

27th Annual Conference of the European Environment and Sustainable Development
Advisory Councils (EEAC).

Plenary Conference Day : 19 September 2019

Auditorium António de Almeida Santos - Assembly of the Republic

17.30 to Conclude

Mr. Matos Fernandes, Minister of Environment and Energy Transition

Mr. Duarte Santos, President of CNADS

Mr. Queralt Bassa, Chairman of the EEAC Network

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Ladies and Gentlemen,

It is with great pleasure that Portugal has hosted the twenty seventh annual conference of the European Environment and Sustainable Development Advisory Councils.

The expression “Sustainable Development” has gained a stronger voice since 2015, with the announcement of the 2030 Agenda based on the seventeen sustainable development goals. This agenda has pointed out that governments, civil society organizations and companies should strive their activities towards people, prosperity, planet, peace and partnerships. It is a major challenge to change a culture of existing competitiveness, into one of cooperation, sharing and caring.

The SDGs are a major challenge for the existing economic system, still based on a linear thinking of take, make and waste, on competition, on maximizing profits and maximizing growth. This happens not just in the private sector, but also at the public policy level.

Governments in general still look at a rising GDP as the goal to achieve well-being for all. Companies, in general, still focus on a rising turnover as the goal. And the main way to achieve both goals, is, for the most part, a growing consumption. More materials and more emissions. All of this settled on a system – our natural system, of which we are part of, not owners off. A system which is finite.

Ladies and Gentleman,

We need to change the **goal** of the public policy and the **aim** of the private sector, if we are to prosper in the long run.

And how can we do this?

If you brought a diverse group of people together today in a room and asked them exactly that question, I am sure that the advice they would provide us would be something exactly like SDGs. Guidelines that would establish the basis of our common well-being within the limits of the planet.

We urgently need this shift in thinking – in companies and in government. Only by doing this we will have the incentives to act towards a more sustainable society where prosperity is the main aim.

Humans were able to define the GDP metrics in the last century, in response to a need to have a single, easy metrics to measure the performance of an economy. But its main authors warned that it fell short of measuring what really mattered.

The world we knew back then is not the world we live now. Quoting Albert Einstein *“We cannot solve our problems with the same thinking we used when we created them”*. As easy and quick as we were to come up with GDP and use it, we need the same commitment now, with a radical new approach and a new purpose.

We need to bring this knowledge to children, to students in universities, to professionals, to policy makers. They need to be equipped with new tools, new assumptions and systemic thinking, so that we can see a structural change of the economic system towards a system with conscience and purpose.

In a century where IT is quickly revolutionizing the job market, it is important that we are able to understand how important and valuable are human skills and its contribution to a carbon neutral, circular and regenerative economy.

Educating towards the sustainable development goals is a major challenge for all of us.

Ladies and Gentlemen,

I know that this Conference intends to produce recommendations on current EU policies regarding the water, energy and ocean sectors and their future development.

I am sure that during these days in Lisbon, you were able to understand, from each other, what each country is doing in those areas, and you were also able to identify a set of issues that need to be improved urgently.

Let me briefly give you my opinion:

- **Water** is a major problem for developing and some developed countries, such as Portugal.

We have potable water reaching almost 100% of the population and that 84% of households have access to sewer connections served by network, and we have ramped up our efforts to reduce losses.

Nevertheless, Portugal faces major drought scenarios, which means that citizens must use less, companies, mills and farmers need to reuse more and be more efficient.

Therefore, **innovation on water efficiency saving**, together with **strong awareness campaigns**, is a key issue to be endorsed by the new European Commission team. And water being a scarce resource, sooner or later its price will tend to reflect the existing and future scarcity.

- **The Oceans** are crucial for keeping us alive.

Quoting the United Nations *“Oceans, seas and coastal areas are crucial for the Earth’s ecosystem and are critical to sustainable development. They cover more than two-thirds of the earth’s surface and contain 97% of the planet’s water. Oceans contribute to poverty eradication by creating sustainable livelihoods and decent work”*.

Plastic pollution is an issue, no doubt about it. It doesn’t make sense to make a disposable product from a material that is practically indestructible. But we cannot lose sight of other issue which are, probably, as challenging as plastics – for example, fertilizer run-off from agriculture practices, causing eutrophication, or over fishing due to rising demand, disrupting species population and ecosystems.

The contribution of the oceans to climate change challenges should be deepened by the scientific community. This also requires a strong mind shift.

- Finally, **Energy**.

Energy is at the core of the economic system. Without energy we cannot produce. Without energy we cannot teach, we cannot innovate. And taking into account the 9.8 billions of humans that the planet will have in 2050, the source, the efficiency and the consumption of this energy will be central.

We need efficiency, but also sufficiency. It is also fundamental to change the incentives towards renewable energy and eliminate, once for all, the existing incentives towards the brown energy.

Carbon taxation must be expanded to other sectors and the price per ton must be higher, to reflect its social costs.

It is important to support public electric transportation, shared and electric mobility, and Research and Development, towards new technologies that can help companies to change their production processes for others based on electrification.

In Portugal our goal is to achieve 80% of renewables in the electricity generation by 2030 and 100% by 2050. These goals are part of the Roadmap for Carbon Neutrality in 2050 that was approved by the Government last July, which is a clear commitment towards achieving carbon neutrality in 2050.

Ladies and Gentleman,

In order to reach the SDG goals, the Paris Agreement and the circular economy challenges, we need many things to happen.

Let me leave you by stressing two of them:

- We need the financial sector to be part of the process.

This sector needs to be able to finance projects that contribute to decarbonization, circular economy and towards the SDGs in general. But this is a partnership process, between banks, international institutions, governments and others. These players need to talk with each other and develop partnerships that allow retail banks to lend and invest money in sustainable projects.

In Portugal we have created a Think Tank for Sustainable Finance, in partnership with the Ministry of Finance and the Ministry of Economy, with the major players of the financial sector in Portugal, and we have produced a roadmap about what each player needs to do in order to accelerate sustainable finance practices.

We were also able to produce a Commitment Letter where all players have identified short time commitments that need to be implemented immediately. This is a first good step, but now action needs to take place.

- The second one, is perhaps more difficult than changing the financial system:

When someone asks: “who wants change?” there isn’t a single hand that doesn’t rise. When someone asks: “who wants to change?” there is usually silence and doubt.

We are part of the key people that can make change. Therefore, we have the responsibility to be informed, to defend a prosperous sustainable economic model, but above all, we have the responsibility to inspire by example.

Thank you.