



Speech by Paul Polman, CEO Unilever, at the 6th Session of the UN Open Working Group on Sustainable Development Goals, 10th December 2013.

"Global partnership for achieving sustainable development"

INTRODUCTION

Your Excellencies, Honourable Ministers, ladies and gentlemen,

I would firstly like to thank you for inviting me to address you today. The Open Working Group has a critical role to play in the design of a new global agenda for sustainable development - and I am honoured to have the opportunity to contribute my thoughts to your discussions. The task before you is indeed daunting. The challenges are immense. Yet - I am convinced that - within this room, within our reach - there is a prize worth fighting for.

I want to talk to you today about three things: VISION, COLLABORATION and ACTION

- The VISION of the future we want.
- The COLLABORATION that will be necessary to achieve it.
- And the ACTION to which we must all commit if we are to succeed in our mission.

I stand before you as a businessman. But it is not my views alone that I wish to share. I am also privileged to work with many others that share our collective commitment to this agenda. Whether as Chairman of the World Business Council for Sustainable Development; as a Board Member of the United Nations Global Compact; or as a member of the Leadership Council of the Sustainable Development Solutions Network, I now have the opportunity to engage with some of the most forward-thinking companies on the planet.





The views I will share today are also informed by my recent experience as a member of the UN Secretary General's High Level Panel of Eminent Persons on the Post-2015 Agenda. In forming their recommendations, the Panel conducted widespread consultations and I was directly involved in discussions with over 300 business leaders in countries all around the world.

I urge you to take these thoughts as they are intended – as a signal that the world is changing; that the private sector is changing. That the opportunities for us to together succeed on this journey are changing too.

VISION

You, the members of the Open Working Group, have a mandate to draft a new set of ambitious, bold and inclusive Sustainable Development Goals - and, through this, have the opportunity to end extreme poverty in our lifetime - WHILE also - promoting social inclusion, and safeguarding the planet for future generations.

Ambition must be the key word here. This vision must show people that government, business leaders and civil society are ready and committed to take radical action to tackle the gross inequalities that plague our world. That together we are ready to act with urgency to raise the level of ambition we need.

This vision must be captured in a new, single set of integrated goals.

- Goals which reflect all dimensions of sustainability - the social, the economic, the environmental and good governance.





- Goals which are measurable, time-bound and have clear accountabilities.
- Goals which finish the unfinished business of the MDGs - AND importantly - go beyond them.

For there is no excuse for the 1.2 billion people still living in extreme poverty; the 2.5 billion people without access to adequate sanitation; or the 200 million people without jobs. There is no excuse for 750 billion US dollars in food waste each year when we only need 80 billion dollars to feed the hungry.

The devastating impact of Typhoon Haiyan is yet another painful reminder of our increasingly fragile relationship with the natural world. It was also a reminder of the interconnectedness of poverty and environmental insecurity - not only was there a tragic loss of lives, but there was an economic cost in lost jobs, incomes, livelihoods and people's descent back into poverty.

The human cost of environmental degradation is immense. For example, climate change is expected to have a profound effect on food and nutritional security for the world's poorest and most vulnerable people. According to one estimate child malnutrition could increase by 20% by 2050.

As the Intergovernmental Panel on Climate Change's Fifth Assessment Report clearly demonstrates, such extreme events are only going to increase as we slide ever closer to irreversible environmental tipping points.

This is not just about changes in the natural environment – it's about changes in every aspect of the modern world. In fact some have described the future as being a 'VUCA world'; one that is 'Volatile, Uncertain, Complex and Ambiguous'; a world that puts us all to the test.



Faced with this reality:

- We can no longer pretend that it is possible to separate ‘Sustainable’ from ‘Development’.
- We can no longer pretend that business can immunize itself from the rising tide of environmental challenges.
- We can no longer pretend that companies can create value in a world which does not have human values at its core.

The time to act is now. With the Climate Summit in Paris and the delivery of a new set of development goals, 2015 represents a pivotal moment in the history of our people and our planet.

COLLABORATION

Now let me now turn to the theme of partnership and collaboration. Simple words - but ones which clearly encapsulate the transformative message that - this time around **everybody** has a role to play.

- **Governments** must put in place the right enabling frameworks through developing effective public policy.
- **Civil society** and **academia** can galvanize public pressure and draw on the expertise of local communities; and generate new insight into our challenges.
- The **private sector** can apply business solutions to complex problems, innovating with new technologies and creating jobs and livelihoods.

In the High Level Panel, and thanks to the good guidance of HLP-colleague President Horst Köhler, we differentiated between two concepts of partnership:



- First, the idea of a **Global Partnership for Development** - grounded in a new spirit of solidarity, cooperation, mutual respect and accountability, and realised through a compact of commitments to promote and support development;
- And second, **multi-stakeholder partnerships** - in which stakeholders with unique but complementary strengths team up in order to achieve a specific development objective.

I believe strongly in the power of partnerships and am extremely heartened to see that last week the UN Member States also demonstrated their support by adopting a resolution which recognised that partnerships - and particularly the role of the private sector in partnerships - are essential to “addressing the obstacles confronted by developing countries.”

I support the High Level Panel’s recommendation that every future Sustainable Development Goal should be supported by a partnership-mechanism which brings all stakeholders together in their delivery. This might mean, for example, a coalition of actors focused on sustainable agriculture or energy, or education, or health.

This is not a pipe dream. This is happening now in transformative movements. Let me give you some examples:

- The **UN Every Woman Every Child** initiative with more than 250 organizations having made commitments to advance the Global Strategy for Women's and Children's Health.
- the **Scaling Up Nutrition** initiative, which, since its launch in 2010, has brought together multi-national food companies and hundreds of other partners across 43 countries to create a real movement for addressing malnutrition, especially in children.





- the **GAVI-alliance**, which is on track to immunise 243 million children against killer diseases -such as hepatitis B, measles and polio - in 73 of the world's poorest countries by 2015.

While partnerships are essential - we have learned that collaboration is not always easy. Within coalitions you often have diverse interests - competing companies, customers and suppliers; governments from different countries and NGOs who are, themselves, often competing with each other. Different actors work in different ways, with different timeframes and different expectations - it can therefore be difficult to find areas of consensus. Partners need to work to overcome these challenges and leverage the assets of each for the good of the whole.

I believe that partnerships can have an impact at scale. It only takes a handful of sizeable companies to reach a tipping point and to transform markets. This is exactly what Unilever is trying to achieve through the Tropical Forest Alliance 2020 partnership, which saw the Consumer Goods Forum - a global industry network of 400 companies - join with the governments of the USA, Norway, UK and Netherlands in a commitment to reduce tropical deforestation related to key agricultural commodities by 2020. This initiative, along with sizeable government commitments, (including \$280 million US dollars pledged just last month at the Warsaw climate conference) give me confidence that we can make real progress on deforestation if we all work together.

Within all of these initiatives we must be sure to involve young people, who will be the guardians of sustainable development long into the future. The young will inherit our world. Our actions shape their prospects, so they are entitled to a seat at the table - a point well made at last month's climate conference in Warsaw.





The young are also crucial to create momentum for change amongst the general public. We must use social media - Twitter, Facebook, YouTube - to give young people a voice; to give people a platform to collaborate; to create a consumer movement for change in which everyone has a stake in their own future.

This leads me on to the need for action, and the role you can play in catalyzing it.

ACTION

The international community and the business community share something very powerful: A love of goals and targets.

I simply couldn't run my business without them. They provide clarity on what is important; provide a mechanism to monitor progress, and spur corrective action to ensure we remain on track. If you want to partner with the private sector, you need to consider how an SDG framework can be actionable by business.

I have long believed that economic development pursued through responsible business is the best way of bringing people out of poverty. And - though as a sector we haven't always got everything right - the private sector has a great deal to contribute to development. We have the human, financial and innovation capital to make a game-changing difference – and to do so at scale. More than any other sector, we can be drivers of inclusive growth, creators of jobs, innovators who share new technologies and best practices across the world – both North-South and South-South.

And more than ever we are ready to do our part.





The 9000 signatories to the Global Compact, the 200 Businesses in the WBCSD and the 300 CEOs with whom the HLP consulted, demonstrate that the private sector is ready to be part of the solution. Both the WBCSD's Action 2020 initiative and the UN Global Compact's 'Architects of a Better World' project are examples of businesses coming together to develop both solutions to development challenges and ways of taking them to scale.

Becoming part of the sustainable development solution is not just about philanthropy or altruism. It makes business sense. More and more businesses across the world are recognising that the costs of inaction are greater than the costs of action. The UN Secretary General has estimated that economic losses from environmental disasters since 2000 total around \$2.5 trillion. And bringing this closer to home, I can tell you that the cost of such disasters for my company, Unilever, is in the region of €250-300 million a year!

Allow me to sketch out three key actions, which I believe are crucial for the successful contribution of business:

- **First**, Governments need to be in the driver's seat in **creating the enabling environment** for business to unlock its full potential for change. This means Governments putting in place the conditions for productive and stable investment - making a commitment to fight corruption; to be transparent; to implement a robust regulatory and legal framework.
- **Second**, we need **businesses to capitalise on their supply chains, innovation skills, global networks and grassroots interaction** to help drive sustainability initiatives and advances in development.





Take for example palm oil. The Roundtable on Sustainable Palm Oil brings together various organizations from different sectors of the palm oil industry (oil palm producers, manufacturers, retailers and a wide variety of NGOs) for the purpose of developing and implementing global standards for sustainable palm oil. By the end of last year, RSPO certified palm oil plantations covered an area approximately 22 times the size of Singapore - and this area is growing fast. About 15% of palm oil globally is now certified by the RSPO. This translates into thousands of small-holder farmers having a better chance at tapping into global markets and providing for their families in a sustainable way.

- The **third** thing I want to highlight is the **need for companies to place sustainability at the very heart of their operations and to be transparent in the way they do business**. We can build trust in the private sector by being more open and inclusive about what we are doing. Transparency is also good for corporate efficiency. When businesses are required to report on the impacts of their actions, it is more likely that they will manage resources more effectively; treat employees and customers with due respect; and ensure that they are paying the taxes they should. If corruption is a disease, transparency is the vaccine.

As part of a broad transparency drive, a number of large multinational corporations, including Unilever, UPS and BMW, are starting to pursue integrated reporting - piloting the use of Social and Environmental Profit and Loss Accounts. These assess and quantify the value of positive and negative social and environmental outcomes experienced by material stakeholders and discernible in environmental effects. This is not an easy task. There are considerable challenges as a result of differences in definitions, measurement, valuation approaches, as well as timescales for assessing impact, but we are committed to making this work, and to using these tools to ensure business is a positive force for change, the world over.





CLOSING

I have held your attention for long enough, so I will conclude now, with just one final point.

I wish to stress how pivotal the year 2015 will be in the journey to sustainable development. The potential offered by a new set of sustainable development goals and a binding treaty on climate change is immense. We can halt environmental destruction and give everyone a fair chance at life if we take decisive action in the year 2015.

As representatives of governments from across the globe, I urge you to push your capitals for bold and decisive action. Likewise, I will continue to work with colleagues across the private sector to ensure we are also part of the solution.

I see that we are at a cross roads. The road ahead will be fraught with difficulties, and challenges, and struggles.

There will be false starts and wrong turns and those who will try to lure us from the track with quick wins and riches and rest.

And yet - I am convinced that, together, we can forge a pathway that will deliver us to a brighter future for all. A future where no one goes to bed hungry; where no one dies of preventable diseases; where No One is Left Behind.

We must dare each other to be visionary; to be ambitious; to be **leaders** - for there is no time to waste - the world needs to act now.

Thank you for your time.

