

# BRUNO LAFONT

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Thank you very much, Anil. I think your presentation summarised the challenges very well, and I will try to make a very practical point about governance. Anil has expressed the topic of this conference, which is about how to get to these results.

Briefly, Lafarge is a leading company in building materials, particularly cement, so we consume a lot of energy and emit a lot of CO<sub>2</sub>; at the same time, we are providing more and more building materials which are good solutions to cope with the energy efficiency issue in construction. We have a very large environmental footprint; we understand the responsibility we have and are trying to face the challenge and transform it into an opportunity.

The issue for everyone in general is how to access energy, how to get to a high level of environmental protection everywhere so as to ensure sustained growth, or at least do not to kill it, and we must do all this while preserving a level playing field. Establishing governance in this context is problematic, and the expectations raised by Copenhagen show that it is difficult to achieve an overall agreement.

Lafarge is present in 80 different countries, of which 60 are developing countries. The first point about governance is that companies should be involved in the process of finding solutions. All the solutions we are developing are universal, meaning they apply to everywhere in the world: in Kenya, Bangladesh, India, France, and China. Secondly, when international companies do good things they are followed by others; they are not trying to lead, but good practices are diffused as a result, and I think involving the companies at an early stage can be a very good way for sharing and implementing good solutions for all the aspects highlighted by Anil, including energy efficiency, environmental protection, and technologies.

There is a very specific situation in the cement industry: it is emitting 5% of total CO<sub>2</sub>. This is not just caused by energy consumption, but also by the chemical process involved in producing cement. An initiative was started by my predecessor with another industry leader ten years ago, to create under the roof of the World Council for Sustainable Development (WCSD) a sustainable cement initiative; this involved a number of cement companies making a commitment. This involved, firstly, measurement, because there is no solution without it, secondly, starting to understand the challenges and to commit themselves to doing things, and thirdly, auditing their results and making sure that what they do is practicable and the goals they set achievable.

Ten years later, this group consists of 23 large cement companies representing all continents, including China since last year. I am very pleased about that, because I co-chaired such an initiative during the last three years. Those companies have already saved a quantity of CO<sub>2</sub> equivalent to the output of a country like Switzerland. This means



that one sector acting together can create a framework in which a solution can be found, and if a self-regulatory framework could be established globally for the cement industry, and we are not far from that, can solve the problem. The question is how to get those kinds of initiatives included in the process of progression. The follow-up from Copenhagen illustrates very effectively that not all solutions can be global; for instance, governance is not just overall regulation, but can sometimes be self-regulation, incentives, or governance saying that it wishes to do something.

For example, I am very impressed by the Chinese; they have implemented a plan, not a law, and how they implement it is extremely interesting. Therefore, there are plenty of things that can be progressed along with the goals that have been defined by Anil; I am sure that companies and business can fulfil their responsibilities, can participate in the global compact, and under the roof of the UN can be very good partners in progress.