

Briefing Book
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Corporate Environmental Stewardship Seminar Speech

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As Prepared.

- Thank you – to the U.S. Business Council for Sustainable Development and the China Business Council for Sustainable Development – for having me here today.

- Thank you for this invitation to speak on a topic that is so central to our work together. Corporate environmental stewardship is a place where we see enormous opportunities to build a healthy, prosperous future for China, America and the rest of the world.

- Let me begin by thanking all of you for helping us respond to one of the great misconceptions about protecting health and the environment. That is the misconception that we must ultimately make a choice between our environment and our economy.

- I've worked in environmental protection for 20 years. Environmentalism is my lifelong passion. In those two decades of work, I've seen meaningful environmental efforts met time and again with predictions of disaster – lost jobs, and lost revenue, and lost industries.
- Some have claimed that we must decide whether we are going to have a healthy, clean environment, or a strong, growing economy.
- Let me tell you – and you can quote me as the head of the U.S. Environmental Protection Agency – I want a strong economy.
- We all want robust job growth. No one favors higher costs for starting businesses or manufacturing products. I have two teenage sons, which means I buy a lot of things – things that come from America and China and other countries all over the world.
- I am an active consumer in the global economy – and the last thing I want to see are higher prices for food or utility bills or shoes or clothes.
- We want to spread as much prosperity as possible. But the fact is, we must act with the long term impacts in mind. If we don't, our children will pay the price. We will undermine the efforts that we and the generations before us have put forth to make our nations stronger for the future.
- Here in China, generations of leaders have led this country to be one a bastion of economic and educational achievement, and technological innovation.

- The future of our planet is, in many ways, being shaped here. Yesterday I met with students at Sun Yat-sen University. I was amazed by their extraordinary engagement and knowledge. They have a clear vision of their future, the future of this country, and the future of our planet.
- Their future is what so many of us in this room have worked for. For their sake, and our own, we all value a clean, healthy environment and a flourishing economy.
- That is why this meeting is so important, and why I'm happy to speak to you today.
- For years, the Business Councils for Sustainable Development have been showing that – with the right collaborations and policies – we can take actions that create more opportunities...that give communities what they need to thrive...and at the same time, protect our environment.
- Let me emphasize the word “collaboration.”
- One important collaboration in this work has been between China and the US. Our two nations have been working together towards our shared environmental goals for the last 30 years.
- One of my first actions on this trip was to join Minister Zhou Shengxian of the Ministry of Environmental Protection to renew the official cooperation between the U.S. and China on environmental protection.

- I have also visited Guandong and Guiyu and met with government officials. We have exchanged views, discussed our challenges, and successes, and explored emerging opportunities to collaborate on shared priorities.
- Our government-to-government partnerships have accomplished much, and our continued work together is important for both of our countries.
- China and the US are the two largest economies today. We are each other's second largest trading partner. With those designations come tremendous resource issues and environmental impacts.
- We must – today more than ever – partner as domestic stewards and global standard bearers and collaborate on environmental protection and sustainability. We must lead by example.
- It is clear, however, that government alone cannot – and should not – take on the entirety of the work to foster a clean, healthy environment.
- Our decades of experience tell us that it also takes commitment from other sectors to advance environmental progress. Government needs broad alliances to solve environmental problems in efficient, effective and enduring ways.
- We need industries and cutting-edge companies to drive innovation. We need academics to strengthen the technical and social foundations for environmental action. We need communities to bring public stewardship,

local engagement and sound advice into our work. And, of course, we need individuals to do their part.

- Critical to this mix are the environmental and social partnership between the US and Chinese businesses – represented here by the US BCSD and the China BCSD.
- Today’s companies, large and small, have impacts that reach the entire globe. In a world of limited resources, the choices of corporations, citizens, and policies of nations all interact.
- For our planet, developing sustainably, and taking account of corporate actions, is a natural result of an increasingly closer and tighter knit world. Locally, sustainable development is consistent with our goals of building a strong economy, a society that is both energy-saving and eco-friendly.
- Corporate Environmental Stewardship is good for the environment – but it’s also good business. Companies investing in environmental stewardship are investing in lower costs, reduced resource needs, better products, a stronger corporate brand, and improved relationships with neighbors, suppliers, customers and regulators around the world.
- Not to mention that a strong environmental reputation for producers enhances the attractiveness of the products and services in the eyes of consumers.

- Recent years have seen a growing grassroots environmentalism that is directly tied to our economy. Business leaders are acknowledging the cost-savings potential of energy efficiency and sustainability – and they are putting serious money behind innovation.
- At the same time, informed consumers are demanding more of their products. This is an environmental movement that votes with its wallets.
- In the United States, 7 in 10 consumers say they will choose brands that are doing good things for people and the planet.
- 74 percent believe that our companies should do more to protect our planet. And more than half of Americans say they will look for environmentally friendly products in their next purchase.
- These changes are happening – and not on the margins of our economy. Companies we all know and support through our purchases are responding to consumer demand for sustainability.
- Wal-Mart – the largest retailer in the world – has set goals to use 100 percent renewable energy; to create zero waste; and to sell healthier, sustainable products.
- They recently announced a plan to cut 20 million metric tons of greenhouse gas emissions across the lifecycle of their products in the next five years.

- There are good business reasons for working on the “triple bottom line” and pursuing economic returns while simultaneously improving the environment and society. These are long-term considerations, which affect investment decisions and create greater value in the future.
- As EPA partners with China and other countries to keep our earth clean and our economies strong, we’re also partnering with the private sector to integrate the work we’re doing.
- These collaborations between government and industry, on voluntary initiatives that go beyond the requirements of compliance with government rules and regulations, are very important to improving environmental quality.
- These partnerships are not substitutes for other actions, but are examples of Corporate Environmental Stewardship. They rely on integrated solutions that address pollution prevention and efficiency. They focus on the recovery of valuable resources through a lifecycle approach – one that minimizes environmental impacts and maximizes sustainability through the design, production, use, and disposal of goods and services.
- These companies are focused on reducing the environmental impact in such diverse areas as energy use, supply chain management, and logistics and transportation.
- Examples of Corporate Environmental Stewardship are numerous at this event.

- **The U.S. Business Council for Sustainable Development members General Motors, Dow Chemicals, Dupont, Holcim Cement and Coca-Cola have engaged with the Agency in many EPA-sponsored environmental partnership programs, such as Energy Star, SmartWay Transport and Green Power.**
- **These members have a wealth of experience in cooperating not only with EPA but with nonprofits and other organizations on projects of environmental importance. Representatives of the China Business Council for Sustainable Development from Sinopec, Baosteel and Shanghai Secco Petrochemical Company also offer a valuable international perspective on corporate environmental stewardship.**
- **By integrating our work and creating strong corporate environmental stewardship programs, we know that we can maintain robust economic growth and protect our environment at the same time.**
- **Just last month EPA celebrated the forty-year anniversary of the Clean Air Act. An important fact that we were able to report to the American public was that as air pollution has dropped over the last 40 years, our national GDP has risen by 207 percent.**
- **The total benefits of the Clean Air Act amount to more than 40 times the costs of regulation. For every one dollar we spent, we got more than \$40 of**

benefits in return. One might say that the Clean Air Act is one of the most cost-effective things we have done for ourselves in the last half century.

- Companies that pursued environmental stewardship often moved above and beyond the minimum required by the Clean Air Act. These companies have acted as leaders, and reaped the rewards of leadership.
- We would like to work with our Chinese partners on strategies to encourage Corporate Environmental Stewardship in China and the region, and for Chinese and US multinational corporations to implement CES in China and abroad.
- We can't retreat from a rapidly industrialized planet and a global economy. At the same time, the companies that create jobs and opportunities must integrate conservation and a passion for planetary stewardship into the global rush towards economic growth.
- The environment and economic challenges ahead of us require an approach that plays to America's and China's great strengths of ingenuity, invention and innovation.
- We need to show leadership in the development of new products that protect our health and our environment. And we need to capitalize on the growing green marketplace here and around the world.
- As I said earlier, economic opportunity goes hand-in-hand with sustainability. Protecting our water, air and land is essential. Clean energy

and smart use of resources are the foundations of a strong economy and strong economic growth.

- **Thank you for being part of the critical partnerships that we need to move forward together.**
- **And thank you for the opportunity to speak to you today.**

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