



Vision 2050 and the Green Race towards it

FCSD Forum
March 31, 2011
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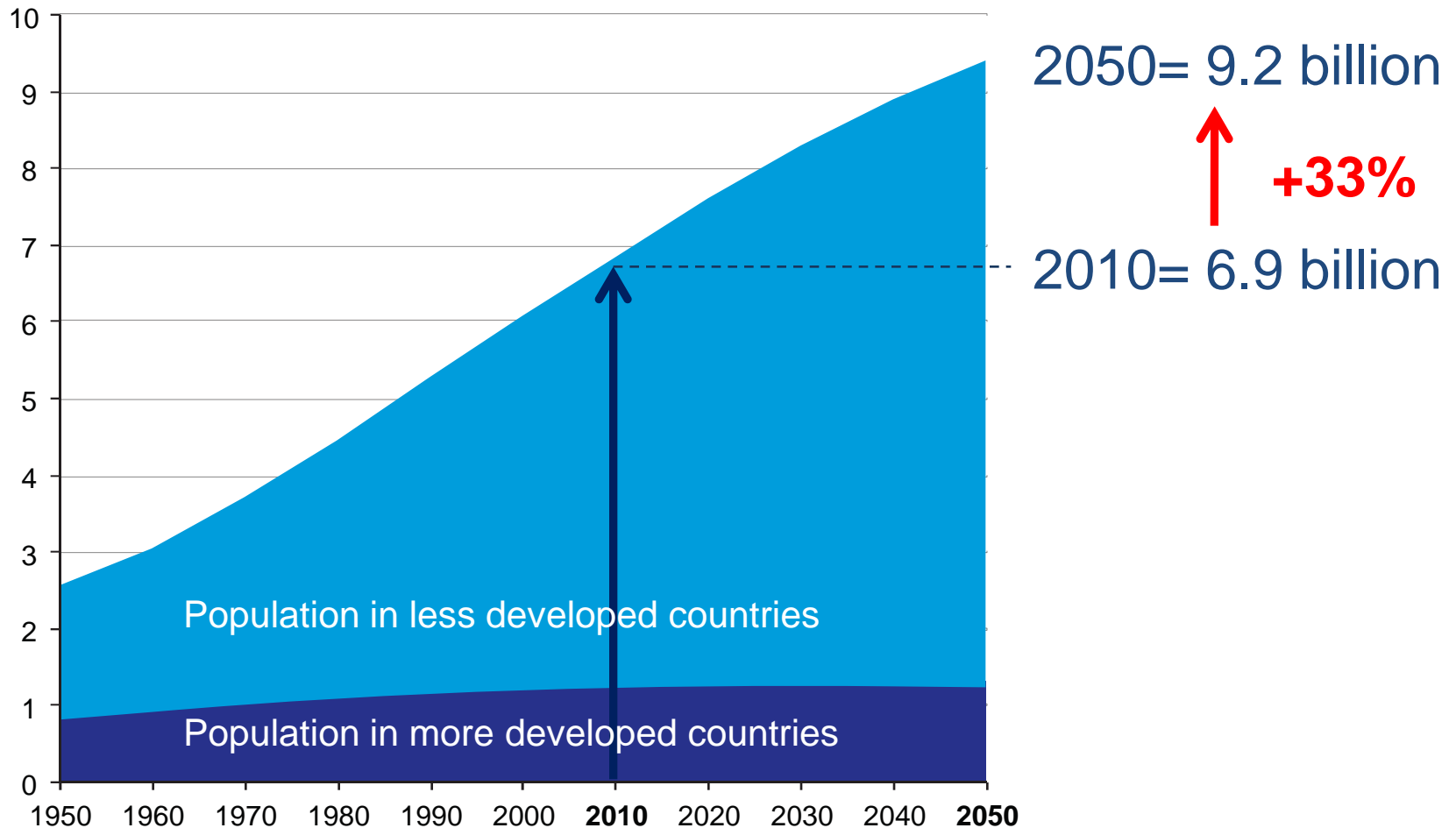


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The future society - a growth story

World population (in billions): 1950-2050





The poverty challenge

Income poverty

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

Energy poverty

1.6 billion people do not have access to electricity

Water poverty

By 2030 3.9 billion people will live in water stressed areas
(> 50% of the population)

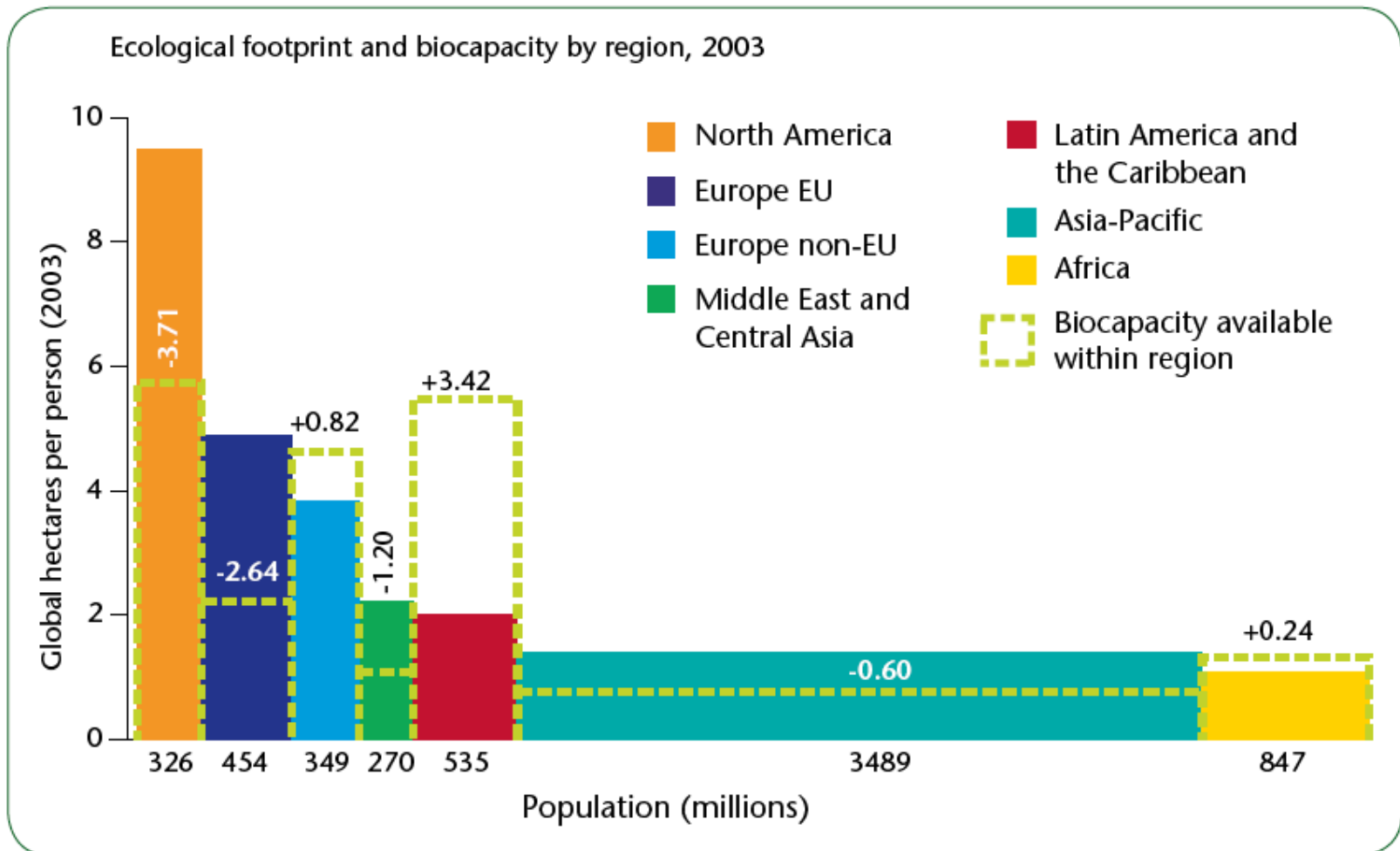
Resource poverty

Which Continents consume at rates beyond the available resources?



Resource poverty

(Over)consumption vs. bio-capacity





Vision 2050

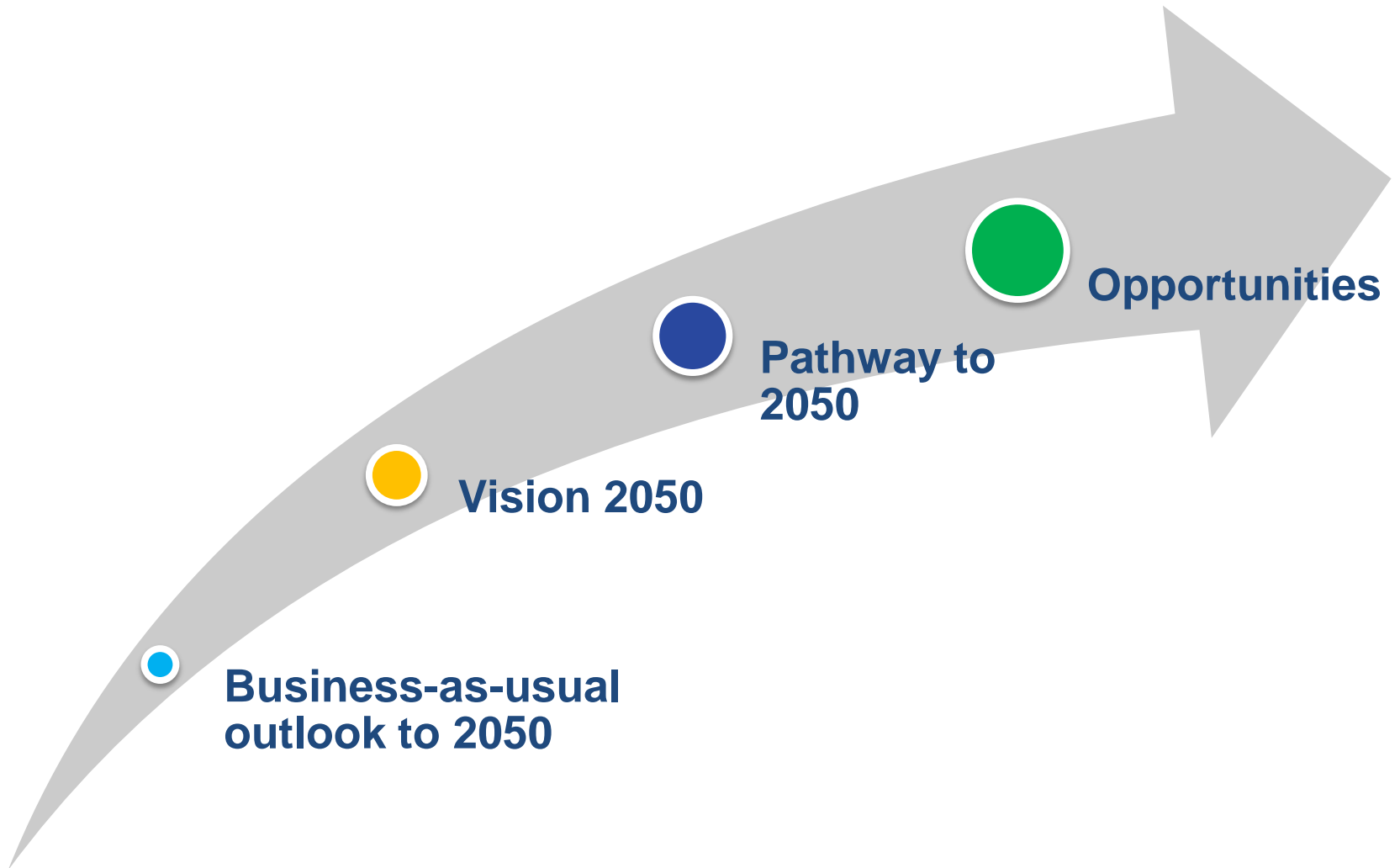
A platform for dialogue about the role of business in a resource & carbon constrained world



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From vision to opportunities





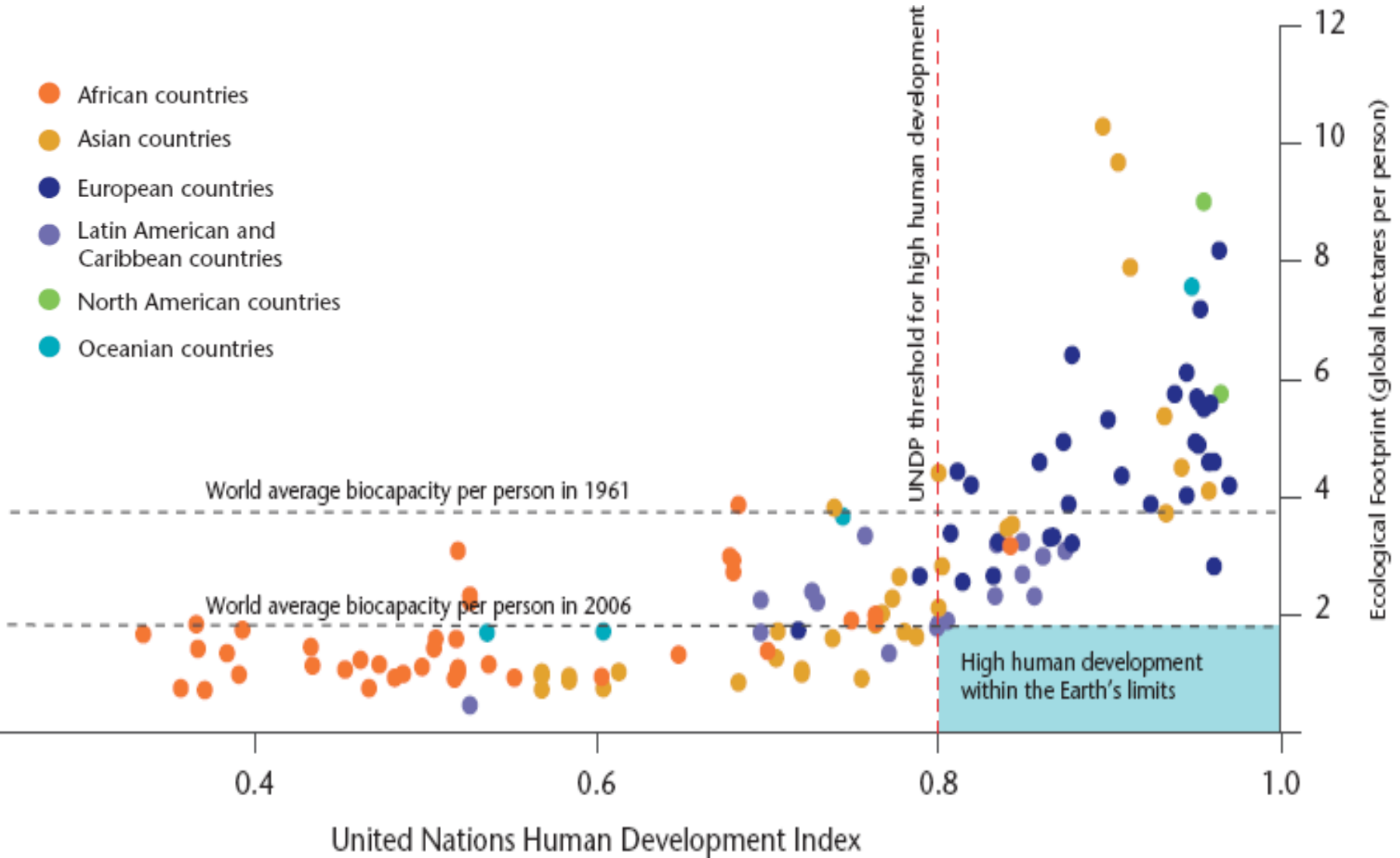
WBCSD Vision 2050

***In 2050, some 9 billion people live well,
and within the limits of the planet***



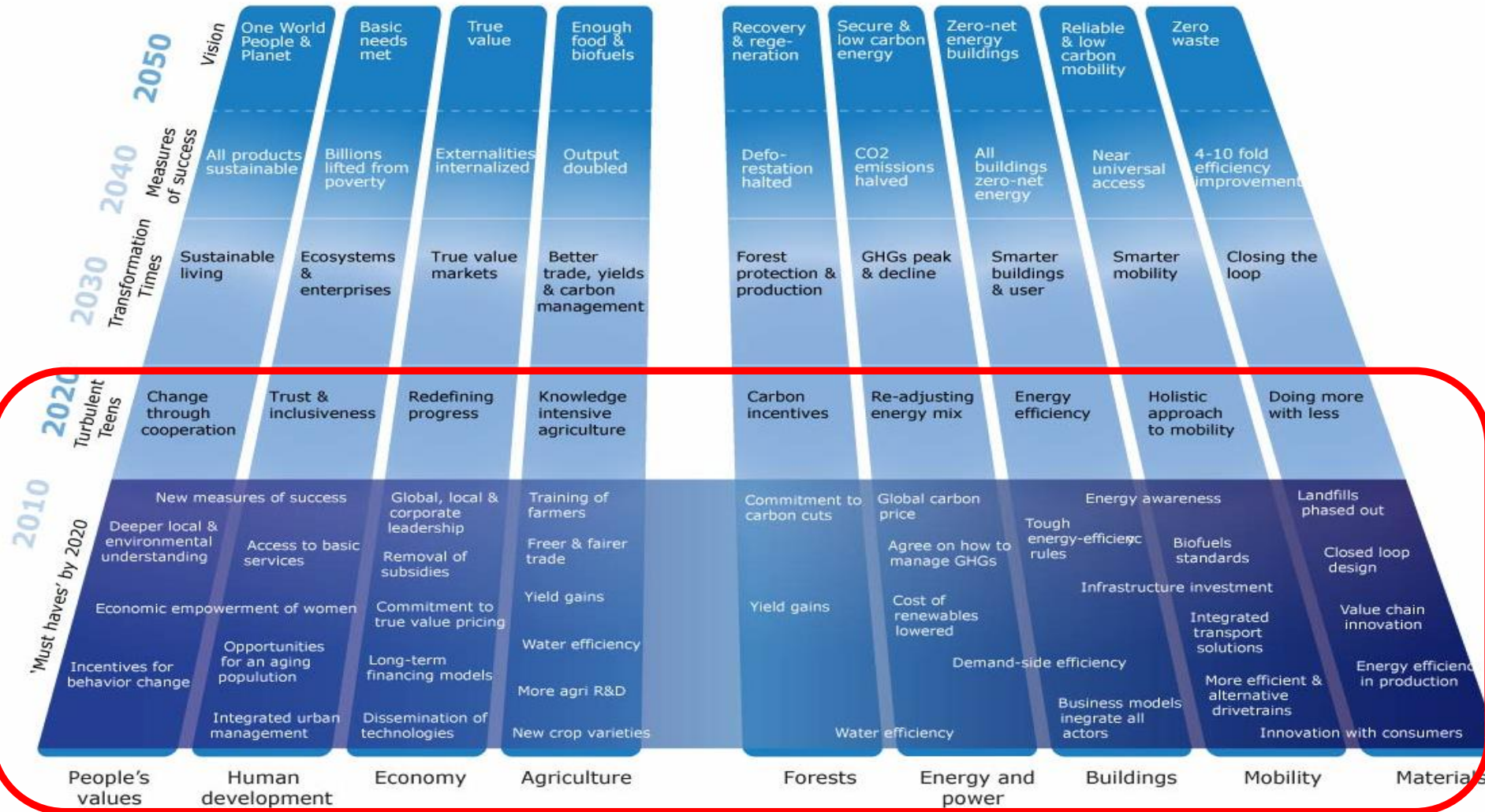
The underlying challenge

- African countries
- Asian countries
- European countries
- Latin American and Caribbean countries
- North American countries
- Oceanian countries



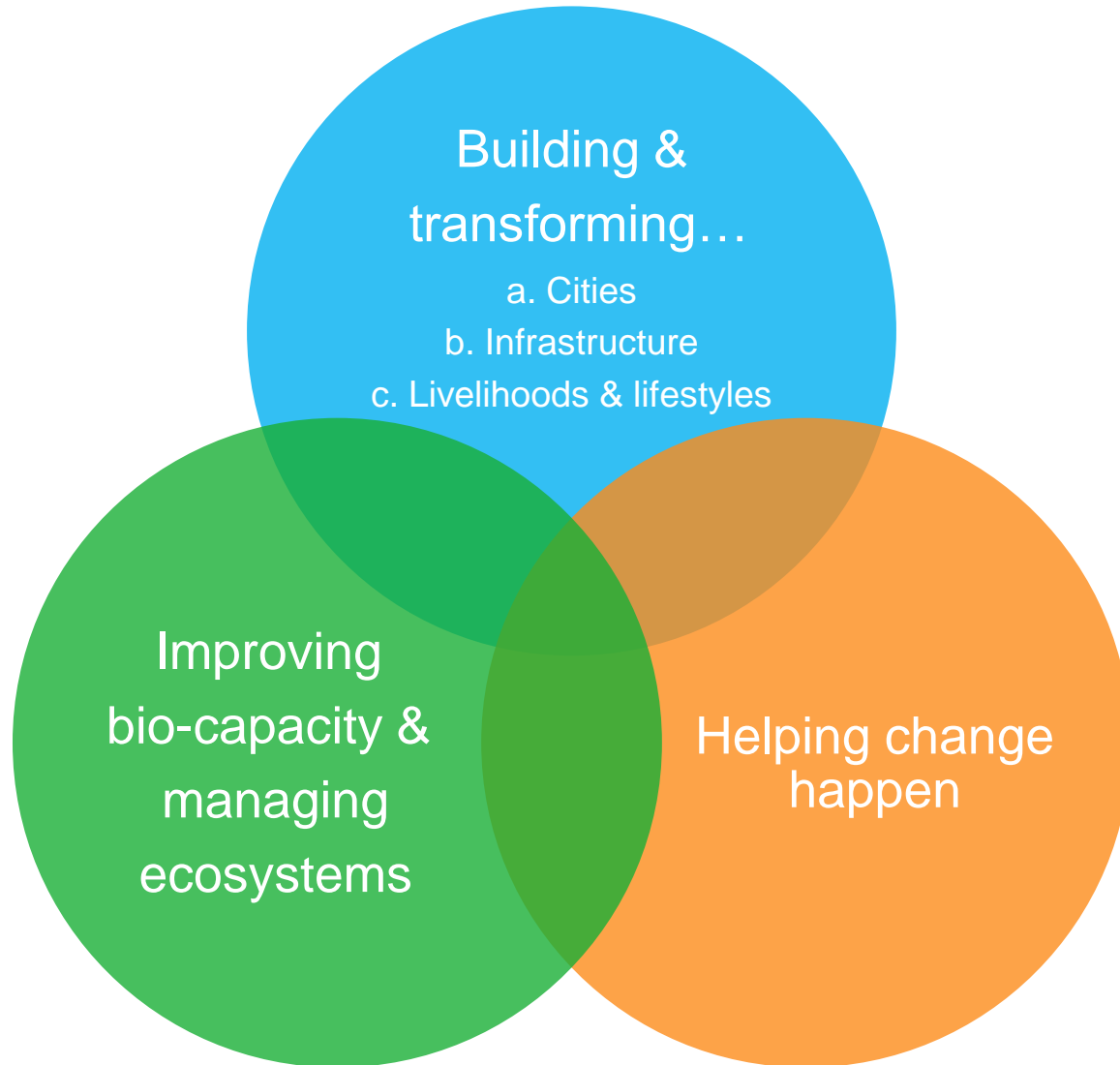


Vision 2050 Pathway - 9 elements and 2 time periods





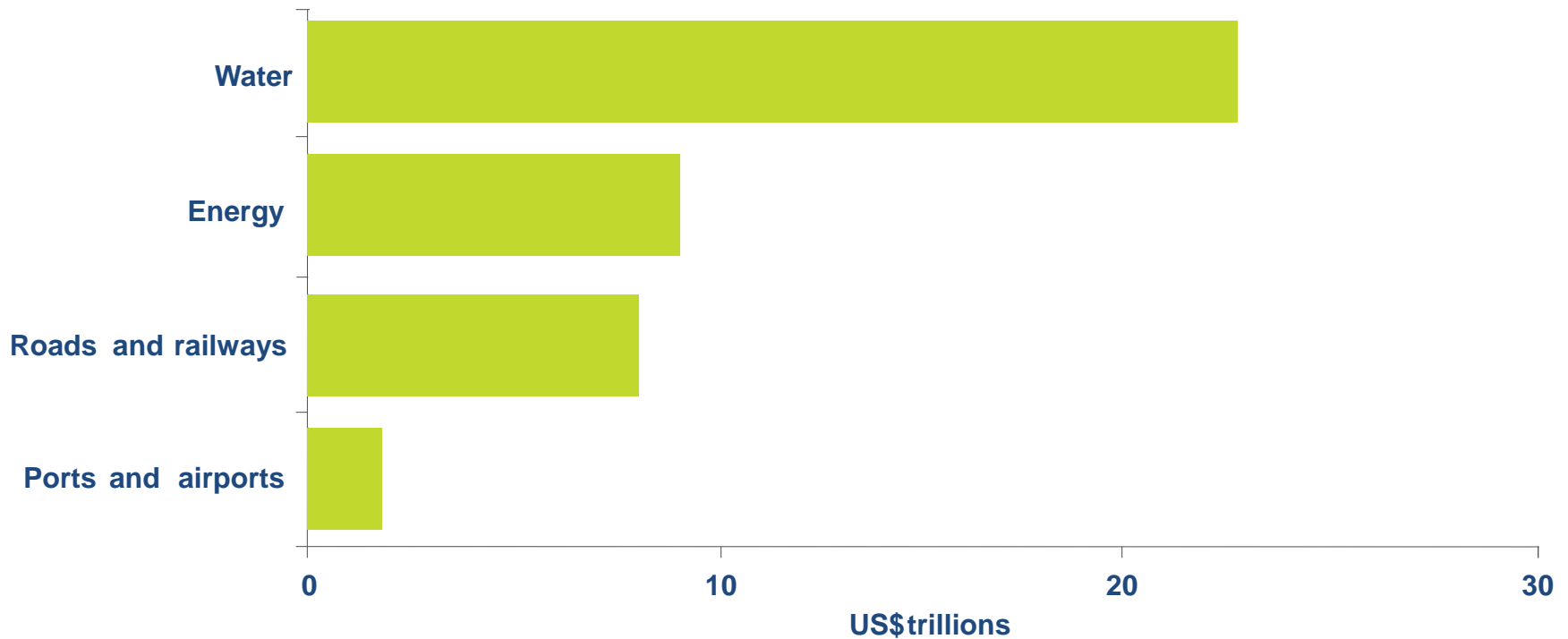
Opportunities in Vision 2050





Examples of the size of potential business opportunities

Investment requirements for urban infrastructure up to 2030



Source: Booz Allen Hamilton, *Strategy+Business*, n°46, 2007 (from Booz Allen Hamilton, *Global Infrastructure Partners*, World Energy Outlook, OECD, Boeing, Drewry Shipping Consultants, U.S. Department of Transportation)



The risks to achieving *Vision 2050*

Risks in the elements of the pathway

- People's values: Can we all agree?
- Economy: Swimming against the tide of mainstream economics
- Agriculture: Politics, water shortages could uproot the Green Revolution
- Forests: Is it too late already?
- Energy: Progress may be victim to power struggles
- Buildings: In a bad market incentives could fall
- Mobility: Will not become sustainable without a systemic approach
- Materials: Recycling can be expensive

Wild cards that could take the world off the Vision 2050 track

- New understanding of how the Earth works
- A World of new ideological blocs, failing states or resources war
- Disagreement on valuing the environment
- Unintended consequences of new technologies
- Extended economic recessions or economic depression
- Natural disasters



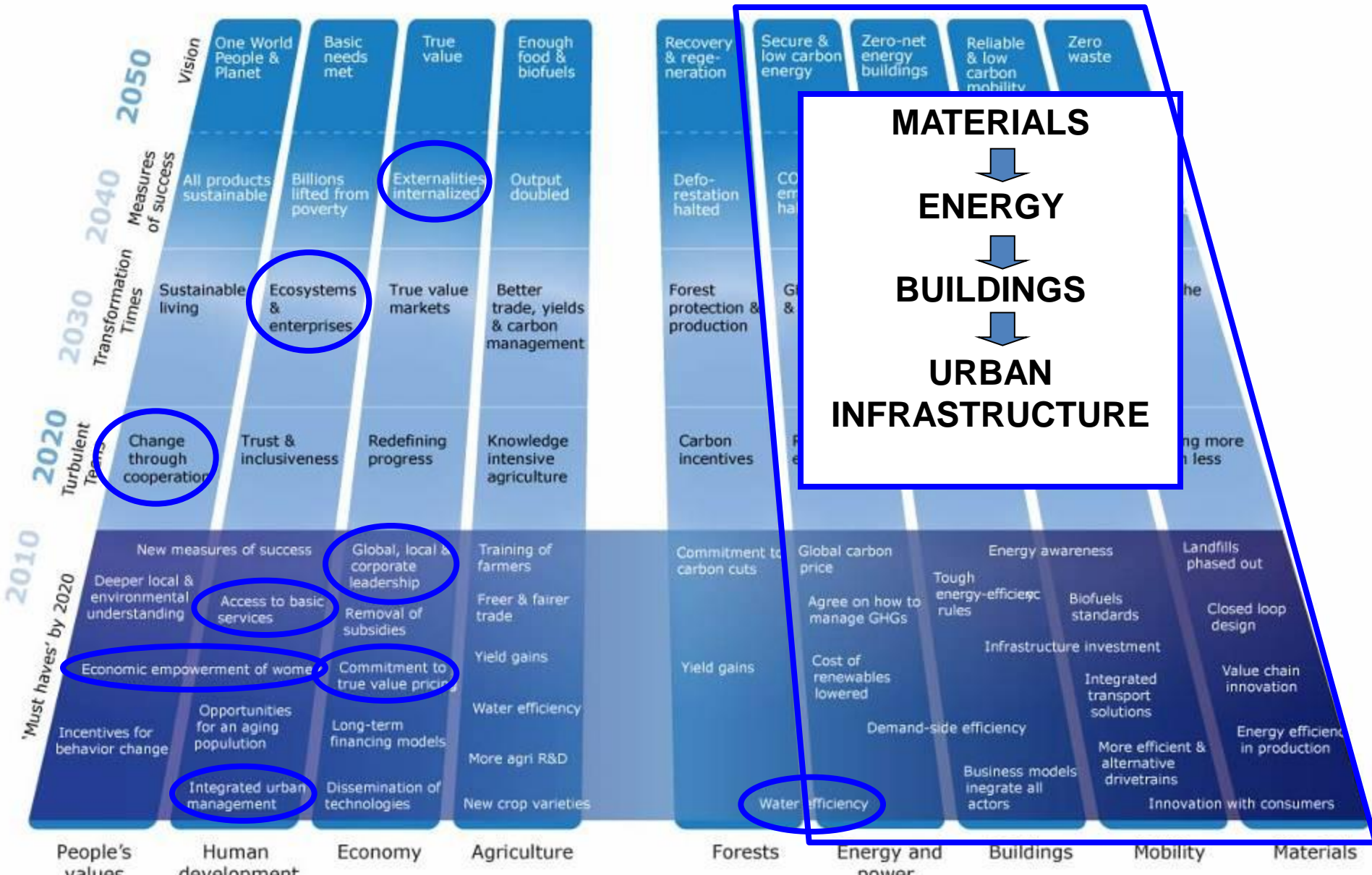
Vision in action



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A cement company





Corporate strategy

IUCN - biodiversity
ICRC – disaster relief
GTZ – co processing
guidelines

Affordable housing
Alternative
resources strategy

Collaboration
Build complex
coalitions, co-
innovation

Carbon & resources
Halve CO2
emissions, double
agricultural output, 4-
10 fold increase in
resource efficiency

Consumption
Change consumption
patterns to more
sustainable lifestyles

Costs
Internalize cost of
carbon, water & other
ecosystem services

Lowest net specific
CO2/ t of cement

Renewable energy
projects

Thermal energy
substitution

Rehabilitation
projects

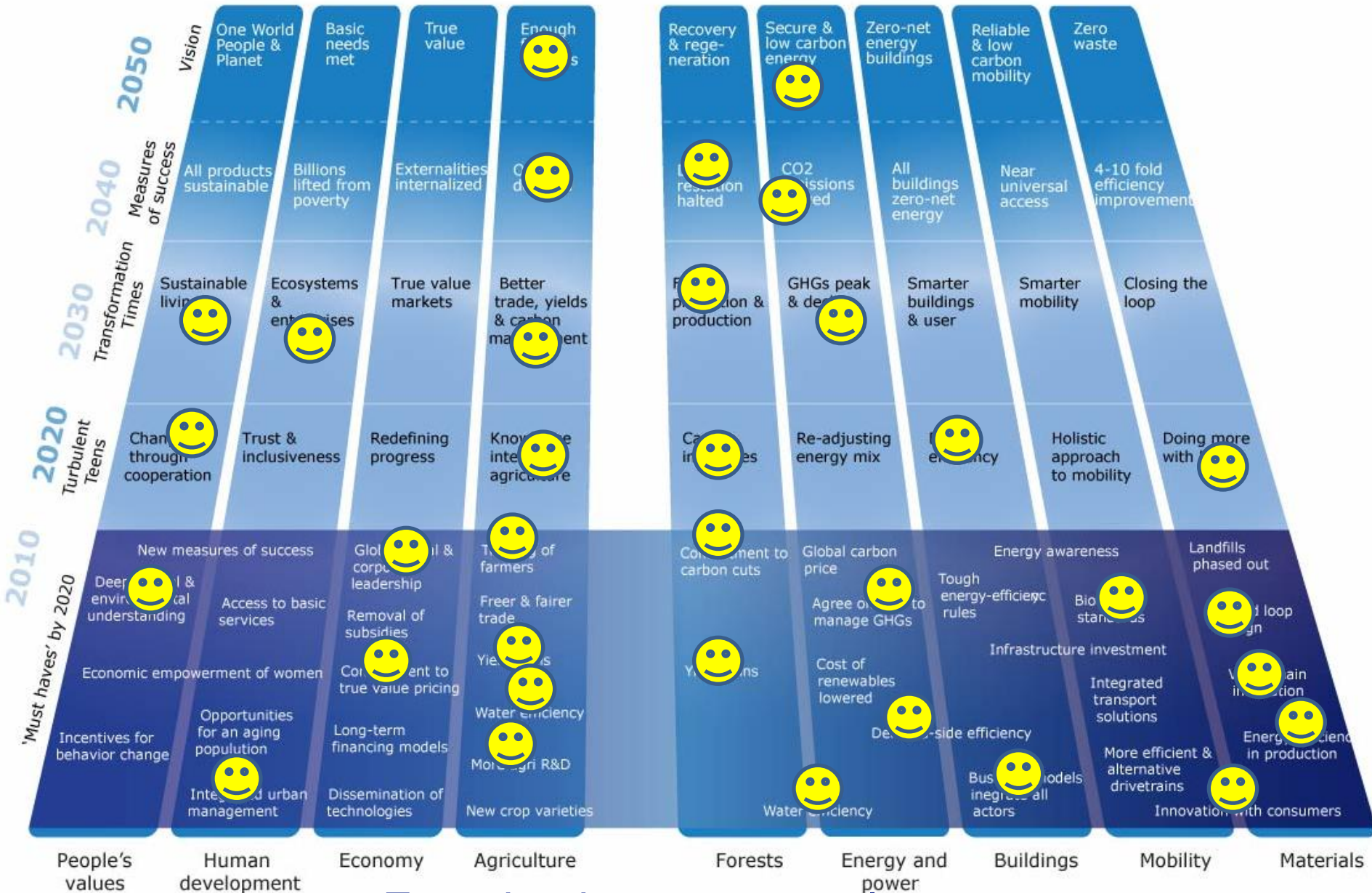
Ecosystem
Valuation Initiative



A Fertilizer Company

- Company Summit– Yearly strategy seminar
- 150 global executives
- Vision 2050 - key note speech and main topic in workshops

To a sustainable world in 2050



From business-as-usual



Corporate strategy – NHS example



<http://www.sdu.nhs.uk/sd> and the nhs/route-map/route-map-the-process.aspx



FLT 2010 Group projects

- **Collaborative Innovation** - Gather information and test theories of collaboration in the Vision 2050 opportunity spaces in the areas of (1) urban mobility and transportation and (2) buildings and infrastructure
- **Sustainability Matchmaker Tool** - Develop or identify a tool to facilitate collaboration and innovation among business by connecting potential collaboration partners and providing a means for them explore sustainability challenges and opportunities.
- **Strategic Sustainability Assessment Tool** – Create a tool designed to help organizations show the business value of sustainability projects and assist in supporting and selling projects within their companies.
- **Foreign Direct Investment for Sustainability** – Develop tools to identify the appropriate platform for dialogue and effectively promote the consideration of sustainability objectives often not on the agenda of private or public sector stakeholders involved in Foreign Direct Investment.



The Green Race is on



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New leaders emerge – an example

Rank August 2010 (rank May 2010)	Country	All Renewables
1 (1)	China	69
2 (1)	US	67
3 (3)	Germany	63
4 (4)	India	62
5 (5)	Italy	61
5 (5)	UK	61
7 (7)	France	58
8 (8)	Spain	56
9 (9)	Canada	53
10 (10)	Portugal	51

Source: Ernst & Young. Renewable energy country attractiveness indices (August 2010)



The value of ecosystems

Table 2: Emerging markets for biodiversity and ecosystems services

Market opportunities	Market size (US\$ per annum)	
	2008	Estimated 2050
Certified agricultural products	\$40 billion	\$900 billion
Certified forest products	\$5 billion	\$50 billion
Bio-carbon / forest offsets	\$21 million	\$10+ billion
Payments for water-related ecosystem services	\$5.2 billion	\$20 billion
Payments for watershed management	\$5 million	\$10 billion
Other payments for ecosystem services	\$3 billion	\$15 billion

Source: The Economics of Ecosystems & Biodiversity, TEEB for Business Executive Summary (2010)



The “Leader Board”



- Market leader today on green technology exports
- 300% increase in R&D for green technologies in 2009



- Poised to become the race leader, key component of next 5-Year Plan (2011-2015)
- Leader in clean energy investment; especially solar & wind



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



- Largest share of economic stimulus devoted to “green” sector (80%)
- Presidential Decree: Green New Job Creation Plan 2009



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



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



The Green Race among companies

- Consumers demand accountability and responsibility
- Resource constraints
- Business-As-Usual is no option



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