

Secretariat of theUnited Nations Environment ProgrammeInput to the Compilation Document for UNCSD

Preamble

Common statement by the UN System Chief Executives Board for Coordination (CEB) on the Outcome of the United Nations Conference on Sustainable Development

- We, members of the United Nations System Chief Executives Board recognize the historic opportunity provided by the United Nations Conference on Sustainable Development to reset the world on a sustainable development path.
- II. We affirm that sustainable development is a top priority for our organizations, and reaffirm the continuing validity of the principles in the 1992 Rio Declaration on Environment and Development and of Agenda 21, including the principle of common but differentiated responsibilities. We recommit to a renewed system-wide effort, in partnership with the full range of governmental, civil society and private sector stakeholders, to support the realization of these principles.
- III. Despite substantial improvement in many key areas of development and environment, the world has not made the progress towards sustainable development aspired to in the outcomes of the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992, and in subsequent related world conferences.
- IV. Over the past twenty years, the world has witnessed strong economic growth and significant progress toward attaining a number of the Millennium Development Goals (MDGs). It is of grave concern, however, that these positive trends have been accompanied by increasing disparities and inequalities, persistent gender inequality, social inequity, a growing deterioration of the environment, and recurrent economic, financial, energy and food crises.
- V. At the United Nations Conference on Sustainable Development (or Rio+20), renewed commitment and urgent action are therefore needed to lay a firm foundation for a longer-term process of redressing imbalances, agreeing on priorities, and reforming institutional arrangements at all levels, to bring about coherence and the integration of policies across the economic, environmental and social pillars, with human beings and their wellbeing at the centre. The Conference must also address the means of implementing outcomes, through the

provision of resources, including for technological transformation and capacity building.

- VI. Charting the way forward to eradicate poverty and promote sustainable development must start with the recognition that the world has changed in fundamental ways. Climate change is significantly altering the physical and human geography of the planet. There are major differences in population growth, age, sex structures, spatial distribution and patterns of movement; resource consumption has increased, and production patterns are more unsustainable. But there has also been wide-ranging technological progress, from renewable energy and energy efficiency, to innovative measures for adapting to climate change impacts, and new and efficient means for social networking, dialogue and participatory engagement, providing opportunities that were not available twenty years ago.
- VII. Against these changing parameters, Rio+20 must acknowledge that economic, social and environmental objectives are not independent variables, but are mutually supportive, with progress in each area facilitating advancement in the others. Our objectives should be to enhance equity, revitalize the global economy, and protect the planet and its ecosystems that support us so that all people, women, men and children, can live in dignity.
- VIII. The sustainability of future growth and development will rely critically on innovation, improved economic, energy and natural resource efficiency, an open and supportive multilateral trading system, better fiscal policies providing incentives for sustainability, comprehensive wealth accounting and valuation of ecosystem services, equitable access and inclusive political processes and the capacity to create sufficient decent work. Growth must lead to strengthened resilience – of households, ecosystems, and economies, and improved water, food and nutrition security.
- IX. Economic growth must be of high quality and inclusive. It should occur hand in hand with



relevant efforts to accelerate progress in global health, gender equality and women's empowerment, the realization of human rights, greater equity, improved access to and quality of social protection and the rule of law, and the fair distribution of the benefits of development. Policies must avoid trade protectionism and negative impacts especially on the poor and vulnerable groups such as refugees and internally displaced persons. These objectives are all key elements of the green economy approach, and we pledge the support of our organizations to Member States as they engage in this critical and transformational transition.

- X. The shift to sustainable development presents challenges, but also offers opportunity for substantial investments, both public and private, in productive infrastructure, technological transformation, science, education and human capital development. The UN system stands ready to assist Member States as they formulate and implement the enabling policy and regulatory frameworks that are essential for such investment to take place, and to continue to strengthen its work at the country level.
- XI. In the current fragmented system, institutional reform is unquestionably needed at national, regional and international levels, to integrate the dimensions of sustainable development, improve effectiveness in implementation, urgently scale-up activities, and bring about further coordination and coherence of policy.
- XII. The UN system is determined to do its part on institutional reform, by improving system-wide coordination mechanisms, and by reviewing and improving policies and programmes, including through joint programming. But this

may not be sufficient, and Rio+20 should consider continued efforts on broader reforms within the UN system, for example, the strengthening of institutions, mandates and regulatory frameworks, or making structural changes.

- XIII. At a more specific level, from a range of priority issues, a number have emerged that warrant particular attention in the context of sustainable development at Rio+20. Among these are: energy, water, oceans, green jobs, sustainable cities, sustainable agriculture and food security, disaster risk reduction, and investing in health, education, youth, gender equality and women's empowerment.
- XIV. These issues require a coordinated approach by the UN system, stakeholders from government, civil society and the private sector, to find joint innovative and lasting solutions. The organizations of the UN system have been intensifying efforts and cooperation to address the challenges of the water, energy and global food security crises. Rio+20 will provide an appropriate platform to support selected initiatives, such as the Sustainable Energy for All initiative, which illustrate a collective renewed commitment to sustainable development.
- XV. At Rio+20, we must build upon and scale up the achievements, best practices and lessons of the MDGs, and lay strong foundations for the post-2015 development agenda. We must chart a course for measurable progress towards sustainable development goals, using milestones that integrate the economic, environmental and social dimensions and a new generation of metrics to measure our achievements. The UN system stands ready to support the world's nations and peoples to make sustainable development a reality.



UNEP secretariat's input to the Compilation Document for the United Nations Conference on Sustainable Development

"Saving our planet, lifting people out of poverty, advancing economic growth ... these are one and the same fight...Solutions to one problem must be solutions to all."

-- UN Secretary-General Ban Ki-Moon at the opening of the 66th session of the General Assembly

A. OVERVIEW OF PROPOSALS

- 1. The United Nations Conference on Sustainable Development (hereinafter referred to as the Conference) provides the opportunity to address fundamental obstacles to progress towards achieving the objectives of sustainable development, and to make decisions that could be transformative in nature to set a course for more effective implementation of commitments. These could include decisions that would lead to:
 - a. Integrating the social, environmental and economic dimensions in decision-making (Rio Principle 4), and ensuring that social and environmental objectives lead economic approaches;
 - b. Redefining our measures of economic progress and prosperity, putting human wellbeing and sustainability at the centre of policy goals. This would include complementing and going beyond GDP to measure progress and wealth;
 - c. Establishing mechanisms for participatory governance (Rio Principle 10);
 - d. Greening of economies as pathways to sustainable development;
 - e. Focussing on equity as an essential outcome of the development process, including inter-generational equity;
 - f. Investing in youth training and employment to build the necessary skills base for the greening of economies and to secure participation in the development process and their equitable sharing in the benefits of development (Rio Principle 21);
 - g. Enabling Least Developed Countries to "fast-track" the along the pathway to sustainable development (Rio Principle 6); and
 - h. Launching initiatives on energy; food and nutrition security, land and biodiversity; oceans; and cities, given the urgency and severity of these challenges.

B. ASSESSMENT OF GAPS

- 2. Several recent reports¹ have undertaken reviews of progress on the economic and social dimensions in implementation of sustainable development. In this submission, the UNEP secretariat complements these reviews with analysis of the environmental dimension using the latest data assembled by UNEP for the forthcoming fifth report in the Global Environment Outlook series (GEO5). These data have been used to compile a table providing detailed information on the progress towards achieving over 70 environmental goals (see the report "Progress Towards Meeting Internationally Agreed Goals") and a companion publication "Keeping track of our changing environment".
- 3. These reports document evidence of unprecedented environmental change at global and regional levels. We draw upon these to present a highly synthesized statement about gaps in implementation in relation to environmental goals. The data show that the Earth's surface is warming, with major changes to water availability, and soil and land degradation. The goal of a significant reduction in the rate of loss of biological

¹ Reports of the Secretary General: "Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development" (2011), and "Keeping the promise: a forward-looking review to promote an agreed action agenda to achieve the Millennium Development Goals by 2015" (2010); The MDG Gap Task Force Report 2011: "The Global Partnership for Development: Time to Deliver"; UNDP: "The Millennium Development Goals Report 2011"; World Bank: "Global Monitoring Report 2010: The MDGs after the Crisis"



diversity by 2010 has not been achieved. The projected increase in frequency and severity of climate related extreme events will dramatically affect the economic, environmental and social security of many millions of people. Globally, health and life expectancy are compromised by outdoor and indoor air pollution, as well as lack of sanitation, and access to and quality of fresh water. The continued exploitation of natural resources at rates exceeding the Earth's biocapacity poses a risk to the provision of essential ecosystem services and engenders food insecurity.

- 4. These unprecedented changes are due mostly to human activities in an increasingly globalized, industrialized and urbanized world, driven by an expanding number of people.
- 5. Much of the lack of achievement of the environmental objectives under Agenda 21, the Johannesburg Plan of Implementation and multilateral environmental agreements arise from failures to:
 - a. integrate social, environmental and economic objectives in policies and interventions for sustainable development;
 - b. reflect the value of natural capital in economic and financial decision-making, remove inappropriate subsidies and adapt taxation policy to be consistent with the goal of sustainability, and modify traditional measures of economic performance to include social and environmental components;
 - c. harness economic approaches to operate within Earth system boundaries;
 - d. connect the state of scientific knowledge to policy response;
 - e. achieve coherence and coordination of fragmented multilateral environmental agreements, and adapt, implement and enforce environment-related legislation at the national level; and
 - f. create at the national level enabling conditions to bring about the involvement of stakeholders.
- 6. The fact that the 10 Year Framework of Programmes on Sustainable Consumption and Production was not adopted at the 19th session of the Commission on Sustainable Development (CSD-19) is the most recent example of a gap in the world's response with the required urgency to the challenges of sustainable development.
- 7. The lack of strong environmental authorities at the sub-national, national and global levels partly accounts for these failures.

C. EMERGING CHALLENGES

- 8. Through a wide-ranging consultative process, involving Governments, major groups and the scientific community, UNEP has identified a set of emerging challenges which require urgent attention of policymakers and stakeholders. A survey has also been conducted by UNEP among Governments to rank the importance attached to these priorities by policy-makers across the regions (contained in the document "<u>UNEP Emerging Issues</u>").
- 9. The issues are complex and interrelated. In order to address them, there is a need for reconfigured governance structures to bring about greater integration of social, environmental and economic objectives in policy-making to move beyond sector-specific responses.
- 10. At the same time, the large gaps in implementation of Agenda 21 and outcomes of other intergovernmental processes have made some issues more urgent. Much progress has been made in accumulating and analyzing scientific knowledge related to the environment, and recommending appropriate responses, but there continues to be a disconnect with related policy-making.
- 11. The Conference presents an opportunity for Governments to address these challenges, by examining how greening of economies would present a responsive framework for policy and approaches, how the institutional framework for sustainable development needs to be supportive of such efforts, and how the links between science and decision-making might be strengthened.

The Conference has the opportunity to enable the Least Developed Countries (LDCs) onto a "fast runway" for sustainable development, setting the stage for a transformative moment in the global partnership for development.



12. We draw upon the consultative process on emerging issues to present the following summary statement. Many of these issues are not new or emerging. But they are persistent. What has changed is the understanding of the underlying science, their interconnectedness and their urgency. This enhanced understanding should now impel the world to move away from the sector-specific responses of the past.

Food and nutrition security, land, water and biodiversity resources

- 13. The global concern about food security, in the face of rapid population growth, is leading to demand for new land to be brought under agricultural production. This is being compounded by new challenges from phenomena such as climate change, diminishing phosphorus reserves, increasing water scarcity, deteriorating water quality², competition from bioenergy production and other new uses of land, and disease transmission from animals. Arrangements leading to the conversion of additional land in developing countries are posing governance challenges, and may compromise some of the social objectives of sustainable development, such as land rights of indigenous peoples and local communities, and may threaten important ecosystem services.
- 14. Meanwhile, new research has articulated the linkages among biodiversity, ecosystem health and climate change, and the role of economics, for example through the valuation of ecosystem services, to the management of these interconnected issues.
- 15. **The Conference might decide** that all countries should give high priority attention to short- and medium-term measures to alleviate pressure for land conversion and reliance on increasing productivity through external inputs, such as ways to reduce the high percentage of food loss and waste in post-harvest storage, transport and marketing of food products³.
- 16. For the longer-term, **the Conference might commit to** applying the Comprehensive Framework for Action on Food and Nutrition Security of the UN High Level Task Force on Global Food Security and request it to provide information, guidelines and technical advice to facilitate countries in doing so; and to work with financial organizations to mobilize the required financial resources for investment in the related activities.

Marine resources

- 17. Increased pressure from the exploitation of coastal resources is significantly affecting coastal ecosystems. Present management approaches are inadequate for stemming the tide of degradation, and an adaptive governance approach is needed. The oceanic environment is faced with increasing threats to its long-term integrity including acidification, overfishing, land and marine-based pollution, widespread habitat destruction, and introduction of invasive species. The current approach to managing ocean ecosystems is ineffective and the potential collapse of oceanic systems requires, among other things, new forms of integrated ocean ecosystem governance.
- 18. The restoration of marine resources is a prerequisite for the sustainability of all economies and livelihoods, especially those that are heavily dependent on these resources. The principles underlying greening of economies could be applied to the management of the marine commons and oceans' ecosystem services.
- 19. **The Conference might decide** that the degradation of the marine commons requires urgent and systematic attention, including the use of ocean areas not covered by present governance arrangements, with the objective of unifying the many pieces of policy and programmes and instruments that are in place at global, sub-regional and national levels, and filling the gaps as required, in order to recover the marine commons within a specified time frame. **The Conference might consider**, as a matter of urgency, the development of a strategy for doing so.

² UNEP Report: "Sick water? The Central Role of Wastewater Management in Sustainable Development" (2010).

³ FAO Report: "Global Food Losses and Food Waste: Extent, Causes and Prevention" (2011); UNEP Report: "The Environmental Food Crisis" (2009).



Climate change and energy

- 20. The diversity of risks from climate change to human well-being, the economy and ecosystems are well-known, and within the framework of the negotiations under the UNFCCC, Governments are already considering responses for mitigating climate change and adapting to its adverse impacts, in light of which no proposals are made here.
- 21. However, natural disasters reverse hard-won development gains, exacerbating poverty and increasing human vulnerability to future crises. Strengthened preventive approaches and environmental emergency responses are necessary at the national level to protect vulnerable populations.
- 22. Current patterns of energy production and use are closely linked to the root causes of climate change, but energy services are also vital for increasing the standards of well-being of under-served communities. **The Conference might consider** giving full support to implementing the UN Secretary-General's *Sustainable Energy for All* initiative with its three objectives of ensuring universal access to modern energy services, doubling the rate of improvement in energy efficiency and doubling the share of renewable energy in the global energy mix, all by 2030.

Cities

- 23. Since projected population growth over the next four decades is largely expected to be absorbed by cities, the urban environment is a particularly important priority for future policies for sustainability. Anticipatory and integrated planning at the sub-national and national level will be needed to deliver economic, social and environmental services, to satisfy standards for healthy living, housing, energy efficiency in the buildings sector, waste management including waste to energy, recreation, job creation and mobility, while reducing the impact on the environment and achieving more efficiency in use of resources and provision of services.
- 24. **The Conference might encourage** the setting up of a Global Partnership on Cities, among existing initiatives and partners to provide coherent support, including capacity building and technical assistance, in support of sub-national and national authorities in an integrated approach to achieving the above sustainable development objectives (see paragraph 23).

Chemicals, wastes and human health

- 25. Precautionary management of chemicals and wastes represents the most costeffective approach to the protection of human health and the environment from the risks they pose. Evidence of the costs of inaction in relation to chemicals and waste management indicates significant, but usually hidden, losses to economies, societies and the environment. Sound chemicals management is focused on interventions at the source of chemicals production and use to reduce the threats posed to human health and the environment and avoid the high costs of remediation.
- 26. There has been significant progress in implementing the Montreal Protocol on ozone-depleting substances. However, the current approach to regulating chemicals is too fragmented to adequately address the large and increasing number of chemicals in production and use and their emerging health effects, such as endocrine disruption. Furthermore, the lack of sustainable, predictable, adequate and accessible financing hampers efforts to develop greater scientific understanding and risk assessments, and constrains many Governments in implementation of commitments.
- 27. **The Conference might invite Governments** to build upon the existing work on synergy among the chemicals conventions to develop a strategy for the long-term sound management of chemicals and wastes, and to support its implementation by countries, in partnership with other related processes, such as the Strategic Approach to International Chemicals Management.

Since 1992, the human population has grown by 26 % (an increase of 1,450,000,000 people). In 2011, over 3.5 billion people – more than half the world's population - are living in urban areas. The number of "megacities" has more than doubled since 1990. A smaller proportion of urban dwellers lives in slums, but their total number has risen to 827 million.

(Source: UNEP report "Keeping track of our changing environment: From Rio to Rio+20 (1992-2012)" (2011), based on data from UNFPA and UN-Habitat).



The Conference might also call for a rapid conclusion of the negotiations on mercury.

D. GREEN ECONOMY IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT AND POVERTY ERADICATION

- 28. The foregoing discussion on gaps and barriers to implementation (see paragraphs 2-7) and on emerging or exacerbated issues (see paragraphs 8-28) contributes to the backdrop for addressing how greening of economies could present a framework for responding to some of these gaps and barriers, and how the institutional framework for sustainable development, nationally and globally, can be made more supportive for achieving sustainable development.
- 29. "Green Economy" is widely understood to be an approach through which economies could contribute more directly and significantly to enhancing human well-being while respecting planetary boundaries and reducing environmental risks. It is a vehicle for delivering sustainable development, including poverty eradication.
- 30. Since 2008, UNEP has led a collaborative process involving numerous organizations and individuals on the greening of economies, the detailed results of which are available in a synthesis for policy-makers entitled "Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication" (2011) and in sector chapters available as part of the Green Economy Report (2011). A number of other significant documents have also been published on this concept by a range of organizations.⁴ These results provide the basis for UNEP's proposal for outcomes for UNCSD under the theme of green economy in the content of sustainable development and poverty eradication.
- 31. The Conference might consider the following key characteristics of a green economy:
 - a. greening of economies is relevant to all countries for achieving social, environmental and economic objectives, whatever their development status;
 - b. commitment to and acceleration of a transition to greening of all economies would allow for faster achievement of global and national goals for sustainable, inclusive, and equitable development;
 - c. the greening of economies embodies the value of natural capital and builds up this natural capital for sustaining economic progress and human-wellbeing.
 - d. a country's approach to greening its economy will need to be customized to fit its own context, reflecting its own world view especially in relation to the environment and its principles of political economy, with particular regard to its governance arrangements, natural resource endowments, investible resources, human capacities, and its current socio-economic status; and implemented at its own pace and according to its own plan of action;
 - e. uniform progress among countries along green economy pathways to sustainable development cannot be expected;
 - f. a green economy must be underpinned by sustainable consumption and production patterns, and will contribute to resource efficiency;
 - g. a green economy framework will not constitute a condition for determining aid and trade flows and member states could commit themselves to avoiding unjustified trade restrictions in their national policies to promote greening of their economies, consistent with Rio Principle 12; and
 - h. greening of economies is people- and planet-centred, promoting inclusive growth, the conserving of livelihoods, the creation of decent jobs, leading to greater equity in the distribution of benefits and enhancement of social protection, and sustaining environmental resources and services.

⁴ DESA, UNCTAD and UNEP Report: "<u>The Transition to a Green Economy: Benefits, Challenges and Risks from a Sustainable Development.</u> <u>Perspective</u>" (2010); ILO and UNEP Report: "<u>Green Jobs: Towards Decent Work in a sustainable, low-carbon world</u>" (2008); UNEP Report: "<u>Global</u> <u>Green New Deal Policy Brief</u>" (2009); UNEP Report: "<u>A Brief for Policymakers on the Green Economy and Millennium Development Goals</u>" (2010); UNEP Report: "<u>Resource Efficiency: Economics and Outlook for Asia and the Pacific</u>" (2011); EEA Report: "<u>Europe's Environment: An Assessment of Assessments, Chapter 3: Green Economy</u>" (2011).



32. The Conference might further consider:

- a. Committing to mainstreaming green economy considerations into existing and future national and sub-national plans, by bringing environmental sustainability and social inclusion into strategic planning and economic policy-making at the national level, and by including valuation of natural capital and ecosystem services into economic decision-making.
- b. Committing to the development of internationally-agreed accounting frameworks and metrics to complement GDP for better measurement of progress towards sustainable development. GDP is an indicator of economic transactions and activity that does not take into account either changes in human well-being and social equity, or in natural capital and environmental impacts. It follows that tracking progress towards sustainable development would require appropriate and comprehensive measures to fill these gaps at national and global levels, which better reflect whether the goals are being achieved. Many building blocks for such measures already exist which could be synthesized and integrated into national accounting frameworks⁵.
- c. Adopting the 10-Year Framework of Programmes on Sustainable Consumption and Production discussed during the last cycle of the Commission on Sustainable Development in order to provide tools, methodologies, guidelines, and capacity building for sustainable consumption and production, promoting a holistic approach towards sustainable development.
- d. Undertaking fiscal reform in all countries to include a reorientation of tax and subsidy policies consistent with the objectives of sustainable development, accompanied by measures for social protection where necessary. The removal of harmful subsidies for fossil fuels, fisheries and agriculture (estimated to be in the order of USD 750 billion per year) could be redirected for enhanced social protection and poverty eradication; and for investing in provision of sustainable energy services, including renewables; training; and research and development. Reoriented tax regimes shifting taxes from economic "goods" like income and labour, to "bads" such as emissions and pollution can focus on decent job creation, equitable distribution of income and access to opportunities, the conservation and sustainable use of ecosystem services, green innovation, and investments in green economic activities.
- e. Engaging with the business sector to innovate and invest in green technologies, goods and services through legislation and appropriate incentives; encouraging all companies to adopt corporate sustainable principles based on UN conventions and agreements, as advanced by the United Nations Global Compact, and requiring a 'comply or explain' approach⁶ to sustainability reporting⁷ and the application of standardized environmental, social and governance criteria in financial decision-making.
- f. Committing to high levels of sustainable public procurement as a way of re-orienting public expenditure in support of greening the economy, thereby stimulating markets for resource efficient and environmentally-friendly products, generating employment and incubating local production
- g. Establishing a Programme of action on green economy at the global level to support the efforts of all countries in greening their economies. This Programme could include the following elements:
 - i. A funding mechanism comprising sovereign funds, reoriented public expenditure, multilateral and bilateral contributions, international and regional financial institutions, and private financing, in order to reach the expected level of investments required;
 - ii. A global clearing-house function on technology, to be discharged by existing organizations, to provide information on and facilitate acquisition of conducive technologies;
 - iii. An ambitious programme of technical support and capacity building for developing countries in their efforts to develop and implement national green economy initiatives and programmes, comprising enhanced human and institutional capacity (for research, implementation, resource mobilization, public understanding and stakeholders engagement, education

⁵ For example, <u>indicator sets</u> developed under the Commission for Sustainable Development, the UN System of Integrated Environmental-Economic Accounting (SEEA), the UNDP Human Development Index (HDI), the ILO project on <u>Decent Work Indicators</u>, and the OECD's initiative <u>on Measuring the Progress of Societies</u>.

⁶ Some countries have already legislated for compulsory sustainability reporting by corporations.

⁷ Using established reporting frameworks such as the as the Global Reporting Initiative (GRI).



and training, monitoring and evaluation of progress, and for acquiring, deploying and servicing the related technologies);

- iv. Engaging research institutes, the business sector, nongovernmental organizations, and international agencies to share examples of best practices in the design, implementation, and evaluation of green economy initiatives at all levels and develop an information platform for sharing this knowledge based on these examples. Such a platform could pool together tools, methodologies, studies and policy recommendations developed by various international actors in order to constitute a 'toolbox' for a green economy, available to all stakeholders; and
- v. A global programme for skills development targeting especially young people⁸. Young people need to be equipped with the skills and opportunities to enable them to share more equitably in the development process, and as a way of renovating the skills base in relation to sustainable economies, through a global programme for skills development, retraining, development of entrepreneurial skills, and apprenticeship for green jobs. UNEP and ILO have

With as much as one in three unemployed persons today between the ages of 15 and 24 years, political pressure to prevent the disheartening of a "lost generation" increases and Governments are called on to shift priorities toward greater investment in youth.

(Source: <u>ILO website</u> and Report: "<u>Global</u> <u>Employment Trends for</u> <u>Youth: 2011 Update</u>")

worked over the past two years on green jobs⁹, and could be called upon, along with other agencies, to elaborate a plan of action to realize this decision.

E. INSTITUTIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

- 33. There is an amalgam of arrangements through which any society or the global community comes together to manage and reconcile its interests, identify the values that inform its approaches and objectives, and formulate and implement policies to achieve those objectives. The mechanisms through which these are formulated, the arrangements and operating entities that support the achievement of the objectives, together with its accumulation of norms, standards, rules, regulations and operational guidelines constitute the institutional framework within which a society operates.
- 34. The institutional framework for sustainable development must be responsive to and reflect the Preamble to the Charter of the United Nations and the 1986 United Nations Declaration on the Right to Development, as well as the body of values, objectives and norms established in the outcome documents of the 1992 UN Conference on Environment and Development and other similar conferences since then.

Equity needs to be an essential outcome of the development process at national and global levels.

- 35. This cumulative normative framework emphasizes that development is about people and our shared common humanity, focusing on human well-being, social justice including more equity within and among countries and between generations, inclusive economic and social development processes, and containing humanity's ecological footprint within planetary boundaries. All of these are vital aspects of sustainable development.
- 36. In addition, the institutional framework for sustainable development must foster greater public understanding of the unprecedented issues facing human society today, respond with urgency and policy coherence, ensure greater equity in the sharing of economic benefits, and integrate the social, environmental and economic dimensions of sustainable development in policy decisions and development approaches. It must deliver the following functions at local, national, regional and global levels:
 - a. achieve integrated policies and planning for the social, environmental and economic dimensions of sustainable development, coherence across local, national, regional and global levels, and maximise synergies among objectives and processes;

⁸ Such a programme could be designed along the lines of the Global Fund for Aids, Malaria and Tuberculosis which has illustrated effectiveness through focused attention to urgent global needs within a framework of enhanced international cooperation.

⁹ See UNEP, ILO, IOE and ITUC Report: "<u>Green Jobs: Towards Decent Work in a Sustainable, Low-carbon World</u>" (2008); and ILO Report: "<u>Skills for</u> <u>Green Jobs: A Global View</u>" (2011).



- b. chart pathways and put in place supportive implementation arrangements through which the goals and objectives are addressed;
- c. assess achievement of the goals and objectives through monitoring of implementation, assessment and reporting of progress, and accountability procedures for commitments;
- d. exercise oversight of operating entities established to support all functions; and
- e. keep under review the adequacy of the amalgam of institutional arrangements and ensure that they are working to purpose: enhancing human well-being, achieving social equity including across generations, ensuring environmental sustainability, and practicing participatory development.
- 37. Moreover, systematic arrangements for informed public participation in all levels of decision-making are a necessary part of the institutional framework for sustainable development, and is called for under Principle 10 of the Rio Declaration, Agenda 21, the Johannesburg Plan of Implementation and decisions of the UNEP Governing Council. Such arrangements would allow for shared analysis of issues and challenges, building consensus among stakeholders on objectives and possible approaches and policies to achieve them, effectively supporting implementation of these policies and approaches through contributions from and compliance by stakeholders. Building such consensus and participation is critical to balancing the social, environmental and economic aspects for sustainable development and for moving in a concerted way to achieve the objectives. Generally, many societies have not invested adequately in creating and managing such arrangements, which are necessary for more participatory governance¹⁰.
- 38. Arrangements for environmental governance are an integral part of the institutional framework for sustainable development. They need to be mutually supportive. The assessment of gaps in implementation of environmental goals shows a wide divergence between goals and achievements. This is mainly due to the failure to integrate environmental variables, including the value of natural capital and ecosystem services, into economic decision-making, reflecting the lack of significance given to environmental issues in the development process. For the most part, environmental goals can only be achieved through integrating them into economic planning and decision-making. This requires the 'voice' of the environment, including within related ministries, to be made more authoritative to be able to effectively engage within processes of planning, budgeting and financing, and in sectoral programmes. An authoritative voice for environment at the national level is a prerequisite for the same at the global level.
- 39. The same can be said in relation to the social objectives, which need to be put at the centre of the planning, budgeting and financing processes. Institutional arrangements for their adequate representation in the development process are essential to ensure that the objectives of human well-being, social justice, equity within this and for other generations are met through economic activities.
- 40. In considering the institutional framework for sustainable development that would respond to the values and goals embodied in the normative framework referenced above (see paragraphs 34-35), and that would deliver the functions outlined above (see paragraphs 36), **the Conference might consider** how to enhance cooperation among and performance of existing organizations, as well as establish new mechanisms to address the barriers to implementation suggested in paragraph 5 above.

41. The Conference might consider, for the national level:

- a. bringing together social, environmental and economic related decision-making bodies through, for example, an inter-ministerial committee to ensure that economic policies are at the service of the social and environmental objectives and to take full cognizance of the commitments undertaken at global and regional levels;
- b. setting up an effective mechanism for consensus building among stakeholders (perhaps by revisiting Sustainable Development Councils as recommended in Agenda 21 representing all stakeholders, with independent leadership, in order to achieve better legitimacy and participation in governance, and to ensure continuity in direction);
- c. strengthening the authority of environmental ministries and related organizations to effectively represent the centrality of environmental issues to economic progress and human well-being;

¹⁰ The Aarhus Convention in the UNECE region provides a positive example of giving effect to Principle 10.



- d. creating a mechanism, for example, a national ombudsman, to monitor the equity outcome of development and to advocate and promote adjustments as necessary within and across generations;
- e. making use of peer review or advisory bodies, organized at national or sub-regional levels, to appraise the movement towards sustainable development;
- f. investing more in building public awareness and understanding by providing open and systematic public access to information; for this purpose, develop national or regional agreements, modelled for example on the Aarhus Convention, and taking into account the "<u>UNEP Guidelines for the</u> <u>Development of National Legislation on Access to Information, Public Participation and Access to</u> <u>Justice in Environmental Matters</u>" (2010);
- g. enhancing the knowledge base to provide integrated data and information to improve decisionmaking, facilitating open access for decision-makers and the public, and improving data accessibility through better collaboration with global networks, making use of modern information and communication technologies¹¹;
- h. devolving responsibility to sub-national levels, in keeping with a principle of subsidiarity, for governance, implementation, and accountability within the framework of national policies and plans, and to involve local communities in decision-making.

42. The Conference might consider, for the regional level:

- replicating an inter-ministerial mechanism that would bring together social, environmental and economic decision-makers to design regional level approaches that would bridge and support national and global processes;
- b. making better use of regional and sub-regional inter-governmental organizations to contribute to ensuring coherence of sustainable development policies between national and global levels; supporting countries in their implementation, monitoring and reporting; and encouraging accountability;
- c. forging approaches for the management of shared resources and transboundary issues; and
- d. developing regional or sub-regional agreements to give effect to Principle 10 of the Rio Principles as noted above.

43. The Conference might consider, for the global level:

- enhancing the normative framework for a more integrated approach for delivery of sustainable development, through the formulation of Sustainable Development Goals to harmonize social, environmental and economic objectives;
- b. creating a special arrangement for oversight of and advice on equity as an outcome of the development process, including for future generations, such as an independent special rapporteur for equity, supported by the Office of the Secretary-General of the United Nations, reporting to any forum as indicated in (d) below that may be created by Governments;
- c. strengthening overall sustainable development governance by creating a forum at the apex of the United Nations, that would discharge the functions listed in paragraph 36; that would coordinate with the international economic and financial organizations; that would commission periodic independent reviews of implementation of global commitments; with participation that would confer legitimacy and authority; and with procedures to set the direction for and orchestrate the United Nations system to support Member States in achieving sustainable development; taking into account the findings of the study commissioned by the second meeting of the UNCSD

The Nairobi-Helsinki Process put forward various options for broader institutional reforms including the following five options:

- a. enhancing UNEP;
 b. establishing a new umbrella organization for sustainable development;
- c. establishing a specialized agency such as a world environment organization;
- d. reforming the United Nations Economic and Social Council and the United Nations Commission on Sustainable Development;
- e. enhancing institutional reforms and streamlining existing structures.

¹¹ The Eye on Earth Summit in Abu Dhabi on 12-15 December 2011 provides an opportunity for Governments, Major Groups, the UN system, and international finance institutions to advance collaboration towards these objectives.



Preparatory Committee on the financial, structural and legal implications and comparative advantages of the five options for broader institutional reform outlined in the <u>"Nairobi-Helsinki Outcome"</u>(see box);

- d. strengthening <u>environmental governance</u> as part of the institutional framework for sustainable development, bearing in mind resolutions 65/162 and 59/226 of the UN General Assembly which committed to strengthening UNEP for it to effectively discharge its role as the leading global environmental authority that sets the global environmental agenda, to promote the coherent implementation of the environmental dimension of sustainable development within the United Nations system, and to serve as an authoritative advocate for the global environment; and
- e. assessing how the following elements might contribute to realising the global functions for international environmental governance identified under the Nairobi-Helsinki Outcome having regard to the principle that form should follow function:
 - i. *creating a strong, credible and accessible science base and policy interface*, through enhancing capacity and resources for satisfying the needs of countries for information, analysis, early warning, alert services and assessments, indicators and policy recommendations; through a global compact on science for sustainability for addressing the 21st century sustainability challenges; by building on work related to valuation and inclusion of natural capital and ecosystem services into economic decision-making¹²; and on work relating to availability, use and management of scarce resources¹³;
 - ii. *developing a global authoritative and responsive voice for environmental sustainability*, such as through universal membership of UNEP, with strengthened regional presence;
 - iii. achieving effectiveness, efficiency and coherence within the United Nations system, through strengthened mandates to develop synergies among multi-lateral environmental agreements, and to develop and drive a UN system-wide strategy for the environment;
 - iv. securing sufficient, predictable and coherent funding, by overcoming fragmentation among the various sources of financing for the environment, securing better alignment of global environmental policy-making with global environmental financing, and tracking and reporting on trends in financing for the environment; and
 - v. *ensuring a responsive and cohesive approach to meeting country needs,* for example by putting in place a UN system-wide strategy for capacity building and implementation support, as required by the Bali Strategic Plan for Technology Support and Capacity-Building.
- f. deciding on what new or modified entities, including the strengthening of UNEP, would be required to enable countries to make transformative changes in the way in which environmental issues and objectives are managed to secure environmental sustainability.

The Conference has the opportunity to be an historic event.

The world now has considerably greater understanding of the magnitude of the challenges associated with sustainable development.

But it also has much greater understanding of the ways in which human well-being, environment and economy are inter-related and mutually supportive.

These combine to create an unprecedented opportunity for Governments of the world to address the most pressing global issues: eradicating poverty, achieving equity, environmental sustainability, providing for the least developed and most vulnerable, and for Rio 1992's "next generation" who are today's youth.

There is a sense in which 'Our Common Future' is now more starkly revealed than it was in UNCED in 1992, bringing new urgency to the need to focus and elevate the sustainable development agenda in all societies, and for an enhanced global partnership towards this end.

¹² See UNEP Study: "The Economics of Ecosystems and Biodiversity" (2009).

¹³ See UNEP Reports of the International Resource Panel, e.g. "Decoupling Natural Resource Use and Environmental Impacts from Economic Growth" (2011) for analysis of scarce resources, approaches to achieve resource efficiency, and how economic activity might be decoupled from resource degradation.