

‘Green business’ to-date not enough to save the planet warns report

An international team of experts backed by the US National Science Foundation (NSF) has devised an 8-point plan to halt unsustainable levels of environmental degradation wrought by the private sector.



Credit: National Parks Singapore

The plan is contained in a report titled *New Nature of Business*, which has been endorsed by a range of environmental agencies, academic institutions, government utilities and firms including BP, Dow Chemicals and the India-based multinational Wipro.

The report is the first international cross-disciplinary project of its kind to be funded by the NSF.

Highlighting the urgent need for action, the report's executive summary states that the degradation of the natural world is impacting dangerously on the availability of everything from clear air to food, water and natural resources that were once abundant.

The report adds that the destruction of habitats is leading to a decline in species and, increasingly, to extinctions and that climate change is now a major contributor to the forces that threaten ecosystems and biodiversity world-wide.

‘Distracted by global transformations and local crises, business has overlooked environmental degradation and the consequent destruction of biodiversity,’ comments the Director of the Board of the UN’s Global Compact, Matthew Tukaki, comments in the report.

Written by the University of Sydney Business School’s Professor Steve Elliot, Oregon State University’s Dr Sally Duncan, and consultant Nigel Malone, the report provides firms with a decision-making framework aimed at securing an environmentally sustainable future.

The step-by-step framework begins with an examination of environmental awareness levels within a firm. The framework also covers the identification of sustainable business opportunities.

In a section of the report ‘Nature is part of everything we do’, Wipro’s Chief Sustainability Officer, Anurag Behar, talks of the importance of engaging employees in the transition to sustainable operations.

‘We had regular communications to build awareness, employee eco-chapters at our sites and employees proposing improvements in their areas and taking responsibility for them,’ Mr Behar said.

‘In isolation, these may not seem significant but employee engagement and ownership are critical, they create the corporate environment and build the culture.’

In another chapter titled 'Risk versus rewards', BP's Group Ecology Expert, Mark Johnson, says his company identifies its key environmental challenges through its risk processes.

Professor Elliot says many firms have not responded to existing environmental challenges because they are unaware of them, are uncertain of their relevance, or are uncertain as to how to deal with them.

'Some firms, particularly in the services sector, do not see that they are at least in part responsible for the degradation that we see all around us,' he says.

'Irrespective of their sector, it's no longer good enough for firms to adopt CSR policies that focus only on their employees or the local community. To be good corporate citizens they must also act to protect the environment.'

Sounding a financial warning to firms that fail to act, the report quotes the founder of Singapore's Siloso Beach Resort, Ng Swee Hwa, as saying that 'consumer awareness will lead to less profitability in the long run for those who do not practice sustainability'.

Source: The University of Sydney

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