

GREEN WEEK

Speaking notes for Angela CROPPER, Deputy Executive Director UNEP

DECOUPLING ECONOMIC GROWTH FROM ENVIRONMENTAL DEGRADATION – THE CRUCIAL ROLE OF RESOURCE EFFICIENCY

1. We witness a new global awareness and sense of urgency about the state of the world's resource base, and its associated concerns for the economy (scarcity, prices), environment (life cycle based impacts: extraction, transport, manufacturing, recycling, waste), and the social pillar of environment (achievement of Millennium Development Goals);
2. The numbers of reports and articles is exploding. It all boils down to the fact that with more and more people on this planet, with more and more needs, causing more and more resource use, we face enormous challenges for the environment and the economy. More than thirty years after the Club of Rome's early warnings, we now indeed see more clearly than ever the economic, environmental and social limits to our current consumption and production patterns.

Resource Efficiency a priority for UNEP

3. The current resource crisis is a major emerging challenge that we have to face. It has its impact on us all. The way we consume and produce and how we lead our lives. My concern goes foremost to the poor. The mother in the suburbs of Rio de Janeiro, the hard working farmer in Ghana, and all those millions of others who for decades have been struggling to make ends meet and now face even tougher conditions. Our global efforts to eradicate poverty and ensuring dignity for all, as targeted through the Millennium Development Goals are directly at stake.
4. It is in this light certainly not a coincidence that only a few months ago, in our last Governing Council meeting in Monaco, Resource Efficiency (RE) was welcomed as one of the six crosscutting priorities of the Medium Term Strategy for UNEP. I would like to

point out however that it is important to define resource efficiency in a precise manner. You can very *efficiently* pollute the environment. And we can all very *efficiently* live our lives and increase our wealth, while others keep living in misery. But that does not bring about the goals we want. We rather must seek to use natural resources in a manner which maximises the useful goods and services we derive from those resources, while minimising the depletion of our natural capital and any pollution associated with that resource use. We have called our priority 'RE/SCP'. The SCP stands for Sustainable Consumption and Production. We believe that RE is not a goal in itself, rather an approach by which we can achieve the ultimate goal of SCP.

5. Resource efficiency means reducing the environmental impact of the consumption and production of goods and services over their full life cycle. The 'doing more with less' slogan indicates the focus on *more* outputs with *fewer* impacts (fewer resources, less pollution, fewer impacts on the conditions of poor people). Efficiency gains do however not guarantee that the overall outcome stays within the ecological carrying capacity of the Earth. Influencing the demand side is therefore another prerequisite for sustainable development. It will only be by a combination of resource efficiency and resource *sufficiency* measures that the ultimate goal of sustainable consumption and production patterns can be achieved.
6. It is indeed timely to recognize, as our Executive Director Achim Steiner has said, that “there are more inconvenient truths that need to be addressed.” The world cannot achieve sustainable economic growth with old fashioned consumption and production patterns. Companies will have to accelerate the trends of polluting less and of designing, producing and marketing better products and services. Consumers have to get used to the fact that environmental concerns are as important in their daily choices as considerations of price, convenience and quality. And governments and civil society have a key role to play in inspiring such a process.
7. The policy response should not be advocating a return to the past, consuming less, nor asking others to *not* want the welfare we have enjoyed for decades. Doubling or quadrupling economic growth, as some countries may need to achieve, can simply not be

achieved with the current consumption and production patterns. And this calls for decoupling. Breaking the links between economic growth and environmental degradation is a necessity. We have to do it better - with the knowledge of today - and we have to help others to do so as well. From the throw-away society towards a circular economy or a '3R' society. From wasting resources to re-using and recycling them. In short, closing the loops everywhere. And removing the obstacles to do so.

8. UNEP is in the process of developing a new organisation wide strategy to enhance resource efficiency, aiming to achieve this goal by stimulating both the supply of and demand for sustainable products. The strategy will combine activities which support the development and implementation of government policies and private sector actions which:
 - increase resource efficiency and reduce pollution over product life cycles and along supply chains; and
 - increase investment in efficient, clean and safe industrial production methods through public policies and private sector actions.
9. The provision of information and use of market-based instruments (such as eco-labels) which help *consumers choose* more resource efficient and environmentally friendly products will also be supported, to promote more sustainable consumption patterns.
10. In collaboration with its partners UNEP will achieve these goals by (i) strengthening and communicating the knowledge base for resource efficiency and SCP; (ii) building governmental capacity to develop and apply regulations, public policies, economic instruments and financial mechanisms to promote more resource-efficient development patterns and economic enterprises; (iii) strengthening its partnerships with the private sector and other stakeholders to increase investments in resource efficiency and bring more sustainable products to the market place; and (iv) work with governments, the media and business in making more information available to consumers to make sustainable consumption choices.

The International Panel for Sustainable Resource Management and the Marrakech Process

11. Within this broader strategy on resource efficiency there are two initiatives to which I would particularly like to draw your attention. The recently established International Panel

for Sustainable Resource Management focuses very much on the scientific and technical challenges of decoupling economic growth from environmental degradation. Here in Green Week, I want to thank the European Commission for its initiative and support in establishing this panel. The idea emerged through the Thematic Strategy on the Sustainable Use of Natural Resources, in December 2005, and we can now see that we have turned the idea into a solid and broadly supported international initiative. Supporting governments for the International Panel for Sustainable Resource Management are China, Canada, South Africa, Russia, Japan, Egypt, Tanzania, Norway, as well as Finland, Netherlands, Italy, Germany, Hungary and ... last but not least: the European Commission. And civil society is represented by IUCN, ICSU, and WBCSD. Based upon solid and authoritative scientific assessments of key resources on the global level, the Panel will contribute to a better understanding of how to bring decoupling about.

12. The Marrakech Process is a timely effort, supported by many governments and other stakeholders, from both developed and developing countries. The main objectives of the Marrakech Process are to promote and support the implementation of SCP projects and to elaborate a 10-Year Framework of Programmes on SCP, which will be reviewed by the Commission on Sustainable Development in 2011 (at the CSD19). The 10YFP is meant to be a *Global Framework for Action on SCP*, which will support the shift towards a sustainable societies as well as contribute to the goal of decoupling.

13. During the last five years, the Marrakech Process has made progress in bringing in more political commitment and institutional support on SCP. Regional strategies have been developed and endorsed by regional inter-governmental organisations in Africa and Latin America. The European SCP Action Plan should also prove to be an important contribution to the Process. The Marrakech Task Forces are proving to be interesting vehicles for North-South cooperation, for developing SCP tools and for implementing demonstration projects.

14. Outputs from these regional strategies and the task forces are showing that SCP is not only a issue for industrialised countries, but also offers increasing economic and environmental opportunities for developing countries. These include the opportunity to leapfrog to

sustainability, thus avoiding resource inefficient and environmentally damaging development paths, as well as opportunities to access new and growing markets for sustainable products in developed countries. The political endorsements and technical experience being generated by these Marrakech mechanisms are already building support for the implementation of the 10 YFP beyond 2011.

15. The development of the ten-year framework on Sustainable Consumption and Production has entered its decisive phase, with the fast approaching review at the Commission for Sustainable Development during the 2010/2011 CSD cycle. The main goals are to define the key international programmes that will constitute the framework, and will help us in achieving decoupling. Much work remains to be done, at both technical and policy levels to define and implement the actions and policies needed to achieve this decoupling. However, I am confident that with the establishment of new mechanisms like the Resource Panel, the development of a UNEP wide strategy on resource efficiency, and the deepening engagement of a broader range of public and private stakeholders in efforts to achieve SCP, we can succeed in meeting this crucial challenge.