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ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

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The state of the planet is getting worse but for many it's still “business as usual”

**Industry and the environment – achievements, unfinished business and future
challenges**

Global launch of 22 Industry Reports prepared for the 2002 World Summit on Sustainable Development

PARIS, 15 May 2002 - There is a growing gap between the efforts of business and industry to reduce their impact on the environment and the worsening state of the planet, a new report by the United Nations Environment Programme (UNEP) reveals today.

This gap, says UNEP, is due to the fact that in most industry sectors, only a small number of companies are actively striving for sustainability, i.e. actively integrating social and environmental factors into business decisions. And, secondly, because improvements are being overtaken by economic growth and increasing demand for goods and services: a phenomenon known as the “rebound effect.”

The new findings appear in the UNEP overview report *10 years after Rio: the UNEP assessment*. This overview report assesses progress to date by industry on sustainability issues. It draws on the 22 global sustainability reports written by different industry sectors ranging from accounting and advertising to waste and water management. This collection of reports is known as the *Industry as a Partner for Sustainable Development* series.

“Today, we are still confronted with worsening global trends related to environmental problems like global warming, loss of biodiversity, land degradation, air and water pollution,” said Klaus Toepfer, UNEP’s Executive Director. “Some companies have risen to the challenge. Such efforts need to be acknowledged and applauded.”

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“However,” Toepfer continued, “The new reports clearly show that progress since Rio has been uneven within and amongst industry sectors and countries. Despite many good examples of how industries are reducing waste and emissions, becoming more energy efficient, and helping poor communities to meet their basic needs we have found that the majority of companies are still doing business as usual.”

Congratulating those that have worked with UNEP to produce the industry sector reports, Toepfer said, “The industry associations, and others that embarked on this reporting process with UNEP, are to be congratulated for their first attempt at compiling a global sustainability progress report for their sector.”

Each report, written by industry representatives in an unprecedented cooperation with the UN, labor and non-governmental organizations, looks at achievements, unfinished business and future challenges with respect to implementing Agenda 21 – the global action plan to save the planet that was agreed to at the Rio Earth Summit in 1992.

In response to the findings, UNEP has identified priority areas for business and industry and suggests a number of recommendations. These include: spreading the use of “best practices” that bring “triple dividends” – economic, environmental and social; greater integration of environmental and social criteria into mainstream business decision-making; and improving the implementation and monitoring of voluntary initiatives and industry self-regulation.

All the sector reports highlight the crucial role of governments, combining regulatory, economic and voluntary instruments, in spurring social and technological innovation, and in ensuring that laggard or negligent companies do not benefit at the expense of those investing in best practices.

“Significant efforts have been made by participating industries in reducing their ecological footprint,” said Jacqueline Aloisi de Larderel, UNEP’s Assistant Executive Director and director of the team that helped produced the reports. “But, it is in industry’s own self-interest to do more to spread best practice and raise the performance levels of all its members everywhere. Not enough companies, particularly small and medium-sized ones are leading the way and there is insufficient monitoring.”

Other recommendations from UNEP include the development of “sustainable entrepreneurship” in less developed countries as part of the wider goal to combat poverty, and the need to expand and support environmental and sustainability reporting.

“Since Rio,” Mrs Aloisi de Larderel continued, “more than 2000 companies have issued reports on their environmental performance, but corporate sustainability reporting is still a minority practice in many industries and countries, particularly where legal frameworks or public pressure is weak.”

Stressing the growing disparity among world regions and the need to make corporate environmental and social responsibility a reality, she said, “There is a growing awareness among business and industry that the social side of global sustainable development needs to be taken into account alongside environmental and economic aspects. The industry reports need to be seen as part of a long-term process of dialogue and what matters is not so much the past, but the direction in which we are heading.”

Progress

On the positive side, the reports reveal an increased awareness by industry of environmental and social issues. In many cases this is reflected by more environmental reporting and the development and use of tools like ISO 14000, life-cycle management and voluntary commitments to integrate sustainability into business strategies and activities.

In some cases, this awareness can be seen in improved environmental performance. This is especially true in areas like cleaner production and waste minimization where there have been significant advances over the last ten years driven largely by business self-interest in reducing treatment costs and increasing competitiveness.

For example, the aluminium industry reports that recycled metal now satisfies about a third of world demand for aluminium. It says that total recycling of aluminium in the form of beverage cans show rates that range from 79 % in Japan and 78 % in Brazil to 62 % in the US and 41 % in Europe.

In another example, the iron and steel industry reports that by recycling nearly 300 million tonnes of scrap each year, they do not have to extract 475 million tonnes of natural iron bearing ore. They estimate that this saves the energy equivalent of 160 million tonnes of hard coal.

On the down side increased economic activity and the associated rise in consumption means waste generation rates per capita continue to increase around the world. New “throw-away” products continue to be introduced by industry to meet changing consumer needs and expectations, with little or no consideration of sustainable development beyond short-term economic gain.

The waste industry example is repeated in other reports and the clear message emerges: growing consumption levels are overtaking environmental gains.

Future challenges

In their reports, some industry sectors have outlined specific targets to reduce their impact on the environment and support sustainable development. For example, the Refrigeration industry wants, “to develop more environmentally friendly, energy efficient vapor compression systems with ambitious objectives: reduction of energy consumption by 30 to 50 percent and reduction of refrigerant leakage by 50 per cent.”

While the chemicals industry says it will, “Develop and implement a core set of quantitative indicators of performance towards achievement of sustainable development.” And the Advertising sector wants to “Find brand champions for sustainability.”

Some reports put emphasis on “best practice.” The Electricity report says “electric power companies should implement Guidelines for Best Practices to improve their operations and reduce environmental impacts.” And the Food and Drink sector calls for “better global co-ordination... in order to share best practices and to facilitate progress on sustainability, and that sustainable agricultural practices need to be fully supported so that they become increasingly systematic and globally widespread.”

Others sectors keep their future challenges and commitments more general. The automotive sector says it will “further enhance the ecological efficiency of vehicles throughout the entire life-cycle.” The Aluminium report is “committed to increasing global recycling rates.” While the coal industry highlights “furthering the development and deployment of cleaner coal and carbon sequestration technologies worldwide” and the construction report calls for “further reducing CO2 emissions in the built environment through the development and integration of renewable energy technologies.”

“Industry is a key partner for sustainable development,” says Klaus Toepfer. “We rely on industry, not only for reducing the environmental impacts of the products and services it provides us with, we also increasingly depend upon industry for the innovative and entrepreneurial skills that are needed to help meet sustainability challenges.”

“In a world increasingly interconnected economically, environmentally and socially this will require not only partnerships with governments and civil society, but also for industry to be fully transparent about its level of progress. This UNEP-facilitated reporting initiative is an important step toward reaching this goal,” he said.

The 22 reports cover the following industry sectors: Accounting, Advertising, Aluminium, Automotive, Aviation, Chemicals, Coal, Construction, Consulting engineering, Electricity, Fertilizer, Finance and insurance, Food and drink, Information & communications technology, Iron and steel, Oil and gas, Railways, Refrigeration, Road transport, Tourism, Waste management and Water management.

They have been prepared as a specific input to the World Summit on Sustainable Development, scheduled to take place in Johannesburg, South Africa, from 26 August to 4 September 2002.

Please note: The UNEP overview report and the 22 individual sector reports are available on the Web at:

<http://www.uneptie.org/outreach/wssd/publications/publications.htm>

Note to journalists: The reports will be launched at a press conference in Paris on May 15. For more information contact: Robert Bisset, UNEP Press Officer and Europe Spokesperson on tel: +33-1-4437-7613, mobile: +33-6-2272-5842, email: robert.bisset@unep.fr

Note to Editors

UNEP launched the sector-specific reporting process at its 17th Annual Consultative Meeting with Industry Associations, held in Paris in September 2000.

More than 400 individuals, representing business and industry, international organisations, academic institutions, labour and non-governmental organisations, have been involved with the preparation of the reports. The process was made possible thanks to a financial contribution of the French Ministry of the Environment.

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