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# A CHOICE OPPORTUNITY

Rio+20 looms near, offering the best chance for the world to unite and create a comprehensive plan for a sustainable future. Global businesses will play an integral role in the discussion—and the resulting action.

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he world's population surpassed 7 billion last year. It's expected to increase another 30 percent over the next 40 years, while natural resources dwindle and environmental conditions decay. That's a problem that can't be disguised euphemistically as a "challenge," and Rio+20, the U.N. Conference on Sustainable Development, June 20–22 in Rio de Janeiro, promises to define a path to a safer, more equitable, cleaner, greener and more prosperous world. After the conference, a big choice between action and inaction looms for the global community.

While Rio+20 is hotly anticipated, the business community hasn't idled during the 20 years since the Earth Summit in Rio. In fact, in many ways, global businesses have been on the leading edge of the sustainability issue. On the western tip of Java, for example, one can find PT Indah Kiat Pulp and Paper–Serang Mill, owned by Asia Pulp & Paper (APP), and



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one of the first mills in Indonesia to have installed an innovative new wastewater treatment system that will not only boost the mill's environmental performance, but also allow the facility to increase production capacity. The initiative is yet another clear example that emission reductions can help spur economic growth, and that profits and sustainability can function as one.

Perpetually on the cutting edge of water management, APP's newest technology extracts methane from wastewater and upgrades operational efficiencies. APP calls its new process the Combined Waste Water Treatment System, and it deploys a novel one-two punch of a standard aerobic system, commonly used in almost all industries worldwide, and an advanced anaerobic system, which reduces both emissions and energy consumption.

The wastewater treatment system will not only spur improvement in the quality of the wastewater effluent, but will also reduce greenhouse gas production and replace it with energy-rich biogas, stemming from the anaerobic system, that the mill will capture and leverage to reduce energy consumption during the production process.

To further demonstrate its zealous commitment to water management, APP is using its position as chair of the Indonesia Water Mandate (IWM) Working Group to boost public awareness of the urgency of responsible water management, which includes collaboratively addressing water issues. The IWM Working Group was formed in 2011 to help corporations comply with the UN Global Compact CEO Water Mandate, a global initiative developed to involve corporations in the creation of solutions for the pressing worldwide water crisis.

In addition to water initiatives through the IWM Working Group, APP, in conjunction with U.S.-based Nalco (an Ecolab company)—a global leader in clean water technology and solutions—is conducting a water footprint assessment to identify possible avenues to reduce water consumption in the operation of its mills. Separately, by partnering with UNESCO's Man and the Biosphere (MAB) Programme Indonesia-LIPI (Indonesian Institute of Sciences), APP is developing a community-based water purification system for the community living in the Biosphere Reserve area in Riau, Sumatra. The system purifies peat-water containing high levels of unhealthy materials, resulting in clean, safe drinking water.

In the meantime, APP is acting to reduce its water footprint, while at the

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same time providing clean water and social benefits to the communities in which they operate, paying special attention to developing areas that present complex social and environmental issues. As a major player in the pulp and paper industry, APP recognizes its role and the impact of its sustainable water management, both for its manufacturing process and the communities where it operates.

**M**eanwhile, Business Action for Sustainable Development (BASD) 2012, a coalition of leading international business groups, aims to coordinate the business input into the formal Rio+20 process. BASD 2012 is convened by the World Business Council for Sustainable Development (WBCSD), the UN Global Compact and the International Chamber of Commerce (ICC). WBCSD President Peter Bakker is a proponent of accelerated and sweeping action in worldwide sustainability development, and strongly warns of the danger of continuing to relegate this roiling issue to the back burner.

“Nations are focusing on the short-term economic pressures, but the urgency regarding what we’re doing to the planet, what we’re doing to our social system, doesn’t seem to be there,” says Bakker.

A primary reason the needed action has thus far failed to gain traction is the “lack of forward-looking perspective,” says Georg Kell, Executive Director of the UN Global Compact. “Many countries are preoccupied with domestic issues. There are elections in the U.S. and changes in China, and that all blurs the future. Individuals within governments understand the consequences of this, but the ability to mobilize political momentum is constrained at this point.”

The lack of that momentum on a local and regional level leads to an absence of multilateral cooperation between governments, and that impacts business around

the globe. “Companies are becoming more and more anxious about the fact that governments aren’t working well together on anything,” says Jean-Guy Carrier, Secretary General of the ICC. “Whether it’s on issues like carbon pricing, sustainability or climate change, companies simply would like there to be agreements that aren’t sporadic and regional, and limited to small spaces where the rules change in every jurisdiction.”

The key words in any discussion leading up to Rio+20 are “lack of,” particularly in the sense of action. In order to delete these two words from the global sustainability discussion, says BASD Chairman Kris Gopalakrishnan, it’s imperative to “mobilize public opinion to get more governments to act now. Focus has to be not only on relevant current issues, but also transformations for the future. Globally, industry is responsible for more than one-third of energy consumption and energy-related CO<sub>2</sub> emissions. Therefore, businesses have to be at the core of the global sustainability discussion, and become the engines of green growth by developing technologies that enable others to drive their sustainability agenda.”

Bakker says it’s essentially mandatory to leave Rio+20 with “global leaders hand-in-hand with business leaders, saying, ‘This is an urgent issue that we need to start addressing on a global scale.’ We’ve been talking a long time. It’s now time to turn it into actions and solutions that we can rapidly scale up.” — *Chuck Green*

*BASD 2012 is convened by the International Chamber of Commerce (ICC), the World Business Council for Sustainable Development (WBCSD) and the United Nations Global Compact (UNGC). The following international industry associates have also joined the coalition: International Federation of Private Water Operators (AquaFed), Air Transport Action Group (ATAG), CropLife International, Cement Sustainability Initiative (CSI), Digital Energy Solutions Campaign (DESC), International Aluminum Institute (IAI), International Council of Chemical Associations (ICCA), International Council on Mining and Metals (ICMM), Global Oil & Gas Industry Association (IPIECA), and the World Steel Association.*

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