

**EMBRACING THE GLOBAL GOALS COULD GENERATE US\$ 12 TRILLION OF NEW BUSINESS VALUE A YEAR - EQUIVALENT TO 10% OF GLOBAL GDP FORECAST BY 2030**

Source: Business & Sustainable Development Commission



## Reaping the rewards of the Sustainable Development Goals

(Article extracted from LinkedIn )  
Published on January 16, 2017



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Today we stand at a crossroads. After a turbulent year characterised by major political shifts, economic instability and a deepening refugee crisis, it is clearer than ever that our current global system is not working for everyone.

Our linear consumption model is leaving too many people behind. 10% of the world's population still lives in extreme poverty. 800 million people still go to bed hungry every

night. Income inequality is at an all-time high with the world's richest 1% having the same level of wealth as the other 99%.

At the same time, our economic growth system is threatening our planetary boundaries. 2016 is expected to be the hottest on record – something we have become used to hearing at the end of every year. According to one expert, our planet is on the equivalent of a life-support machine.

The good news is we have a new pathway right in front of us, ready to seize, to secure more sustainable growth that works for everyone. The [UN Sustainable Development Goals](#) (SDGs) adopted in 2015 by over 190 countries is our framework to address the world's burning issues – whilst also creating a wealth of new market opportunities.

We know that the SDGs cannot be achieved without business. At the same time, business cannot thrive or survive long-term without the SDGs. After all, there is no business case in enduring poverty and climate change. The cost of inaction is enormous – currently at \$10 trillion and growing every year. In contrast, there is growing [evidence](#) that companies with a focus on sustainable development perform better.

A new report launched today by the [Business & Sustainable Development Commission](#) estimates that the SDGs could generate \$12 trillion of opportunities across four sectors by 2030. This is equal to around 9% of forecast global growth. The economic prize in food and agriculture alone for example could be as much as \$2-3 trillion by 2030, if we face up to the challenges impacting the global food system. This is all in addition to the creation of 380 million new jobs linked to these four sectors.



But it cannot be done through business as usual or simple CSR projects. It will require business to:

### **1. Build support for the SDGs as the right growth strategy.**

The more leaders understand the business case for the SDGs, the faster we will progress towards doing better business in a better world.

## 2. Put the SDGs at the core of business strategies.

This means applying an SDG lens to every aspect of strategy: appointing the right leaders, innovating to create sustainable solutions, marketing products and services that inspire consumers to make sustainable choices, and using the goals to guide leadership development and women's empowerment at every level. It requires companies to think differently, to shift focus from short-term gains to creating longer-term stakeholder value to help investors understand the scale of the opportunity that sustainable business can create. It is, in short, the only viable model for long-term growth.

## 3. Leverage the entire value chain.

In many ways, we have already started. Our [Unilever Sustainable Living Plan](#), launched in 2010, complements the SDGs. Through implementing it, our costs have been reduced, risks have been mitigated and our brands with a social mission are growing faster than the company average.

It has seen us continuously setting ambitious targets throughout our value chain - targets that tackle the source of issues rather than simply treating the symptoms. And being transparent about our progress. Whilst we don't have all the answers, I'm proud of the lead we have taken in many areas. For example, we led the industry in phasing out the use of plastic microbeads in all of our products over two years ago. Last year we reached an industry-leading achievement of sending zero non-hazardous waste to landfill across more than 600 sites in 70 countries, and also committed to becoming carbon positive by 2030. This week we announced our target that 100% of our plastic packaging is fully reusable, recyclable or compostable by 2025, calling on the entire FMCG industry to accelerate progress towards the circular economy.



People want to be part of this purpose-led business approach. We find ourselves the most desired employer in the majority of the markets in which we operate and LinkedIn's Number 1 FMCG to work for globally, with 1.8 million applications a year.

## 4. Work together to make transformative changes across the industry.

This is the essence of Goal 17 – partnerships. The challenges are simply too big to address alone. [The Consumer Goods Forum's](#) sector-wide commitment to zero net deforestation by 2020 is an example of what's possible, however examples like these remain limited. It's time for each sector to develop its own transformation roadmap. Shifting whole sectors onto a sustainable footing in line with the SDGs will unlock much bigger business opportunities.

## **5. Actively work with governments to put right frameworks in place.**

Sustainable competition depends on all competitors facing prices that reflect the true costs of the way they do business. The idea of pricing pollution at its true environmental and social cost has been around for a long time. But the need for strong carbon pricing is becoming ever more urgent to tackle the risk of runaway climate change. Business leaders must therefore work openly with regulators, business and civil society to shape policies that create a level playing field more in line with the SDGs.

Tomorrow marks the start of the annual [World Economic Forum](#) in Davos – an opportunity for governments and business to form and deepen effective partnerships with NGOs and civil society to drive the SDG agenda. I am pleased to have the opportunity to be there myself to reinforce the business case for sustainable development and climate action.

### **What you can do**

But time is not on our side. So if you feel passionately about living in a better world, there are positive actions that you can take today.

- Make your voice heard. Don't simply accept the state of our planet as fate. Rise up to the challenge and advocate global action for people and the planet.
- Actively participate in the political process. Spread the word, hold governments and business to account and connect with the [UN Young Leaders for the SDGs](#).
- Research the companies you buy from and put your spending power behind responsible brands making a positive difference in the world.
- Walk the walk and be a driver for change. Perhaps even start your own business that tackles a social issue in a way that is both profitable and sustainable.

The challenge is urgent, and every day that passes is another lost opportunity for action. We are already a year into the 15 years to deliver the SDGs. We must act quickly, decisively and together to ensure a fairer and more prosperous world for all.

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