component of an active industrial strategy for green growth is better public procurement. In the current financial situation, no government can promise they will be able to drive investment by drawing on scarce public funds. But we can be smarter about the money we do spend.

Every year we spend nearly £20 billion on housing benefit. Housing benefit is paid towards 40% of private rented tenancies – and yet homes in the private rented sector are the least energy efficient. There are about 680,000 rented properties in England with the worst energy efficiency ratings of F and G.

The state should not be subsidising substandard housing, or lining the pockets of those irresponsible landlords, who fail to make sure their homes are warm and properly insulated.

By introducing a landlords' register, as Labour has argued for and as many landlords support, you could ensure that housing benefit was only paid in respect of properties that met a decent standard of warmth and energy efficiency. It would mean landlords have to improve their properties. But it would also create a supply chain for installers delivering the measures and small businesses manufacturing them, and it could save tenants as much as £488 a year off their energy bills.

That's just one way we can improve public procurement to support green growth and get better value for the money we already spend.

The third part of an active industrial strategy is skills. Take nuclear power as an example. There is a continued role for nuclear power in the UK as part of a more sustainable, balanced and low-carbon future energy mix. But we haven't built a nuclear power station in this country since 1995. If we're planning on building more, we need people to do it. Those people need skills and training, and if the plan is to build them in

the next decade, those people are already in the education system. So we need a skills strategy in place now which reaches them – and provides all the other skills that a low-carbon economy needs.

The fourth component of an active industrial strategy is rebalancing our economy: supporting growth in our regions and in the manufacturing industry. We don't just want to be a country that installs products from overseas. We want to manufacture them too.

Wind power is a good example. It is crucial to increase our renewable energy generation and cut our carbon emissions. It is our second largest source of renewable energy and we're the world's eighth largest producer. But UK wind farms import 80% of equipment and services from overseas. We have to do more to develop our own supply chain, supporting manufacturing in this country, rather than just in Germany and Denmark.

We can also rebalance our economy through an active industrial strategy, by identifying parts of the country to become the hubs for our new green industries. The Government's answer is to let the market decide. But there are obvious places which have existing infrastructure, industries and skills that can be adapted

in the transition to a low carbon economy. Many of them are old manufacturing centres and industrial heartlands in regions like Yorkshire and the Humber, the North-East and Scotland, as well as regions like the South-West and Wales for newer technologies such as marine power.

The economies in these areas are in need of revitalisation. An active industrial strategy would identify these areas, drive green growth in them and encourage clustering, so we share expertise, drive innovation and stimulate new businesses.

Clustering our new green industries would also be the strategic way to deliver the most cost-effective roll out of the 200 miles of transmission connections National Grid are planning on building over the next eight years,

The fifth, and final part, of an active industrial strategy is engaging the public and communities. Household energy consumption is responsible for nearly a third of total carbon emissions. The public can't be passive spectators as we move to a low-carbon economy – they need to be active participants. But the proportion of the public who perceive climate change and other environmental issues as important, is not just low, but falling.



We have to engage the public to make their homes more energy efficient. The Government claim the Green Deal will be a “game-changer”. But unless we use the Green Investment Bank to make interest rates affordable, people simply won’t take it up. The right incentives need to be in place.

We have to engage small businesses too, because the current plans for the Green Deal and the Energy Company Obligation mean it’ll be dominated by the big six energy firms – rather than the small businesses, co-operatives, charities and social enterprises we want to see taking part.

We have to support the public to take-up micro-generation, so they become energy producers as well as energy consumers. The Government has to end the constant meddling and uncertainty with Feed-in Tariffs and put them on a sustainable footing.

And we have to empower communities and local authorities. The energy companies literally can’t give away insulation. The community energy saving programme was meant to help 90,000 households. Two and a half years into the scheme, and with only a matter of months left, just 30,000 households have been helped.

The Government needs to empower councils and community groups and let them get on with improving energy efficiency and generating their own power. That’s one of the reasons I’m so strongly opposed to the Government’s cuts to the Feed-in Tariff, which will exclude community groups and social housing from having solar.


Since my appointment, the thing that’s struck me more than anything else is that Britain is not short of the capital, skills or technology to make the transition to a low-carbon economy. But this Government is short of the political vision.

As a result, we’re in danger of missing a golden opportunity. Not just to reboot our economy, but to build a more resilient, and responsible economy for the future – built not just on sustained, but sustainable growth.

But we need an active industrial strategy, focused on growth, skilled job creation and a revival of Britain’s manufacturing sector, which can be both clean and green.

As we rethink and review our policies, this is an opportunity for Labour, and more importantly, for our country – and it’s one I’m determined to seize.

Rt Hon Caroline Flint MP
Labour’s Shadow
Secretary of State
for Energy and
Climate Change



“Britain is not short of the capital, skills or technology to make the transition to a low carbon economy. But the government is short of the political vision”



A NEW COVENANT FOR INTERNATIONAL DEVELOPMENT

IVAN LEWIS MP

For too many around the world access to basic human resources such as food and water is a daily struggle for survival. Resource security and sustainability has been a goal long sought by the international community and in the 21st Century it is increasingly important that we rise to the challenge.

At the Rio+20 conference on sustainability leaders from around the world will meet against a backdrop of momentous international change. The world as we see it today looks considerably different to that of a few years ago.

Three-quarters of the world's poverty is now concentrated in middle-income countries such as India, Brazil, Ghana and China. A significant proportion of the rest is in fragile, conflict-affected states. The global financial crisis, the consequences of globalisation, the impact of the Arab spring, food crises, the rise of new economic powers, massive projected population growth and climate change all pose profound challenges but also opportunities.

In the 21st century it cannot be right that millions still die each year from easily preventable malnutrition and disease. The shocking truth is that even in the face of the exceptional effort of the international community

to mitigate the effects of famine, in the Sahel region alone 300,000 children die from malnutrition-related causes every year and that is outside of so called 'crisis' years. With the global population forecast to grow to 9 billion by 2044 the question of how to ensure sustainable access to vital resources, such as food, water and energy is one of the great challenges we face. With Africa planned to double in population, Asia and the Americas to grow by 25% and Europe hardly predicted to grow at all, what will this mean for the global distribution of resources? In a speech to the General Assembly of the United Nations in February, Ban Ki-moon identified sustainable development as his top priority stating that "ours is a world of looming challenges and increasingly limited resources." It is our job as politicians to recognise this challenge, and to rise to it.

RESOURCE SECURITY IN THE 21ST CENTURY

There is no doubt that globally, resource scarcity is one of our most significant challenges.

In the face of limited resources the world has to adapt to ensure a fair and equitable distribution of resources at a time of scarcity and massive population growth.

The challenge for politicians, as Ed Miliband has consistently said, is how to achieve fairness in tough times. Meeting our aspirations for a fairer more equal global society will require recognising and adapting to the limits of global resource. The interlinking strands of food, water, land and energy security sit at the heart of this intensely complex sustainable development agenda. But it is clear that increasing sustainability is crucial to resolving the tragic levels of poverty and insecurity facing the world.

Food is a very clear example of this, we cannot have food security without sustainability, we need both. One of the most devastating manifestations of the challenge we face can be seen in recurring food crises. In 2011 the severe famine in the Horn of Africa claimed thousands of lives. Those who did survive did so on the most basic of supplies, with over 13 million people affected. But this human cost is too often obscured by statistics. The statistics allow us to think in the abstract, hiding the reality of the daily struggle. The reality is the women I met in Chad who were forced to beat ant hills with sticks each day in order to dig out single grains that the ants many have collected and stored. This is the human reality of famine and food insecurity.

In the 21st Century it cannot be right that the world is plagued by preventable food crises. It is estimated that worldwide 1 billion people continue live in absolute poverty; this is equivalent to 15% of the global population.

As a result, food is now firmly on the political agenda, the G20 held its first agriculture ministers meeting last June and as we move towards the end date for the Millennium Development Goals, 2015, food will remain a central concern.

Building resilience means tackling the structural causes of food crises, addressing the effects of speculation on food prices, agricultural diversification, action to tackle and mitigate the impact of climate change and greater investment in agricultural practices and sustainable livelihoods in the developing world.

The solution to global food shortages is not only producing more food. Nor is it only investing in smallholder farmers or even increasing food aid or social protection and safety nets. Only an integrated approach targeted to the needs of individual countries will help the international community build the resilience we need to avoid future food crises.

We must remember that sustainability isn't just environmental. It is social and economic. This means developing a system of global social justice and ensuring a more equitable distribution of resources. The UN's high level panel on Global Sustainability put the challenge succinctly "sustainable development is not a destination, but a dynamic process of adaptation, learning and action."

If any action is to be successful it is vital that the international community fully understands the

underlying structural causes of resource insecurity. Whilst there is a complex matrix of interlinking factors which affect the supply of basic human resources, there are a number of issues which the Rio+20 conference in June 2012 must seek to begin to address. I want to focus on five in particular.

1. Climate Change. We now have an increasingly unpredictable climate resulting in drier soil and less frequent rains making it much harder to grow crops. Action to tackle and mitigate against climate change must be taken at an international level with countries following through on their pledges.

2. The impact of biofuels. In 2011 a high profile World Bank report on biofuels raised serious concerns that biofuel expansion could lead to increased food prices, land grabs and wouldn't significantly help to reduce carbon emissions. In light of this new evidence it is important that policy makers re-examine national biofuel targets and press for more research into their impact.

3. Land insecurity. With many people in the developing world facing serious resource challenges it is vital that they are empowered to invest in their local community and facilities. A significant barrier to this is with families who do not own their land therefore don't invest in it and have no security about their future. Without land security and rights communities are prevented from investing in their surroundings and agricultural practices and therefore from building themselves out of poverty.

4. Rising food prices. It is clear that the effects of volatile global food prices, bad harvests, population growth and food speculation are being felt around the globe. Higher food prices can be painful in UK,

however in the developing world these can be deadly, representing up to 80% of a family's expenditure.

5. Agricultural innovation. Bill Gates' 2012 Annual Letter identified this as one of the key barriers to building both sustainable food supplies and economic growth. Innovation as well as investment in small scale farmers allows scaling up of production, environmentally sympathetic agricultural practices and wealth generation. This is especially important given that women make up 70% of the agricultural workforce in Africa.

NEED A NEW GLOBAL DEVELOPMENT COVENANT

All of these factors demonstrate that business as usual is not sustainable. These and the other global challenges we face will require an ambitious and coordinated international partnership between donors, developing countries, private sector, NGOs, multilateral institutions and diaspora communities. A new covenant for development is needed which replaces a paternalistic relationship between developing and developed countries with a tripartite, dynamic network bringing together developed, developing and middle income countries.

Given the backdrop of global change which I set out earlier, it is clear that in the future any development paradigm will need to reflect this change; offering a holistic approach to address the new challenges we face. Whilst the Millennium Development Goals (MDGs) established in 2000 have been effective tools for rallying support and encouraging a clear focus on outcomes, it is fair to say their siloed nature has at times hindered an inclusive approach.

Sustainability cannot be a bolt on; it needs to be at the foundation of any development framework otherwise all we will achieve is short term and hollow progress. We must look at broader issues around sustainability and inequality recognising that there is no simple one size fits all solution to poverty eradication and that blanket absolute targets may not be the best solution. However this must be tempered by an appreciation that an overly complex and inflexible system would undoubtedly also be doomed to failure.

Any post 2015 framework would have to include a focus on drivers of growth, building governance, trade, climate change, social protection, support for civil society, innovative finance, transparent and fair taxation and the role of global targets. This is a debate which will rage in coming years. For Labour it is essential any new compact must focus on achieving social justice, equality and human rights.

WHAT DOES THIS MEAN FOR THE PRESENT GOVERNMENT?

The next three years need to see significant change in the international community's approach to international development. The complex and interconnected nature of resource scarcity means that political leadership is absolutely vital. Not only to deliver an optimistic vision for the future but to focus and catalyse international action towards solutions.

Not since the creation of the MDGs has the development community

been at such an important crossroads. At previous summits the British Government has led the way bringing international partners to the table to pursue a visionary and progressive agenda. Tony Blair and Gordon Brown personally championed debt relief and progress on the MDGs; however we have not seen that kind of commitment from David Cameron and George Osborne thus far. While we should support the Government in their commitment to honour Labour's promise to spend 0.7% of Gross National Income (GNI) on international development, it is clear that they lack a vision for the future beyond aid and view charity and paternalism, not social justice and human rights, as being the key drivers of their development agenda.

Labour established the Department for International Development (DfID) not simply to provide aid but also to play a key role in shaping global development policy. Today, it is more important than ever that the Government supports DfID to fulfil this leadership role. Making the UK's voice heard in the multilateral organisations we support, in the UN bodies and specifically in Europe. This last point is especially important, the Government cannot let its sceptical approach to Europe undermine or jeopardise the UK's role in the development institutions of the EU.

The Rio+20 meeting in June offers an opportunity to move the resource security argument forward. Rio should be the

next step along the road to a sustainable future; focusing on key principles and a commitment to build sustainable policies which recognise the long term nature of the interlinked environmental, social and economic challenges. This commitment must not only be agreed by donor countries but also actively engage low and middle income countries, securing their support for any outcomes. Any process which does not have the needs of developing countries at its heart will be deemed a failure.

Labour should be rightly proud of our record on international development. It is no exaggeration to say that without the leadership of the Labour Government many of the goals we chase today would be a lot further away. Our shared values of social justice, equality and fairness mean that international development will never be a brand decontamination exercise as it is for the Conservatives; instead it is an issue which sits at our party's core.

In opposition Labour will continue to focus on meeting our obligations to the developing world both in pressing for progress towards the MDG targets and creating an ambitious, sustainable and inspirational vision for Government.

Rt Hon Ivan Lewis MP
Shadow Secretary of
State for International
Development.

THE ROAD TO RIO – WHAT CAN THE EUROPEAN UNION BRING TO THE TABLE?

LINDA MCAVAN MEP

At the Rio+20 Summit, as at most major international negotiations, the UK will be attending not as an individual country, but as part of the European Union (EU) delegation. The 27 EU Member States have submitted a joint position to the UN which has been negotiated over several meetings of Europe's Environment Ministers and endorsed at the recent EU Summit of Heads of State. This determination to act together and present a clear, common purpose reflects a determination to learn lessons from the EU's experience at the 2009 Copenhagen Climate Change Summit. On that occasion, the EU's failure to speak with one voice as different Heads of State attempted to upstage each other led to the EU being sidelined in the final hours of negotiation – despite it being the most prepared delegation at the talks.

The main aim of the EU in Rio will be to get some tangible outcomes. While recognizing that there is little appetite among its global partners for a binding legal outcome along the lines of the 1992 Earth Summit which launched binding UN conventions on biodiversity, climate change and desertification, the EU is pushing for some kind of targets to be set out in the final text. In its submission to the latest preliminary talks in New York, the EU proposed an amendment to the draft UN text as follows: "As a tool to trigger the

start of a profound, world-wide just transition towards a sustainable future, we agree to establish a global green economy roadmap, with deadlines for specific goals, objectives and concrete actions at the international level in a specific number of crosscutting and thematic areas". Sensitive to resistance from its partners about any mention of legally binding engagements, the EU calls its targets "aspirational". Labour and its sister parties in the European Parliament's Social and Democratic Group support these targets because we feel that unless there are some common yardsticks, it will be impossible to measure and compare progress across the world. Worth noting is that consistent with their climate sceptic position, Tory MEPs voted against the European Parliament's joint resolution on Rio+20, leaving them isolated once again from the political mainstream, voting with UKIP, the BNP and other fringe European parties including Le Pen's National Front.

So what are those "concrete actions" and "goals" that the EU wants world leaders to agree? The targets fall under five categories: water, oceans and the marine environment, sustainable land management and ecosystems, sustainable energy and resource efficiency, in particular waste. Under each heading, the EU negotiating team is working on an overarching goal and concrete targets.

Water: noting that water scarcity is a key problem and that there could be a potential global water gap of 40% by 2030, the goal is to ensure universal access to drinking water and sanitation and sustainable water use through integrated water resource management and increased resource efficiency. Four targets are proposed, all for 2030, to meet this goal.

Oceans and marine environment: irresponsible exploitation of our marine environment is at the root cause of the degradation of our marine environment and depletion of fish stocks – the EU itself being a main culprit, something we hope to fix through reform of the Common Fisheries Policy (CFP). Three targets are proposed: by 2020 to restore marine habitats and eliminate illegal fishing and by 2025 to halve the levels of marine litter compared with 2012.

Sustainable land management and ecosystems: the goal here relates to achieving already recognised global standards for land management. Five targets are proposed: to set a timeframe for halting land and soil degradation, three targets for 2020 including halting loss of biodiversity, investment in sustainable agriculture and agri-food chains and increasing access of smallhold farmers, particularly women to best practice training and by 2030 to increase global, sustainable agricultural productivity with specific regional targets.

Sustainable energy: noting that access to energy is vital for human needs and that 80% of people without electricity live in Sub-Saharan Africa and South Asia, the goal is by 2030 to provide sustainable energy for all. There are three targets, all for 2030: achieve universal access, double the rate of improvement in energy efficiency and double the share of renewable energy in the global mix.

Resource efficiency, in particular waste: noting that raw materials and natural resources will become more scarce as the world's population grows and demand increases from the emerging economies, the goal is for sustainable management of all resources and to decouple economic growth from resource use. Four targets are set: to improve resource productivity by an agreed measurable indicator, by 2030 to reduce waste to landfill and improve recycling and reuse, by 2030 to halve the amount of edible food waste and by 2020 to ensure full lifecycle management of chemicals.

Absent from the EU's targets – and something which has not gone unremarked – are wider measures of sustainable development. While the EU's over-riding goals include language about the "just transition", all the emphasis is on the "green economy". But as the Brussels Head of the UN Development Programme reminded us recently "Rio is not an environment conference, it's not a conference to save nature. It's a conference to save human beings, it's a conference that has to combine the most pressing challenges of our times – equity and sustainability – and the one cannot be sacrificed for the other."

Given the predominantly right-wing make up of the current crop of EU leaders and MEPs, it should not surprise us that European negotiators are dodging issues about

equity at a time when austerity is pushing more and more EU citizens onto the dole queues, squeezing the living standards of ordinary citizens and when little is being done to narrow the gap in many countries between the rich and poor. But as the momentum at the Rio+20 talks for Sustainable Development Goals (SDGs) grows, the EU does now recognise that broader measures, including SDGs must be part of the picture. There is also growing interest in the "Beyond GDP" debate and the development of alternative measures of wellbeing.

The EU has, since 2001, carried out a two-yearly assessment of its own progress on sustainable development based around 11 headline indicators which go well beyond environmental measures. According to data from Eurostat, the EU statistical office, to date, progress has been made in three key areas: reducing the number of people at risk of poverty and social exclusion, cuts in greenhouse gas emissions and an increased share of renewable energy. But the overall results are mixed – and should carry a health warning since they predate for the most part the Eurozone crisis and the huge rises in unemployment and the collapse of living standards across many countries.

Whether the EU can convince its partners on its negotiating position remains to be seen. Many emerging economies countries remain sceptical about the green economy agenda, fearful that it is really cover for protectionist measures by the West to put a brake on their economic development. And some of the poorest developing countries seem weary of yet more global talks when almost all the MDGs (Millennium Development Goals) are off track in Sub Saharan Africa and a number of EU Member State including France and Italy are not on target to meet their Official Development Aid pledge to give 0.7% GNI by 2015.

But compared with other major economies, the EU can come to the table with a reasonable track record on the environment, social protection (though right wing governments – foremost of which is, of course, the UK Coalition – are threatening this) and climate change.

Yet it seems to me that the real threat to success at Rio is the lack of political momentum. If we contrast the run-up to Rio with the weeks and months leading up to the Copenhagen Climate Change Summit, the contrast could not be more different. During that time, as politicians we were inundated with letters from constituents, trade unions, green groups, church groups, school children urging us to take urgent action to save the planet, to be bold. There was intense lobbying from business, some keen to be seen as on the "green side", others desperate to block progress. But to date, on Rio there is only a trickle of interest. Some argue that this is not a problem. For all the fanfare at Copenhagen, in terms of getting a binding global agreement to tackle climate change, the talks failed. Maybe a quieter form of international diplomacy may lead to more concrete results. Let us hope so. With current predictions that the world population will grow from 7 billion now to 9 billion by 2050 with all that means in terms of increasing pressure on the planet's resources, if we wait for Rio+40 to sort it out, we just might find it is too late.

**Linda McAvan MEP,
Labour and Socialist Group
spokesperson on climate
change and environment in
the European Parliament**

WITH BIG BUSINESS COMES BIG RESPONSIBILITIES – CORPORATE REPORTING

RICHARD HOWITT MEP

If all human behaviour has to change to prevent a headlong rush towards catastrophic climate change for our planet, then for our companies and our economy it cannot continue with “business as usual.”

The list of corporate scandals is long – big-name companies, accused of grievous human rights abuses and environmental desecration in developing countries. Allowing rivers to run with acid, indigenous people to be forcibly displaced from their land and children to work in toxic mines beyond our borders.

But the tone of the debate has changed in recent years, away from the headline-grabbing abuses of a few companies, towards the need for every company to chart its course towards operating in a low-carbon economy.

It is why more than 6,000 companies worldwide are currently producing annual sustainability reports according to an evolving methodology known as the Global Reporting Initiative (GRI), which emerged from a marriage between companies themselves, environmental NGOs and the United Nations Environment Programme. Such reports are produced by every one of the FTSE100 top companies in Britain, and are thus acknowledged as a key mechanism to translate good environmental intent into necessary climate action.

However, Britain is not the leader we should be in getting more business buy-in to such internationally accredited environmental reporting, lagging in Europe behind Spain, Sweden, Germany and the Netherlands.

Meanwhile a Bloomberg survey of 68,000 large companies showed that only a quarter provided Environment, Social or Governance (ESG) information and – of these – only a quarter again were said to be “of good quality.”

Like everything else in the climate change debate, there is a growing recognition of the scale of the problem, but a woefully inadequate pace of change in action to match it.

Transparency on its own doesn’t guarantee better environmental stewardship, but the accountability it enables for stakeholders inside and outside the company does.

From the ballot box to the occupy movement, fair-trade meetings in church halls to shareholder revolts, people are demanding transparency and accountability.

Which is where Labour's ground-breaking Climate Change Act comes back in to the picture again, with its requirement to bring in mandatory company reporting of Greenhouse Gas Emissions and with a deadline for implementation set for earlier this year.

Sadly the new Conservative-led Government not only failed to meet the deadline of April 6 this year, but did so off the back of a consultation which suggests they may renege on the promise and restrict their aspiration to one of "enhanced voluntary reporting" alone.

The nonsense of this position is that it is business itself which at the front of the queue clamouring for the change.

Two-thirds of the British companies that responded to the Defra consultation itself last year say they are in support of mandatory reporting. Aviva, BSkyB, Cable & Wireless, Cisco, the Co-operative Group and M&S, have all written to the Deputy Prime Minister Nick Clegg, to advocate maintaining to the commitment for the introduction of mandatory carbon reporting.

May 2012 saw the CBI's Head of Energy and Climate Change demand mandatory green reporting for companies from the Minister, saying: "The CBI has long supported the introduction of mandatory carbon reporting under the Climate Change Act – a sensible, flexible solution that will create a level playing field without forcing the comparison of apples with oranges."

It is this "apples and oranges" argument which is key to why voluntary action isn't sufficient, with the current growth in reporting not simply too slow, but leading to findings which risk lack of coherence between companies,

fatally undermining the collective impact of the changes being made and even allowing for the biggest risks to be ignored altogether.

Labour has to seize the pro-business case for mandatory sustainability reporting.

It can add to the more than one million people in Britain who are already employed in the low-carbon and environmental goods market. It can help British business win a greater share of a global market now valued at £3 trillion.

According to the Carbon Disclosure Project, monitoring 500 top companies, those companies with good climate change disclosure achieve a financial outcome around twice-better again compared with their competitors who do not.

Consumers are now demanding it. A Populus opinion poll found more than three-in-four support company reporting of carbon emissions.

Not only is the cost of acting now much less than that of delaying action further in to the future, as the Stern Commission found.

It is also part of the concept of the "triple bottom line" – environmental and social performance being inextricably linked to the financial success of the business. Labour should say support for it must be a "red line" at Rio, from a Government which is only too happy to talk in such language at other international summits.

Labour ourselves in Government did much to champion this approach. The Pension Act was amended in July 2000 so that trustees of occupational pension funds were required to state the "extent to which social, environmental or ethical considerations are taken into

account in the selection, retention and realisation of investments." These "Statements of Investment Principles" have been copied in legislation around the world.

Then the 2006 Companies Act was brought in, including the requirement to report on information about environmental, employee, social and community issues. Implementing amendments to the EU Accountancy Modernisation Directives which I had been proud to champion in the European Parliament, the British legislation had already been preceded by similar laws in France and Belgium.

Nevertheless Labour's requirement for Company Directors to consider social and environmental impact of the business, and for reporting to include the supply chain of the company, were both genuine innovations which have enabled Britain to make a distinctive contribution to the European and global debate.

Labour also got to grips with the leading international standard for responsible business – the OECD Guidelines on Multinational Enterprise – by reforming the Government's "national contact point" under the guidelines, which allows specific complaints of social or environmental abuse by British business overseas to be investigated and determined. The reforms were acknowledged as the leading example of implementation along with the Netherlands, amongst the 42 countries who have signed.

This is the framework in which the recent Trafigura case was dealt with, concerning the dumping of lethal chemical waste in the Ivory Coast, which had led to the poisoning of thousands of people.

Meanwhile in the European Parliament, I have helped drive European Union support for mandatory social, environmental and human rights reporting by business, starting from an initial resolution as long ago as 1999, and in the context of three successive reports on what has become widely known in business circles as the concept of Corporate Social Responsibility (CSR).

Already there is an EU proposal on the table to require transparency from the biggest extractive industries, now being taken forward by my Labour colleague Arlene McCarthy. Next it is expected that a new proposal on non-financial disclosure for businesses in all sectors will be published before the end of the year and, at the time of writing, I am in detailed discussions with the European Commission and other stakeholders on the detail of what the proposal will encompass.

So the Labour Party has much to be proud in driving this agenda, and now is the time to make this a priority for Rio+20 too.

The Secretary of State who is dragging her feet on mandatory environmental reporting here in the UK, has signalled the same lack of courage with respect to the Earth Summit. "We agree with the British businesses who want the Rio summit to make corporate sustainability reporting the norm," she said but then restricted her

promise to one which "will call for more businesses to commit to improving their sustainability." Once again refuge is being taken in voluntary encouragement alone.

In direct contrast, a coalition of businesses has been formed, led by the UK's Aviva, asking Earth Summit delegates to commit to a global policy framework requiring public and private companies to publish sustainability reports.

Negotiations currently taking place on the precise wording on this issue in paragraph 24 of the draft outcome document are intense. But I am again proud to be working alongside Aviva and the GRI to help deliver this goal in Rio.

We have to have a vision that this is not simply about businesses reporting carbon emissions – voluntarily or otherwise – but part of a global movement in which companies are changing the way they do business, as part of the transformation in the global economy that the disciples of climate change have long demanded from us.

Today, not simply the Aviva-led coalition, but all the major accountancy standard-setting bodies, sustainability interests and 60 global businesses have set the target for "integrated reporting" – sustainability and financial accounts together – to be that global norm by the end of the decade.

Britain has again played a major role in instigating this, through the work of His Royal Highness the Prince of Wales Accounting for Sustainability Project over the last decade.

I hope the UN Earth Summit will provide a crucial international endorsement for the integrated sustainability reporting, which can then be realised not just in Britain and Europe, but for the whole world.

Because we won't simply be doing it for all the countries of the world, but for the planet itself.

Richard Howitt MEP is Labour Member of the European Parliament for the East of England, and European Parliament Rapporteur on Corporate Social Responsibility. He holds voluntary advisory roles as an Ambassador for the International Integrated Reporting Council (IIRC), as a member of the Government Advisory Group of the Global Reporting Initiative, and as a Friend of the OECD Guidelines on Multinational Enterprise.



THE CHALLENGE FOR RIO

SARAH BEST

The human race is living beyond its means. The lifestyles and choices made by the wealthiest threaten all our future security and prosperity, while a billion people go to bed hungry every night. And without action, this crisis will only intensify. As the population continues to rise, Rio+20 is about how we will achieve prosperity and security and well-being for nine billion people, in a world of finite resources and environmental limits. Summit themes don't come more important than that.

We cannot continue to live as we are now. This is true for the poorest people – the 13% of the global population who are undernourished, or the 30% without access to essential medicines. They must be able to develop out of poverty and live better. They need to be able to consume more of the world's resources. But to do that we need to work out how we in the developed world can consume less. Many of the ways we live today are increasing inequality, creating greater poverty

and using up the earth's limited natural resources – including the fertile land, stable climate and fresh water on which we all rely.

At the centre of all this is food. The planet can support enough food production to feed us all today, but still but one billion go hungry every night. Last year Oxfam GB along with the 15 other Oxfams around the world launched a global campaign, GROW, to highlight the broken food system and work with others to fix it. The campaign has focused on some of the key injustices which keep people poor, use up the world's resources unsustainably, and ultimately prevent people from being able to eat enough food. In particular, issues like the increasing use of biofuels, "landgrabs", un-transparent, volatile trading in food commodity markets and climate change – which is hitting the poorest first and hardest, despite their having done the least to contribute to its causes. At the root of many of these issues is an unequal demand

for resources. If we are to cease "grabbing" land, burning food for fuel, and prizing an immediate financial return over sustainable food prices and changing the climate we need to address consumption and resource use in the West – decoupling these from growth.

Can Rio+20 deliver on this ambitious agenda? The 1992 Rio Summit was a milestone that delivered new treaties on climate change and biodiversity as well as a global action plan on sustainable development (Agenda 21). Twenty years on, the challenges are greater than ever. But, worryingly, little has emerged in the last 4 months of negotiations that will deliver anywhere near the scale of action we need.

It is not too late: with political leadership from UK and others, we can get agreements that help re-orientate the global economy towards the needs of the poorest, whilst respecting environmental limits. For Oxfam, there are three priorities for Rio:

- First, a strong commitment that binds all countries to work towards a single set of global goals for post 2015 period (when the deadline for the Millennium Development Goals expires), aimed at ending poverty and inequality, and realising human rights, whilst respecting the earth's environmental limits.

- Second, on sustainable food and farming, we need new commitments for more and better investment and support in small-scale farmers and producers, particularly women. This is in order to increase productivity, help them cope with a changing climate, and regenerate the living systems - like healthy air, water, land and soils - on which our food security depends.

- Third, we need fair and lasting energy solutions that cut greenhouse gas pollution globally and put the last first by delivering energy to the millions without access to it. And we need renewed commitments to tackle climate change globally in ways that are fair for all countries

Outside formal negotiations, Rio+20 can inspire action and conversations at home in the UK, which we can all join in with. Front and centre must be ideas to change our concept of human progress, and think through the implications for what we call growth in the rich world - and development in poorer countries.

RE-THINKING PROGRESS: A NEW COMPASS FOR GROWTH AND DEVELOPMENT?

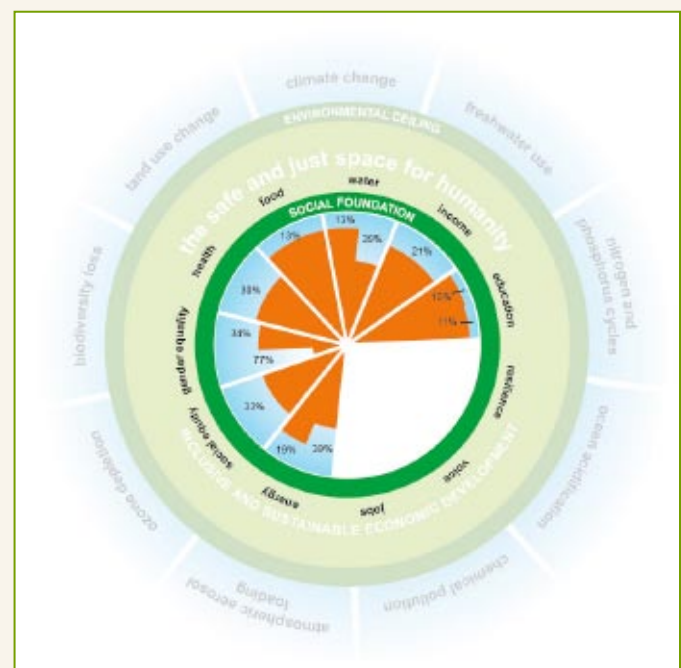
Achieving sustainable development for nine billion people has to be high on the list of humanity's great uncharted journeys. To help find a way through, Oxfam's Kate Raworth has suggested a global "compass" – a framework to help policy makers at Rio and beyond ask the right questions. A Safe and Just Space for Humanity: Can we live within the doughnut? [<http://policy-practice.oxfam.org.uk/publications/a-safe-and-just-space-for-humanity-can-we-live-within-the-doughnut-210490>]

This new visual framework brings together existing ideas of planetary

boundaries (a set of nine Earth-system processes like freshwater use, climate regulation, and the nitrogen cycle that are critical for keeping this planet in the stable state) together with social foundations, below which lies unacceptable human deprivation.

These social floors suggested in this framework are based on the eleven issues raised by governments in their submissions to Rio, so provide a good indicator of the emerging 21st Century consensus on unacceptable deprivation. They incorporate levels of income poverty, use of natural resources such as water and energy as well as measurements such as social equity.

Just as earth scientists have estimated that we have already dangerously transgressed three of the planetary boundaries, Kate shows that we are falling below the social foundation for at least eight of the social floors (drawing on some indicative, widely-used metrics).





Between the planetary ceiling and these social foundation lies an area – shaped like a doughnut – which is the safe and just space for humanity to thrive in. The 21st century's unprecedented journey is to move into that space from both sides: to eradicate poverty and inequity for all, within the means of the planet's limited resources.

In framing the debate in such a way, in asking the question "how can we live within the doughnut", some conclusions emerge that Rio must tackle:

Firstly: The overriding priority must be to raise people above these basic social floors. It is the rich, not the poor who are stressing the planet and so this can be done without transgressing planetary boundaries. Providing the additional calories needed by the 13% of the world's population facing hunger would require just one percent of the current global food supply and bringing electricity to the 19% of people who currently lack it could be achieved with a less than one percent increase in global CO₂ emissions.

Secondly: A blinkered focus on GDP growth has failed to end deprivation and to sustain natural resources. Far too few benefits of GDP growth have gone to people

living in poverty, and far too much of GDP's rise has been at the cost of degrading natural resources. At the G20 meeting in Mexico countries will be talking about sustainable, inclusive growth, and discussions about new measures of planetary and social well-being 'beyond GDP' are in the frame for Rio+20. In many cases, we know what policies, regulations and investment shifts needed – but we've yet to see these adopted in the transformative way needed in any country or region.

HOPES FOR RIO

So what should actually happen at Rio? A front-runner idea, first proposed by Colombia but now attracting broader support, including from the UK, is for Rio to kick-start a process to agree Sustainable Development Goals (SDGs) – new global goals that orientate us towards human development and ecological preservation.

With the timeframe of the Millennium Development Goals (MDGs) due to expire in 2015, and with the recognition that they have not done enough to focus attention on key issues such as equity, or environmental sustainability, new global goals are needed. Leaders at Rio should issue a strong commitment that binds all countries to work towards them.

It's vital to give this initiative the right start, with the right vision, scale of ambition and – crucially – an inclusive, joined-up process for defining and agreeing the goals. With reports in the UK suggesting that the Prime Minister will chair a panel to advise the UN secretary general on the future of the MDGs, the UK clearly has an instrumental role to play here.

For a start, there needs to be a single process, bringing together thinking on SDGs and MDGs. There also needs strong southern ownership. The MDGs were criticized for being primarily conceived by countries of the global north that have often used them to set aid priorities and to measure the performance of governments in the global south. As a result, the MDGs failed to tackle the deeper structural causes of poverty. Just as critically, southern civil society felt a lack of ownership of the goals, which weakened the pressure for action and accountability at national level – so essential to securing lasting change. A more inclusive process means Southern co-leadership of any UN panels set up and financial support for civil society in the south to help them carry out their own independent reflection and mobilisation on this - not simply an invitation to participate in UN consultations.

It's also important at the outset – at Rio – to establish that these goals (whatever they end up being called) must be genuinely global and apply to all countries, not just poor countries. The next set of global goals must have poverty eradication at the front and center, but they must also address inequality and exclusion, and re-orientate economic development to stay within critical natural resource thresholds.

Ambitious goals for richer countries which require them to tackle their resource use and consumption footprint are vital. If countries such as the UK can show leadership at Rio by signaling their commitment to take on such goals this could help reassure developing countries that this is not just another set of obligations on the South – but instead the exciting prospect of setting a truly shared global agenda.

CALL TO ACTION

There are some concrete wins and important processes to be gained from Rio if we raise the level of ambition – whether it's around new goals for beyond 2015, or specific commitments that deliver food security and sustainable energy for all.

The UK is going to have to continue to show political leadership to get a good outcome at Rio, particularly engaging with countries that could really make the difference such as India and Brazil.

Aside from multilateral action, Rio is most important as a wake-up call for national governments. The national actions that it could trigger could be transformative: The Kyoto Protocol (adopted at the climate talks in Kyoto in 1997) is the key

reason many countries have made a major effort to reduce carbon emissions and to invest in renewable energy. And the G8 in Gleneagles was a critical factor in securing an additional £19 billion in spending on development from 2005-10.

Rio has to be a call to action. If it can frame the right debate - if it can ask the right questions – national governments can start to make the radical changes needed to ensure a bright future for us, and our planet.

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RIO+20: THE NEED FOR AN OCEANS RESCUE PLAN

RICHARD PAGE

Our oceans give us life. The oxygen in every second breath we take comes from the ocean. Billions of people rely on our oceans for their food and for employment. In return, we are plundering the oceans of fish, choking them with pollution and altering them forever with the impacts of human-induced climate change.

Once seen as boundless, today there is a growing awareness that the world's oceans are finite and that the marine life they hold can indeed be exhausted. Roughly 90% of the big predatory fish in our oceans - species such as tuna, marlin and sharks - have been fished out since the 1950s and scientists warn that coral reefs are fast disappearing. Soon, our oceans will not be able to recover from humankind's reckless destruction. The 3rd United Nations Global Biodiversity Outlook in 2010 warned that unless "radical and creative action" is taken quickly, our oceans will collapse.

Humankind has set sail on a wrong course. By disregarding the warning signs and not looking after the health of the oceans we are putting our future prosperity at great risk. However, there is hope. Scientific evidence garnered from all

around the globe shows that the establishment of marine reserves – areas of ocean set aside to fishing, fossil fuel extraction and other destructive industrial activities – can protect and restore ocean ecosystems. Furthermore by creating networks of marine reserves and implementing sustainable management in the surrounding waters, not only can we conserve marine species and habitats but also ensure that we have fish to eat in the future. The challenge for the Rio Summit is to acknowledge the urgency of the oceans crisis and the major contribution that oceans health has to human wellbeing and to catalyse a process that will reverse the wholesale degradation.

Unfortunately, despite international commitments under the World Summit on Sustainable Development and the Convention on Biological Diversity, progress is lamentably slow with less than 1% of international waters designated as protected areas, as compared with 12% on land.

So what is the problem?

Until the last century most of the world's oceans were too far, too deep, too rough, too cold or too dangerous to fish. Most of

the oceans were de facto marine reserves, off limits to fishing. However, technology has developed by leaps and bounds. Fishing vessels are now able to fish in the Arctic and Antarctic regions and to depths of several kilometres. Vessels fish for months on end, using satellites to locate their catch. Similarly the development of new technologies is enabling industry to mine and drill in deep waters. There are no longer any safe havens for the life contained in our oceans.

More than 64% of the oceans do not belong to any one country – these are the "high seas." The "Freedom of the Seas" principle was first established hundreds of years ago when people still thought the oceans were limitless and inexhaustible and was later recognised by the United Nations Convention on the Law of the Sea (UNCLOS), the constitution for the oceans. This means that the high seas are open to everyone, no matter if your country is on the other side of the planet or even landlocked. With rights come responsibilities and UNCLOS mentions obligations that countries have when operating in international waters, including the responsibility to protect ocean life from harm.

Unfortunately, much more emphasis has been put on the “right” to plunder the oceans than on the responsibility to protect them, creating a “wild-west” approach to oceans management. If you want to fish, drill or mine in international waters, there are organisations and processes that enable you to do so, but if you want to protect the high seas, for example, create a marine reserve to protect a fragile coral reef, there is simply no clear way to do it. It is very difficult or even impossible at the moment to create marine reserves, let alone monitor and control then, in most high seas areas. In short, the management of our oceans has developed in a piecemeal fashion, largely to serve different industry sectors. The result is a highly fragmentary system with huge governance gaps.

So what exactly are the governance gaps that need to be addressed?

Firstly, there are no explicit rules on what the protection of international waters should look like, leaving large areas of the world’s oceans without any management. For example, the high seas areas of Arctic Ocean lacks a governance framework that would ensure the protection it needs at a time when it is coming under increasing stress. While in the past this may not have seemed a problem, the melting of the permanent sea ice means that the Arctic Ocean is becoming accessible to both the oil industry and also to large industrial-scale fishing fleets.

The melting of the sea ice and changes in ocean currents due to climate change are causing changes in sea temperatures, leading to changes in fish population distribution. It’s predicted that the North East Atlantic cod, the last of the big global cod stocks, will move North and East due to changes in ocean temperatures. With the

opening up of previously un-fished waters, the Barents whitefish fleet is already venturing further north than it ever has before. In June 2010, the Greenpeace ship *Esperanza* encountered ten Russian trawlers on the northern west coast of Svalbard, a in the northernmost part of Norway. Cod trawlers operating in these areas drag their heavy fishing gear across the seabed, destroying everything in their paths, including vulnerable cold water corals and sponge fields. The marine habitats in the far north are not well understood and are poorly mapped, so it is not known what impact destructive fishing will have on fragile Arctic Ocean ecosystems. Greenpeace conducted a series of seabed surveys in the region using specialised underwater camera equipment and discovered that the seabed was not the lifeless muddy bottom suggested by some, but rather home to sea urchins, sea stars, sea anemones, soft corals, sea squirts, tube worms, sponges, haddock, cod, red fish and shrimp.

Shell is one of several companies with plans to drill in the Arctic, despite the fact that the burning of the extracted oil will further exacerbate climate change and put increasing stresses on the already vulnerable Arctic ecosystem. Of major concern is the possibility of a major oil spill. The US Minerals Management Service has estimated a one in five chance of a major spill occurring over the lifetime of activity in just one block of leases in the Arctic Ocean near Alaska. The environmental consequences of a spill in the Arctic environment would be far more serious than in warmer waters, such as the Gulf of Mexico. Serious impacts of the Exxon Valdez spill in Alaska are still being felt twenty years later.

Other high seas areas have some

regional bodies that are mandated to manage specific fisheries or have other specific mandates but there is little coordination between these bodies. This for instance massively hinders the establishment of marine reserves. The situation in the West and Central Pacific Ocean highlights the problem. The Pacific Island countries are massively dependent on the oceans for their prosperity and in particular on tuna fishing. A number of Pacific Island Nations have taken the innovative move to close off the high seas areas between the islands, “the Pacific Commons”, to certain types of tuna fishing as a move to protect tuna and to close down the pirate fishing happening in these areas. The initiative is now increasingly backed by progressive businesses within the international tuna industry. This measure was adopted in 2008 by the regional fisheries management organisation that deals with tuna (Western and Central Pacific Fisheries Commission – WCPFC) however, it was not renewed at the last meeting of the WCPFC in March 2012 highlighting some of the shortcomings of the tuna-focused treaty body in designating no-take areas. Furthermore, the WCPFC does not have the necessary mandate to protect the high seas areas from all fishing, or to restrict other human activities in order to protect marine life from the deep sea bottom all the way up to the ocean’s surface. Another fisheries management organisation – the South Pacific Regional Fisheries Management Organisation (SPRFMO) – has just recently been negotiated, but is still not in force yet. Once fully operational it could, together with the WCPFC, close areas to all fishing. However, it would still not be able to close off vulnerable areas to all extractive human use as fully protected marine reserves.

There are other bodies with other relevant mandates, to the creation of marine reserves including the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region (SPREP Convention) and the International Seabed Authority which is responsible for managing seabed mining.

Taken together this highly complex system of independent organisations is highly fragmented and countries are unable to do what they need to ensure the protection of the oceans on which they depend. Until there is an overarching framework in which these organisations are embedded and which provides adequate means to harmonise the regulations and coordinate the various relevant organisations, it will be impossible to effectively conserve the marine life and ecosystems of the region.

Poor monitoring, surveillance, compliance and enforcement of extractive or potentially polluting activities constitute another major problem with the way we manage our oceans. In areas where there are management organisations in place but which lack sufficient control and compliance mechanisms, the marine environment will suffer. A major problem on the high seas is pirate fishing, i.e. fishing which is

illegal, unreported or unregulated. For instance, recent reports from the United Nations Food and Agricultural Organization (FAO) suggest that 18% of all catch taken from the Indian Ocean is illegal, due to inadequate enforcement of existing regulations and the absence of proper surveillance of fishing vessels in the region.

As stated earlier, technological changes are enabling new industries to venture into the high seas. Given the potential harm that these new and emerging industries may cause to the marine environment it is important that there is a means of regulating their activities and assessing the potential harm they might do before they commence their activities. As on land, the best means of doing this is by undertaking Environmental Impact Assessments, but as yet there is not instrument that mandates these to be undertaken in international waters.

Technological advances are opening the world's oceans to the possibility of seabed mining. In September 2011 the International Seabed Authority (ISA) and China signed a 15-year contract for prospecting and exploration for valuable mineral deposits located in the Southwest Indian Ridge of the Indian Ocean

and all the indications are that commercial mining operations will soon start in the Pacific. Just as with mining on land, such activities could have serious environmental impacts. These new industries and their potential impacts cannot be considered in isolation, for instance how these activities might affect commercial fish populations must be taken into account. For this reason not only should there be a mechanism for undertaking Environmental Impact Assessments but there should also be a means for undertaking Strategic Environmental Assessments.

The search for marine genetic resources found in the organisms living in the deep sea is another activity that is unregulated and could lead to the destruction of rare marine species and habitats. Scientists, countries and corporations are beginning to research the genetic and chemical compounds that are found in deep sea creatures for the pharmaceutical and cosmetic industries and then patenting these resources. There is no legal regime to ensure that the exploration for and removal of these resources for scientific research or commercial purposes (bioprospecting) happens safely. Given the huge financial, knowledge and other benefits arising from the



use of these resources, it is crucial that these are fairly and equitably shared amongst countries.

Taking into account all of the above it is easy to understand why addressing the protection of the high seas as a whole requires a global approach; this is why Greenpeace is calling for an Oceans Rescue Plan.

This new Oceans Rescue Plan would take the form of an agreement under United Nations Convention on the Law of the Sea (UNCLOS) and it would make clear the obligation of countries to protect ocean life in international waters. It would put in place a mechanism to identify, create and manage marine reserves. It would spell out the process that industry needs to follow to create and implement environmental impact assessments before extractive and potentially

damaging activities are allowed to take place. It would organise the coordination of existing regional organisations that regulate human activities (fishing, drilling, mining, shipping, among others) and protect our oceans. It would also create a fair regime for the access and sharing of benefits from the exploitation of genetic resources in the oceans- so that developing countries can also benefit from the ocean resources of the high seas. A good Oceans Rescue Plan must also include a monitoring and control and enforcement mechanism that will ensure agreed rules are respected by all.

This Oceans Rescue Plan would empower governments to finally act on their long-standing commitments to defend our oceans and create a global network of marine reserves, essential to saving life on earth for now and future generations.

The Rio summit provides the perfect platform to elevate the issue of oceans protection and to agree the start of a process of formal negotiations to address the issue of the protection of high seas biodiversity with the aim of producing an effective Oceans Rescue Plan. We cannot neglect the health of our oceans – they sustain us all and are essential in the fight against poverty and ensuring long term food security. A green economy needs a blue backbone. The launch of negotiations for a visionary Oceans Rescue Plan is the oceans test case on the success of the Rio Summit.

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