



Low-carbon, socially aware business models key to sustainable development – UN



UNDP chief Helen Clark visiting Indonesia which aims to reduce its carbon emission by 26 per cent by 2020

28 April 2011 – The head of the United Nations Development Programme (<u>UNDP</u>) today urged businesses to transform their enterprises into low-carbon operations that are environmentally sound and benefit communities in order to remain profitable and sustainable.

"Business as usual, which leads to broken ecosystems and a warming climate, contributes to increasing economic volatility, and to higher costs and lower profitability of doing business," said Helen Clark, the UNDP Administrator, in a keynote address to the summit on business solutions for the environment, held in the Indonesian capital, Jakarta.

"Conversely, I believe that there will be significant business and livelihood opportunities, and a better future for us all, if we collectively commit to a sustainable course. The way we live and the way we do business needs to be aligned with achieving inclusive and low-carbon development," she added.

Miss Clark said she believes that, increasingly in global markets, goods and services with high carbon footprints and negative social costs will become less competitive and less desirable. She highlighted the proliferation of green certification systems as an indication that future markets will demand greater compliance with environmentally and socially responsible standards.

"Markets will adapt to those global frameworks which are agreed to by the international community," she said, citing as an example the Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization, which was adopted last year in the Japanese city of Nagoya.

She said the protocol established a groundbreaking new standard for ensuring that local communities and developing countries benefit more equitably from the proceeds and use of biological resources.

Miss Clark expressed UNDP's solidarity with the one billion people across the world who live in extreme poverty and rely on the environment in which they live for their livelihoods and primary assets. Preserving ecosystems is critical for their daily survival and that of humankind, she said.

She noted that the world's poor are the most vulnerable to the effects of environmental degradation, including severe floods and droughts, extreme temperatures and rising sea levels resulting from climate change.

"How to advance human development and progress for all those yearning for a better life, while also securing the future of our planet and its ecosystems, is one of the greatest challenges of our time."

The Administrator emphasized that inclusive and sustainable business models, as well as strong and capable government institutions and good policy, are key to achieving transformative solutions for the planet.

"But above that, we need vision and commitment from all stakeholders, and the passionate belief that we can transform living standards while also sustaining our environment. Developed countries have a heavy responsibility for cleaning up their act, and for supporting developing countries to advance human development in sustainable ways. We are all in this together."

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