SDGs and Business: Realising the Opportunities

FSC General Assembly
Vancouver, October 2017
But also significant progress

Dramatic reduction in the number of poor in East Asia and Pacific

Current model of economic development has left a legacy of global burdens posing a mounting business cost and a barrier to growth.

Source: Business & Sustainable Development Commission (2017)
Business as usual is not viable

How to put a fragmented world on a sustainable path?
Sustainable Development Goals

A compelling new strategy for business to contribute to sustainable growth

1. No Poverty
2. No Hunger
3. Good Health
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Renewable Energy
8. Good Jobs and Economic Growth
9. Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace and Justice
17. Partnerships for the Goals
Sustainable Development Goals

The fundamental base for all SDGs is our base of natural capital
FOREST SOLUTIONS GROUP’S CONTRIBUTION TO 9 SUSTAINABLE DEVELOPMENT GOALS

FSG is a global platform for strategic collaboration among value chain partners in the forest products sector.

1. On average 96% of directly managed forests are certified for sustainable management.
2. On average only 30% of solid waste is sent to landfill.
3. On average 64% of total energy consumption comes from renewable sources.
4. On average 91% of the water running through production facilities is returned to the water source.
5. On average 3.0 lost-time accident frequency rate.
6. Women represent 25% of FSG members’ total workforce.
7. All FSG members invest in long-term biodiversity conservation programs.

Key Performance Indicators:
1. Landscapes, Forest Management & Fiber Sourcing
2. Resource Efficiency & Innovation
3. Energy & Climate
4. Water Stewardship
5. Health & Safety
6. Social Impact

Based on 2016 data.

All FSG members have taken actions to prevent child and forced labor in company and supplier network.
1. Strengthen resilience and adaptive capacity
2. Combat desertification, restore degraded land and soil
12.3 Halve per capita global food waste and reduce food losses
5. Build the resilience of the poor and those in vulnerable situations
2.4 Sustainable and resilient food production
2.3 Double the productivity and income of small scale food producers
2. Eradicate extreme poverty
2.a Increase investments in agriculture in developing countries
4. Increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater
1. Achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average
1. Reduce maternal mortality ratio
2. End preventable deaths of newborns and children under 5 years of age
13. Climate action
1. Eradicate extreme poverty
Business needs a business case to engage with the SDGs and incorporate them into business strategies.

- Launched at the World Economic Forum in January 2016 by Paul Polman, CEO of Unilever, and Lord Malloch Brown, former UN Deputy Secretary-General.

- Brings together multiple leaders from business and civil society. Commissioners include Peter Bakker (CEO of WBCSD) and Sunny Verghese (Group CEO of Olam International).

- Report launched in January 2017 and defines a compelling economic business case to engage with the SDG agenda.

- The report articulates the potential market opportunity associated with achieving the goals and presents new business and financing models that will help to accelerate the transition.

*Source: Business & Sustainable Development Commission (2017)*
Translating global needs and ambitions into business solutions – with a sizeable economic prize

Source: Business & Sustainable Development Commission (2017)
### Market “hotspots” across the 4 systems

<table>
<thead>
<tr>
<th>Food and Agriculture</th>
<th>Cities and Urban Mobility</th>
<th>Energy and Materials</th>
<th>Health and Well-being</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Reducing food waste in value chain</td>
<td>Affordable housing</td>
<td>Circular models - Automotive</td>
<td>Risk pooling</td>
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<tr>
<td>2 Forest ecosystem services</td>
<td>Energy efficiency-buildings</td>
<td>Expansion of renewables</td>
<td>Remote patient monitoring</td>
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<tr>
<td>3 Low-income food markets</td>
<td>Electric and hybrid vehicles</td>
<td>Circular models - Appliances</td>
<td>Telehealth</td>
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<tr>
<td>4 Reducing consumer food waste</td>
<td>Public transport in urban areas</td>
<td>Circular models - Electronics</td>
<td>Advanced genomics</td>
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<tr>
<td>5 Product reformulation</td>
<td>Car sharing</td>
<td>Energy efficiency. Non-energy intensive industries</td>
<td>Activity services</td>
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<tr>
<td>6 Technology in large scale farms</td>
<td>Road safety equipment</td>
<td>Energy storage systems</td>
<td>Detection of counterfeit drugs</td>
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<tr>
<td>7 Dietary switch</td>
<td>Autonomous vehicles</td>
<td>Resource recovery</td>
<td>Tobacco control</td>
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<td>8 Sustainable aquaculture</td>
<td>ICE vehicle fuel efficiency</td>
<td>End-use steel efficiency</td>
<td>Weight management programs</td>
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<tr>
<td>9 Technology in smallholder farms</td>
<td>Building resilient cities</td>
<td>Energy efficiency-Energy intensive industries</td>
<td>Better disease management</td>
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<td>10 Micro-irrigation</td>
<td>Municipal water leakage</td>
<td>Carbon capture and storage</td>
<td>Electronic medical records</td>
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<tr>
<td>11 Restoring degraded land</td>
<td>Cultural tourism</td>
<td>Energy access</td>
<td>Better maternal and child health</td>
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<tr>
<td>12 Reducing packaging waste</td>
<td>Smart metering</td>
<td>Green chemicals</td>
<td>Healthcare training</td>
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<tr>
<td>13 Cattle intensification</td>
<td>Water &amp; sanitation infrastructure</td>
<td>Additive manufacturing</td>
<td>Low-cost surgery</td>
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<td>14 Urban agriculture</td>
<td>Office sharing</td>
<td>Local content in extractives</td>
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<tr>
<td>15</td>
<td>Timber buildings</td>
<td>Shared infrastructure</td>
<td></td>
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<tr>
<td>16</td>
<td>Durable and modular buildings</td>
<td>Mine rehabilitation</td>
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<tr>
<td>17</td>
<td></td>
<td>Grid interconnection</td>
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</tbody>
</table>

Source: Business & Sustainable Development Commission (2017)
Unleashing innovation for sustainable growth

Delivering new products, services, processes and solutions

<table>
<thead>
<tr>
<th>Largest opportunities</th>
<th>Size of incremental opportunity in 2030(^1) $ billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility Systems</td>
<td>2,020</td>
</tr>
<tr>
<td>New Healthcare Solutions</td>
<td>1,650</td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>1,345</td>
</tr>
<tr>
<td>Clean Energy</td>
<td>1,200</td>
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<tr>
<td>Affordable Housing</td>
<td>1,080</td>
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<tr>
<td>Circular Economy Manufacturing</td>
<td>1,015</td>
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<tr>
<td>Healthy Lifestyles</td>
<td>835</td>
</tr>
<tr>
<td>Food Loss &amp; Waste</td>
<td>685</td>
</tr>
<tr>
<td>Agricultural Solutions</td>
<td>665</td>
</tr>
<tr>
<td>Forest Ecosystem Services</td>
<td>365</td>
</tr>
<tr>
<td>Urban Infrastructure</td>
<td>355</td>
</tr>
<tr>
<td>Buildings Solutions</td>
<td>345</td>
</tr>
<tr>
<td>Other</td>
<td>735</td>
</tr>
</tbody>
</table>

*Source: Business & Sustainable Development Commission (2017)*
Rest of developing Asia includes Central Asia (e.g., Uzbekistan), South Asia (e.g., Bangladesh), Southeast Asia (e.g., Laos), and North Korea.
The **CEO Guide to the SDGs** sets out clear actions that CEOs can take to begin to align their organizations with the SDGs and plot a course towards unlocking the value they represent.
Launch of public consultation process

Thursday 12 October 2017
19:00 – 21:00
At PWC Offices in Vancouver
Better align financing conservation and agri production

International public funding conservation
- UN-REDD Programme
- Norwegian Ministry of Climate and Environment

Domestic public funding conservation & agri production
- Ministry of Environment
- Ministry of Finance
- Ministry of Agriculture

International companies & private finance
- HSBC
- BNP PARIBAS
- Tesco
- Walmart
- Carrefour
- Danone
- Unilever
- Norbord
- Olin
- Olam

Reduce deforestation/degradation, restore degraded land & manage forests sustainably
Thank you

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wbcSD forest solutions