IUCN Director General's Speech at Celebration of IUCN National Committee of the Netherlands Amsterdam 27 November 2008

THE FINANCIAL CRISIS: AN OPPORTUNITY FOR CONSERVATION AND DEVELOPMENT

Your Majesty, Minister Verburg, Distinguished guests, Dear friends,

It is a great honour for me to be here today. Of course, the 30th anniversary of IUCN's National Committee of the Netherlands is an occasion to rejoice, not only for me as Director General of IUCN, but, also for those whose lives the excellent work of the Committee has touched. This could also be an occasion to look at the road we have travelled during those 30 years, and since 2008 is also IUCN's 60th anniversary, it is indeed tempting to take a stroll down memory lane.

Since Dutch people are known for their innovative and progressive ways, allow me to spend more time on the present and on the future than on the past.

I will just say a word about the very recent past -- our own 60th anniversary celebration at the IUCN World Conservation Congress held in Barcelona last month which many of you attended.

Although it is not easy to summarize such an event – with 8000 participants from 180 countries -- there was a clear demonstration of the wide interest in conservation issues from people from all walks of life. There was also a clear message that biodiversity underpins the well-being of human societies and their economies. We now have an understanding of the clear link between conservation and climate; and that healthy ecosystems are the best defense against climate change.

During the Congress we launched the 2008 IUCN Red List of Threatened Species with some alarming news; we also launched several instruments to help us work more effectively in protected areas, and we completed our study on the *Transition to Sustainability* which calls for urgent action to decarbonize our economy, to commit the environmental movement on a path of justice and global equity, and to protect the biosphere.

The Congress called on governments to regulate and manage biofuels to limit their potential impacts on people and nature, and we also established the clear link between biodiversity and human health.

But, I promised you that I would look not at the past, but rather the present and the future.

We are going through one of the worst financial crises since the Great Depression. Governments are pumping huge sums of money to keep the financial system afloat. Some people are worrying about their pensions, others about their jobs, and others about their homes. Worse still, the accompanying credit crunch is jeopardizing the progress made in fighting extreme poverty that was achieved in many developing nations over the past decade. Cynics in the environmental community are quietly rejoicing, thinking that an economic slowdown might give an exhausted Earth some reprieve. Optimists in the finance community hope that we can get back to the so-called 'normal' as quickly as possible. Pragmatists should be looking at how we can make of this crisis an opportunity and finally wake up to the need to do things differently.

As the media is dominated by these stories – and will continue to be for quite a while – there is a risk that environmental issues will be relegated to the bottom of the priority list. I sincerely believe this would be a serious mistake, and I will take a few minutes to tell you why.

But do not worry; this won't be a gloom-and-doom lecture. It is true that the scope and severity of the issues we are facing makes it hard at times to stay confident about the future, but we do have options if we don't wait too long.

Let's start with the hard facts:

- We are using resources at a scale and at a rhythm that is not sustainable;
- We have benefited from 100 years of progress largely based on our economy growing thanks to our use of fossil fuels on which we are literally "hooked";
- We are increasingly diminishing the planet's own regenerative capacity, through overexploitation, pollution, over consumption, and the loss of biodiversity;
- The rapid increase of population, combined with social and economic inequalities are amplifying the stress we put on ecosystems and the services they provide;
- And now all these problems, serious in themselves, will be compounded and exacerbated by the impacts of climate change.

These are facts. Add the potential disastrous effects of a credit crunch on poor countries, with investments being postponed or cancelled, with possible development aid reductions, and you have a pretty bleak picture of a world where poverty is on the rise; where the capacity to adapt to the impacts of climate change is greatly compromised by the increased pressure on ecosystems; and where the stability of some States is threatened by social unrest and conflict.

I could go on, but you get the picture. Can we change course? I don't think we have a choice. The big question has to do with our will, more than our capacity to do things differently.

All the potentially catastrophic problems I have mentioned will force us to redefine our relationship with nature. One of the opportunities the present crisis, offers, if we are intelligent, is that we will look at this relationship urgently and more realistically. We have been taking so much more than the Earth can produce for so long that whether we like it or not, something will have to give. Nature is not like a bank: -- it can't look to Governments for bailouts; its losses cannot be written off by the stroke of a pen. It can recuperate, but first aid has to be real, on a massive scale, and it have to start happening now.

Rather than using a moral argument to press for action, let me use a self-interest one.

It is quite clear that governments will put fiscal prudence aside, at least momentarily, in order to avoid having a recession turn into a depression. Governments will undoubtedly be looking for ways to get the economy going, most probably with a mix of direct investments and tax measures. We need to be strategic about the substance and design of whatever stimulus packages governments will come up with, so that the money used ends up benefiting both the economy and the environment. The long term environmental impact or benefit should be a central criterion of any investment. Whether it be improvement to the power grid to allow alternative sources of energy to be connected efficiently (like the new US Administration seems poised to do), more efficient public lighting, or other investments in energy saving measures, waste water treatment plants or improvements for mass transit, --- we have to make sure that the desired economic jolt will leave behind the tools to diminish our ecological footprint.

So rather than looking at the traditional ways to simply boost consumption, which would not fix anything that is fundamentally wrong with our economic system, let's use whatever additional resources that will be made available to be more efficient energy users, to be less wasteful and to improve the quality of the air we breathe, the water we drink and the food we eat. And when I say 'we' I mean not only those of us in this room today, but all of us inhabitants of this planet. Doing all this while creating jobs <u>is</u> in our self interest.

I was heartened last week at a meeting in China to hear from Chinese leaders their determination to seek a so-called 'Ecological Civilization' where conservation is a strong driving force influencing all elements of society. ¹ Equally heartening was a statement made by the President of the Pew Center on Climate Change a few days ago, that" the financial slump could actually provide impetus to go forward with a carbon-capping law." So there is opportunity in this crisis, but we have to seize it.

But let me take this further and talk about how we should use this financial crisis to look at the way we support development in poorer countries. Again, through the lens of the self-interest of developed nations.

While it was uneven, some progress was made in the past decade to get people out of extreme poverty. Although we are still far from achieving the Millennium Development Goals, some progress has been made. The role of Official Development Assistance in this progress is debatable, but should not be written off. Some believe that trade liberalization, with increased private investments and export-driven growth, did more

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than ODA to improve living conditions in many countries. Yet, without years of investments in schools, training and capacity building, most emerging countries would not have been able to benefit – or let alone attract – some of the private sector's investments. The way development money is spent can certainly be improved, but thinking that private investments alone can pull people out of poverty is wrong too, at least until a certain level of development is achieved.

Whatever the case, it is clear that the model that was either adopted or imposed on poor countries ties their future extremely closely with the "boom and bust" cycles of the world's economy. This is not really problematic during the boom phase of the cycle because measurable progress can be made. Now that we are entering in a much more difficult phase, the impacts of a slowdown – as painful as they can be in the developed world – can have a truly dramatic effect on poor people.

We also know that poor people will suffer the brunt of climate change. Again, the combination of economic hardship, degraded ecosystems and climate change is a potentially explosive cocktail in parts of the world with weak institutions and fragile governance systems. We can then quickly enter in a downward spiral where poverty increases the pressure on ecosystems, which in turn become less and less productive, leading to more poverty. This spiral can't be allowed to go on.

If we want development assistance to do more than make misery tolerable, we have to make it sustainable, which means that environmental considerations should be at the very centre of development policies and programs.

In its document "Towards a Green and Sustainable Future for the Netherlands", IUCN's National Committee of the Netherlands made 10 practical proposals to the Dutch government. One of these was precisely on the topic of development assistance, environmental protection and sustainability.

I would like to add a few arguments to help it make its case.

The world is looking for new technologies to fight climate change. This is well and good. But we have to be careful not to put all our eggs in a "techno-fix" basket. Some technologies will work; others won't or may work but won't make economic sense. And yet, whether we think about mitigation or adaptation measures to climate change, nature itself is most probably our best, safest and cheapest bet.

Well-managed ecosystems can have many functions. Like a healthy immune system in a human being, they can insure one doesn't die from a cold! They are resilient to change, they are more productive, they can protect during natural disasters and recuperate faster afterward, and also, they can be very efficient carbon sinks.

With initiatives like REDD (Reduced Emissions from Deforestation and Degradation), we can have better managed forests delivering goods for people and storing larger amounts of CO2. Restoring degraded forests holds a huge potential. This type of approach makes sense from a development perspective and an environmental one too. IUCN will be making that case in Poznan and we hope to be able to count on progressive governments to back the approach and the projects that will flow out of it.

The same can be said about other ecosystems. We need to find out more about the potential of wetlands and rangelands, but it is already clear that when managed properly, they can both store carbon and help sustain livelihoods.

This country is a true example to the world when it comes to development assistance. I know that there are pressures to diminish your commendable contribution to those in need, but I urge you instead to set the path to be followed by other nations. Let's invest in nature's infrastructures. Let's make sure that development money is used to combine social, economic and environmental development for the benefit of all. And that includes the donor country, since anything that can help mitigate the impacts of climate change is good for everybody.

Climate change should make us revisit the concepts of national interest or what constitutes the common good. A well-managed forest in Ghana brings benefits to the people living in the area, but it also helps to regulate the climate for all of us. A well-managed reef in the Indian Ocean or in the Caribbean will be more resistant to a rise in temperature and will help to keep fisheries healthy.

Pavan Sukhdev, in his presentation of the TEEB³ study will undoubtedly talk to you about the costs of biodiversity losses. You will see that it makes sense to invest in nature, if it is done right. I believe that this country can help to set the course.

Of course, I talked a lot about governments. But it is clear that the private sector can play a decisive role in facing the environmental challenges of today and tomorrow.

This is my last point. Individuals and governments can do a lot to change our relationship with nature, to help those in need while protecting robust and healthy ecosystems. But the private sector has to truly integrate conservation values in its operations if we are to succeed in changing direction. Protecting nature and conserving

the traders of the 14th and 15th Century did, today's Dutch companies should also be the trailblazers for a new way of doing business, a new way that involves treating nature with respect, but also using nature in new and sensible ways in order to have a sustainable future.

Your Majesty, Minister Verburg, distinguished guests, we at IUCN are working for a just and sustainable world. We are fortunate enough to count on many of the world's top experts to help us in doing that. We are also very fortunate to count on dedicated, passionate and knowledgeable members of IUCN; joining their energies in national IUCN committees all around the world. One of the most active and involved of those is right here in the Netherlands. This Committee has shown through the years that it can mobilize people, that it can provide good and sensible advice to government, citizens and corporations. I am pleased to note that the Dutch government is actively following the advice on most of the 10 proposals made in 2007. IUCN fully recognizes and appreciates the good work of IUCN's National Committee in the Netherlands, and encourages it to continue to work with us in achieving our joint mission..

The Netherlands need a strong national IUCN Committee, and the world needs the renewed and inspired commitment of the Netherlands on conservation and development issues. I am confident that we can count on both.

Thank you.