ENVIRONMENTAL SUSTAINABILITY
Does It Make Dollars and Sense?
Kevin Moss – Global Director Business Center.
@KevinIMoss
THE BUSINESS CASE

- Cost Reduction
- Futureproofing/risk mitigation
- Reputation Enhancement
- Employee Retention
- License to Operate
- Investor Attraction
- Market Opportunity
THE GLOBAL GOALS

1. NO POVERTY
2. ZERO HUNGER
3. GOOD HEALTH AND WELL-BEING
4. QUALITY EDUCATION
5. GENDER EQUALITY
6. CLEAN WATER AND SANITATION

7. AFFORDABLE AND CLEAN ENERGY
8. DECENT WORK AND ECONOMIC GROWTH
9. INDUSTRY, INNOVATION AND INFRASTRUCTURE
10. REDUCED INEQUALITIES
11. SUSTAINABLE CITIES AND COMMUNITIES
12. RESPONSIBLE CONSUMPTION AND PRODUCTION

13. CLIMATE ACTION
14. LIFE BELOW WATER
15. LIFE ON LAND
16. PEACE, JUSTICE AND STRONG INSTITUTIONS
17. PARTNERSHIPS FOR THE GOALS
BY 2030:

Sustainable business models could unlock $12 trillion in revenue and savings and create up to 380 million jobs.

*Business & Sustainable Development Commission*

The Paris Agreement will help to open up nearly $23 trillion in opportunities for climate-smart investments in certain emerging markets.

*IFC*

The world is expected to invest around $90 trillion in infrastructure.

*New Climate Economy*
Nine countries have or are expected to achieve the ‘middle-class effect’ between 2005 and 2030.

“Middle-class effect” occurs when average per capita income reaches $6,000 per year. At this point, consumption (real household expenditures) accelerates and contributes to further growth of the middle class.
RESOURCE LIMITS COULD PUT A BRAKE ON BUSINESS GROWTH

We are on track to triple our use of natural resources by 2050, posing a severe threat to economic and human security.

We must decouple use of natural resources and economic growth to contain our current overuse of water and land and drastically reduce our carbon emissions.

IUN International Resource Panel

- IGNORE resource limitations
- IMPROVE existing models
- EMBRACE new models
We need new business models that are not predicated on selling more stuff to more people.
SYSTEMIC CHALLENGES

CONSUMERS

DEVELOPED ECONOMIES

EMERGING ECONOMIES

BUSINESS

GOVERNMENT
CALL TO ACTION FOR BUSINESSES

It’s time to address the elephant in the boardroom. Normalizing the conversation on consumption will lead to new business models that meet demand within the planet’s limits in new and exciting ways.

Three recommendations for business leaders:

- **Do the math.** Can your business meet demand in 2050 without consuming more resources than it uses today? If not, what needs to change?

- **Take a leadership role** and change the conversation with customers, investors, policymakers and peers.

- **Transform your business** to one that will thrive in a resource constrained future. Look at circular economy, sharing economy and other innovations.
EXECUTIVE SUMMARY

There has been a sea change in business leadership on environmental and sustainable development issues over the past 20 years. Many CEOs speak “sustainability,” and many multinational companies have invested resources to build internal capacity on sustainability. It has become common for these companies to establish greenhouse gas emissions reduction targets and renewable energy goals and to address water risk and deforestation. Indeed, it is difficult to imagine how the historic Paris Agreement on climate change or the United Nations’ wide-ranging Sustainable Development Goals could have been cemented without the support of business.

However, underneath this welcome progress lies an uncomfortable truth: Most businesses’ growth is still predicated on more people buying more goods. The world will have more than 9 billion people by 2050, and the middle class will have swelled by 3 billion by 2050. On top of this, consumer expectations for yet more are being stoked by trends such as fast fashion. The rapid expansion of consumption-driven markets in the coming decades is the anticipated engine for continued business growth.

The problem is that the planet’s natural systems and finite resources cannot keep up. Studies cited in this paper show that we are already at or close to the limits of the planet’s ability to provide. A continuation of business as usual would mean not just a slight additional strain, but three times as much consumption of the planet’s already stressed resources.