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Research Report

UNCSD Rio 2012: Twenty years of sustainability policies - now put into practice?

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Marianne Beisheim and Susanne Dröge (eds.)

UNCSD Rio 2012

Twenty Years of Sustainability Policies –
Now Put into Practice?

SWP Research Paper

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Table of Contents

Challenges and Policy Recommendations – 5

1. **The Rio+20 Summit:
Putting Twenty Years of Sustainability Policies into Action?** – 9
Marianne Beisheim and Susanne Dröge
2. **The Green Economy:
An Economic Concept for Everyone?** – 17
Susanne Dröge and Nils Simon
3. **SDGs: A Renewed Commitment to Implement Existing and
Emerging Sustainable Development Goals?** – 31
Birgit Lode
4. **Between Deadlock and Breakthrough:
The Reform of International Environmental Governance
in the Run-up to Rio 2012** – 41
Nils Simon
5. **A Sustainable Development Council:
Relaunching Global Sustainability Policy and Politics** – 55
Marianne Beisheim, Birgit Lode, and Nils Simon

Annex

Abbreviations – 72

Contributors – 73

UNCSD Rio 2012

Twenty Years of Sustainability Policies – Now Put into Practice?

In June 2012, the United Nations Conference on Sustainable Development (UNCSD or Rio+20), will take place in Rio de Janeiro and once again direct the world's attention to the urgent challenges that face humanity. Poverty, over-exploitation of natural resources, climate change and economic crises are challenges which have long demanded the determined cooperation of the international community. However, poorer nations have little faith in the actual will of wealthy nations to commit to combating these problems on the scale required. A further obstacle is the structural weakness of the international institutions dealing with these issues. Against this backdrop, chances for a successful summit in Rio are moderate. Rio+20, however, is *the* opportunity during this decade, and perhaps beyond, to lend new momentum to international environment and development policies and implement the desperately needed reforms. Germany is a key player in this process: a strong economy and pioneer of policies geared to sustainability, an initiator of innovative projects to combat poverty and environmental degradation, and a mediator in the debate on reforms of the UN.

In the run-up to the Rio Conference, a package of proposals for bringing new momentum to global sustainability policies is being negotiated. This Research Paper will discuss the most important ones. The first key issue on the conference agenda is the concept of a Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE). Moreover, the formulation of Sustainable Development Goals (SDGs) has been suggested. The second key issue on the agenda is the reform of the UN Institutional Framework for Sustainable Development (IFSD). The proposed reforms involve upgrading the United Nations Environment Programme (UNEP) and reforming the Commission on Sustainable Development (CSD). These two points are closely linked.

The chapters of this Research Paper describe and discuss the various processes that prompted the proposals for the Rio Conference and the position selected countries have taken on these issues. Chapter 2 (pp. 17 et seq.) pursues the question of whether the proposed concept of a Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) is capable of achieving international consensus, and the chances for a Green Economy Roadmap proposed by the European Union. Chapter 3 (pp. 31 et seq.) explores the current debate surrounding the Sustainable Development Goals (SDGs), which could play an important part in implementing the Green Economy and continuing efforts to achieve the Millennium Development Goals (MDGs) in the years after 2015. The SDGs – a proposal submitted by Columbia and Guatemala in late 2011, could make the

summit conclusions more binding by enabling the international community to monitor the implementation of the declared political targets.

Chapter 4 (pp. 41 et seq.) tackles the reform of the United Nations Environment Programme (UNEP) with a particular focus on the EU's declared aim of upgrading the programme to a UN specialized agency. While the need for reform is generally accepted, it remains to be seen whether the political will necessary to make such a fundamental change can be mustered. Another important proposal to improve the implementation of sustainability policies is to reform the Commission on Sustainable Development (CSD): the potential scope and nature of such a reform is elaborated in chapter 5 (pp. 55 et seq.).

Our analysis of the submitted proposals has led us to make the following recommendations:

- ▶ The concept of a Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) does not yet have the unconditional backing of all UN member states. The G20 members in particular should articulate their support of this overarching concept much more clearly in order to enhance the chance of establishing it as a key building block for the implementation of sustainability policies. Mexico as the current chair of the G20 has announced its support for the concept, but it will not succeed without the help of Germany and the EU. The EU proposal of a Green Economy Roadmap will only be accepted at the UNCSD if the conference adequately addresses the concerns of the G77 that the plan will limit their growth and development potential by introducing more protectionist measures and new regulatory demands from industrialised countries.
- ▶ Sustainable Development Goals (SDGs) could facilitate the implementation of the Green Economy (GESDPE) and provide a framework for the still insufficiently implemented UN decisions on sustainability: SDGs would be useful tools in defining the priorities and goals the international community could commit itself to after 2015, and what indicators can be used to make progress measurable. It is unrealistic to expect that a definitive set of goals with targets, timetables and indicators be agreed upon in Rio. It is therefore of decisive importance to harmonise the further procedure on SDGs with the post-2015 process of formulating the next generation of Millennium Development Goals. The clear focus on the eradication of poverty should be maintained and complemented by further sustainability issues. Germany could contribute to this process by formulating SDGs for the water, energy and food security nexus.
- ▶ The implementation of GESDPE and the SDGs requires a solid institutional framework. Germany should therefore take an active role in promoting the transformation of the Commission on Sustainable Development (CSD) into a Sustainable Development Council (SDC), and that of the United Nations Environment Programme (UNEP) into a specialized agency. Objections from industrialised countries could be countered

with the argument that the reforms do not aim to create yet more structures but to make the existing institutions capable of performing their mandate effectively and efficiently – a bonus which would balance out potential cost increases. Sceptics from emerging and developing countries should be informed that the aim is not to set up a supervisory agency to restrict their development. On the contrary, the aim is to make these institutions capable of better supporting such countries in their transition to a Green Economy. If the case is convincingly argued, space will be created to forge new alliances that can successfully implement the double institutional upgrade in Rio.

- ▶ Germany should meet the General Assembly's demand that the heads of state and government should show commitment by sending a high-profile delegation. The presence of key members of government inspires confidence, sends an important signal to other states and could play a vital part in achieving a breakthrough at the conference. The deadlocks that are characterising the preliminary negotiation rounds can only be overcome by commitment at the highest level.
- ▶ The Rio summit is an opportunity that simply cannot be missed: the aim of the conference should be to achieve as many substantive results as possible and avoid postponing too many issues to the post-Rio processes. For those issues that cannot be resolved in Rio, specific policy guidance for the next steps should be determined.

1. The Rio+20 Summit: Putting Twenty Years of Sustainability Policies into Action?

Marianne Beisheim and Susanne Dröge

In June 2012, twenty years after the first Earth Summit in 1992, world leaders will once again gather in Rio to negotiate *The Future We Want*.¹ The United Nations Conference on Sustainable Development (UNCSD) has the challenging aim of giving new momentum to achieving a balanced pathway of social, ecological and economic development for all countries in the international community. In view of this objective, the conference will focus on two main themes:

- ▶ Formulating an economic concept that is compatible with the need to protect natural resources and the climate: a Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE).
- ▶ Reforming the UN Institutional Framework for Sustainable Development (IFSD) to create a solid basis from which to support and coordinate the implementation of sustainability policies.

The conference must achieve its aim of renewing political commitment to implement international sustainable development policies. Whether it will succeed in doing so depends on a variety of factors: the extent to which member states regard implementation of UN sustainability policies as insufficient, member-state positions on and commitment to the proposed reforms and, above all, the G20 member's political will to make the conference aims more binding and to step up their efforts to achieve them.

The Rio process: twenty years of sustainability policies

The first UN conference on environmental issues – the Conference on the Human Environment – convened in Stockholm in 1972. It prompted the investigations that led to the publication of the so-called Brundtland Report in 1987 from the independent World Commission on Environment and Development, a body created by the UN in 1983 under the direction of Gro Harlem Brundtland. The report *Our Common Future* introduced the concept of sustainable development as a development that “meets the needs of the present without compromising the ability of future generations to meet their own needs” and shape their own lives.² Further, the report recommended harmonising economic growth, social development and environmental protection aims by means of integrated policy strategies.

¹ United Nations (UN), *The Future We Want*, Zero Draft of the UNCSD Outcome Document (version of 10 January 2012).

² World Commission on Environment and Development (WCED), *Our Common Future* (Oxford, 1987), p. 43.

In 1989, the UN General Assembly invited all heads of state and government to convene in Rio de Janeiro in 1992 for the United Nations Conference on Environment and Development (UNCED) to translate these general aims into an agenda of political action. The buoyant mood of the time was extremely conducive to such plans: the East-West conflict was finally over and many people hoped that this would facilitate rapid progress in multi-lateral negotiations within a UN context. Lasting a full two weeks, the Rio Conference did in fact adopt a series of key documents. The recommendations for action contained in the 40 chapters of Agenda 21 consider the economic, social and ecological dimensions of sustainable development as well as the financial, technical and other implementation tools. Agenda 21 also defined nine major groups that should be involved in implementing the action plan, which then led to the formation of many local Agenda 21 processes. The conference also adopted the Rio Declaration on Environment and Development specifying 27 principles of sustainable development. Though not binding under international law, the Declaration did establish key principles, such as the precautionary and polluter pays principles, and the principle of “common but differentiated responsibilities”, which went on to shape subsequent negotiation rounds and many national policies. The Rio Declaration also affirmed the sovereign right of states to “exploit their own resources pursuant to their own environmental and developmental policies” – a right which many developing and emerging countries tenaciously insist upon. Beyond that, Rio 1992 also adopted framework conventions on climate change, biodiversity, desertification and a declaration on the management, conservation and sustainable development of all types of forests, which laid the foundations for many follow-up negotiation rounds.

The conference also decided to establish a new UN institution – the Commission on Sustainable Development (CSD). The Commission was given the mandate to promote and monitor the implementation of the commitments made in Rio, namely Agenda 21 and the Rio Declaration, a task it has only pursued with partial success (see chapter 5, pp. 55 et seq.). Ten years after the UNCED, the World Summit on Sustainable Development, (WSSD or Rio+10) took place in Johannesburg in 2002. The main focus of the summit was to be the implementation of the resolutions adopted in Rio. However, the summit was overshadowed by the terrorist attacks of 11 September 2001 and concern about increasing international economic competition due to globalisation processes. Member states showed little readiness to step up their sustainable development efforts. The issues of the summit were only agreed upon at a very late stage in the process. These included the concept of national sustainability strategies – and Germany, for example, presented its first such strategy in 2002. A further issue was the need to establish funds to promote sustainability policies, or provide better financial support for existing funds. The adopted outcome document – the Johannesburg Plan of Implementation, JPoI – was a great disappointment to many summit participants. The only elements greeted with enthusiasm were the proposals for a 10-year pro-

gramme on sustainable consumption and production patterns and the fairly precisely defined Millennium Development Goals. Criticism levelled at the conference was directed at the non-binding nature of the decisions and financial pledges made, and the lack of appropriate monitoring mechanisms.

Table

UN conferences on sustainability issues and their outcomes

| | |
|------|--|
| 1972 | United Nations Conference on the Human Environment (UNCHE) Stockholm Establishment of the United Nations Environment Programme (UNEP) |
| 1992 | United Nations Conference on Environment and Development (UNCED) Rio de Janeiro Rio Declaration on Environment and Development, Agenda 21, UN conventions on climate change, biodiversity and desertification; establishment of the Commission on Sustainable Development (CSD) |
| 2002 | World Summit on Sustainable Development (WSSD) Johannesburg Johannesburg Plan of Implementation (JPol), Type II agreements/partnerships with business and civil society for sustainable development |
| 2012 | United Nations Conference on Sustainable Development (UNCSD) Rio de Janeiro <i>Green Economy Roadmap? Global Sustainability Goals? UN Environment Organization? Sustainable Development Council?</i> |

Rio+20: ... will it speed up implementation?

In December 2009, the UN General Assembly again decided to summon a top-level conference on sustainable development in Rio de Janeiro and invited all heads of state and government to participate. The declared aim of the conference is to reinforce political commitment to sustainable development, and to assess and discuss progress, gaps and new challenges in the implementation of the set targets.

“Decides to organize, in 2012, the United Nations Conference on Sustainable Development at the highest possible level, including Heads of State and Government or other representatives [...]. The objective of the Conference will be to secure renewed political commitment for sustainable development, assessing the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development and addressing new and emerging challenges.”

Resolution 64/236 of the UN General Assembly, 24 December 2009.

An assessment of international sustainability policies reveals two key challenges: First, many deficiencies concerning the *content* of issues and trends in sustainable development are ignored or not dealt with in sufficient depth. The mission to combat poverty, for example, can claim some success; however, this is only regional in scale and in many cases, not sustainable in ecological terms. Besides, glaring justice and equality gaps and the lack of redistribution of wealth are problems that persist. On top of that, continuing population growth, the depletion of resources, the proliferation of damage to the eco-system and climate change endanger the progress that has been made.³ The second key problem is the need for reforms on an *institutional* level. Although the above-mentioned conferences did pass many good resolutions and laid down action plans in writing, the United Nations still lacks the necessary muscle and means of effectively driving their implementation.⁴

The two main themes of the UNCSD 2012 address both these key problems. The aim of the Green Economy concept (GESDPE) is to formulate a strategy of implementation based on economic incentives (see chapter 2, pp. 17 et seq.). Energy and resource efficiency, life cycle management and green technologies are to bring long-term increases in efficiency and enable “green growth”. UNEP and the Organisation for Economic Cooperation and Development (OECD) have developed far-reaching initiatives and strategies for the Green Economy advocating targeted support for key sectors like energy production from renewable sources and increased investments in research and development. Vitally, the UN is *not* to determine which of these issues are to be given priority in a national context. The aim is rather to draw up a UN-wide concept providing a basis of mutual understanding that the primary objective of economic policy focused on green technologies is sustainability and the eradication of poverty.

It is, however, still unclear whether a common denominator can be found for the divergent positions of the different member states. While the EU was quick to propose the adoption of a Green Economy Roadmap, many developing countries as well as some emerging and industrialised countries are reluctant to embrace this proposal. Any roadmap of this sort must take fears of economic paternalism into account. Its only chance of success is if it has the backing of the major economic powers in the G20 and those developing countries that approve of the concept but lack the necessary means of implementation. A roadmap would have to include specific measures for supporting national efforts in this direction. Now, shortly before the summit in June 2012, the G20 has the opportunity of mobilising greater support for the Green Economy concept. The Mexican

³ Cf. *Global Environment Outlook 5 (GEO-5), Summary for Policymakers* (Nairobi: UNEP, 2012).

⁴ Cf. *The Roads from Rio. Lessons Learned from Twenty Years of Multilateral Environmental Negotiations*, ed. Pamela S. Chasek and Lynn M. Wagner (New York and London, 2012); Frank Biermann et al., *Transforming Governance and Institutions for Global Sustainability. Key Insights from the Earth System Governance Project*, Working Paper no. 17 (Lund and Amsterdam, November 2011).

government, chair of the G20 in 2012, needs the support of Germany and the EU to achieve this goal.

To complement the Green Economy concept or – depending on the point of view – to set themselves apart from it, some developing countries have proposed that a set of global Sustainable Development Goals (SDGs) should be decided in Rio (see chapter 3, p. 31 et seq.). The main content and drafting process of these goals have yet to be clarified.

The second key theme of the Rio+20 Conference is to initiate the reform of the UN Institutional Framework for Sustainable Development (IFSD). The reforms under discussion would enable the implementation of sustainability goals to be pursued more effectively. A series of proposals are up for debate here. The two key reforms affect the United Nations Environment Programme (UNEP) (see chapter 4, pp. 41 et seq.) and the Commission on Sustainable Development (CSD) (see chapter 5, pp. 55 et seq.). Official negotiations regarding the possible upgrade of the environmental pillar of the UN's sustainable development efforts have been conducted for the past 15 years. However, the debate on the reforms in Rio has deliberately been given a wider scope: a central demand is that an upgraded institutional set-up should be better positioned to integrate the three pillars/dimensions of sustainable development – a task the CSD was given a mandate to achieve 20 years ago and has failed to achieve. A reform of the UN Economic and Social Council (ECOSOC) or the appointment of an ombudsman or High Commissioner for Sustainable Development and/or the Rights of Future Generations are further proposals up for debate on how to give greater importance to sustainability issues in the UN.

Alongside these two main themes, a series of further issues will be debated that should also be included in the outcome document of the Rio Conference. Part of the Rio package is an action plan on various sustainability issues, referred to as the Framework for Action and Follow-up; commitments in 14 priority areas have been identified so far.⁵ A convention is also being discussed that obliges private companies to deliver reports on their handling of sustainability issues; a register for voluntary commitments is also being considered. Last but not least, the means of implementation are always a very contentious issue, involving as it does financial aspects, technology transfers, trade policies and partnerships.

State of the preparatory process and positions of key players

In January 2012, the Zero Draft of the Rio+20 outcome document presented various options for decisions on the specified themes,⁶ which were subsequently discussed in several negotiation rounds (the so-called informal informals and intersessionals) in New York. Immediately before the conference on 20 to 22 June, the last session of the Preparatory Committee (PrepCom) will take place from 13 to 15 June. Time for negotiations

⁵ These range from food security, water and energy to urban planning, green jobs, oceans, natural disasters and questions of education and gender equality.

⁶ UN, *The Future We Want* (see note 1).

is running short and many questions are still open. This Research Paper focuses on the current state of negotiations on the four key themes of the Rio Conference in the run-up to the last preparatory meeting (as of 4 May 2012).

The positions of the major states and state groups on the issues presented in the Zero Draft are still very divergent.⁷ The EU has taken a very clear position on the Green Economy with its proposed roadmap. China and the G77 are critical of the draft text, saying it places too much emphasis on increasing efficiency while ignoring the consumer trends of industrialised countries. They also reject external constraints on their economic policies, fearing that these could limit their growth potential. The USA and Russia oppose the very principle of benchmarks and roadmaps. South Korea, by contrast, clearly supports the concept. Mexico has put the issue of Green Growth on the agenda of the G20 summit that will take place immediately before the Rio Conference in Los Cabos.

On the whole it can be said that developing and emerging countries are torn between their own development interests and the challenges of sustainable policies. The G77 are attempting to find a common denominator for the divergent interests of the group members. The developing countries are equally divided. The harmonised position of the African states sees the GESDPE concept as an opportunity – provided the eradication of poverty remains top of the agenda. Bolivia and Venezuela reject the concept as destructive “green capitalism” and prefer an “eco-economy” or even better “eco-socialism”. The non-state actors reflect the entire palette of opinions from wild enthusiasm to fundamental rejection. Some regard the SDGs as an alternative to the Green Economy, others as its natural extension. As the SDGs were only included in the negotiation process at a very late stage, positions on this issue are still largely unclear with group votes in progress.

The reform of the UN Institutional Framework for Sustainable Development (IFSD) is an equally complex issue aggravated by the fact that many countries are not adequately informed about all aspects of the individual options, and their position is thus unclear. Among industrialised countries, the EU is a clear advocate of comparatively far-reaching and specific reform proposals. Canada, the USA, Japan and Russia are impeding progress on this front, flatly opposing any additional UN bureaucracy. Emerging and developing countries have no common position. While the G77 as a group took a very long time to present any specific demands, while voicing criticism of many IFSD proposals, Kenya, South Africa, many other African countries and China have displayed a wary interest in the reform proposals. India is very cautious. The host country Brazil had several innovative ideas on the IFSD reforms at the outset, but then its commitment to the issue rapidly waned. Non-state actors (business and civil society) are dispassionate but generally well-disposed towards the IFSD reforms. Some

⁷ See contributions to the so-called Compilation Document from state and non-state actors, to be used as the basis for the first draft of the final declaration of the Rio Conference; http://www.uncsd2012.org/rio20/comp_memberstates.html (accessed 3 May 2012).

NGOs increasingly see the reforms as an opportunity to gain greater participatory rights according to Principle 10 of the 1992 Rio Declaration, an issue they have long been campaigning for.

Rio+20: make or break?

The issues on the agenda of the Rio+20 Conference are closely interlinked. The Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) should be seen as a means to an end, a strategy to implement sustainable development and combat poverty effectively. In order for the transition to a Green Economy to succeed, the UN needs an adequate institutional framework to provide the required support and mobilise political will for change. The reform of the IFSD should equally be seen and communicated as a means to an end, as upgrading the UN Environmental Programme and the UN Commission on Sustainable Development will prove mutually beneficial to both. While a special UN agency would finally give global protection of the environment the importance it deserves in the UN system, a Sustainable Development Council under the UN General Assembly would promote the system-wide integration of all three dimensions of sustainable development in the political programmes and activities of all UN institutions. And finally, the global Sustainable Development Goals (SDGs) would define which goals are to be achieved in what timeframe. They would also deliver a format in which information can be supplied and progress documented on a regular basis for all UN members, thus making the implementation of national sustainability policies more transparent for all.

This, by and large, is the content of the negotiation package that UN member states could approve in Rio in June 2012. By the end of March 2012, the Zero Draft of the outcome document had grown from 19 to 278 pages, all reservations, text in brackets, alternative proposals etc. included. In the round of negotiations held at the end of April/early May, a consensus could only be achieved on 21 paragraphs, with 400 remaining open.⁸ In view of this situation an extra round of negotiations was scheduled for the end of May. To prevent the conference from ending in disaster, the UNCSD Secretariat was asked to prepare another consensus proposal to provide some chance of achieving a breakthrough in the final weeks before the conference. But in view of the deadlocks on the negotiating level, it will fall to the heads of state and government in Rio to cut the Gordian knots that have developed on several points.⁹ The Prime Minister of India Manmohan Singh, the Chinese Premier Wen Jiabao and the French President Hollande will be attending the Rio Conference, perhaps even US President Obama. The key criterion by which the Rio+20 Conference will

⁸ International Institute for Sustainable Development (IISD) Reporting Services, "Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012", *Earth Negotiations Bulletin*, vol. 27, no. 35 (7 May 2012), <http://www.iisd.ca/download/pdf/enb2735e.pdf> (accessed 8 May 2012).

⁹ Cf. *ibid.*, p. 14.

be rated as a success or a failure was formulated by UNCSD General Secretary, Sha Zukang, in March 2012 in which he called the Rio+20 a “conference of implementation”.¹⁰ Only if decisive progress is made or at least prepared on the implementation of sustainability policies in Rio can the conference be rated a success. If incentives for the far-reaching implementation of sustainable development policies are agreed in Rio, the conference will be nothing less than a breakthrough and real progress after all the trouble and toil of the past years. It remains to be seen, however, if the economic and financial crisis and the dramatic increase in environmental stress that is being predicted have sharpened awareness of global interdependencies in a lasting and sufficient manner. The Rio Conference is a critical moment for multi-lateral policy on the environment, the economy and development: the world’s nations have to prove that they can act in their own long-term interests, push for progress and that they are willing to implement substantial reforms for strengthening the multi-level system of sustainability governance.

10 IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations and Third Intersessional Meeting: 19–27 March 2012, March UNCSD Final”, *Earth Negotiations Bulletin*, vol. 27, no. 24 (30 March 2012), <http://www.iisd.ca/download/pdf/enb2724e.pdf> (accessed 14 March 2012).

2. The Green Economy: An Economic Concept for Everyone?

Susanne Dröge and Nils Simon

One of the two central themes of the United Nations Conference on Sustainable Development (UNCSD) in Rio de Janeiro is the Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE).¹ So far, no international consensus has been achieved about what actually constitutes a Green Economy and what role the United Nations is to play in its implementation. In Rio, the second theme will be the institutional reforms which are needed to establish better policies. In particular the future of the Commission on Sustainable Development (CSD) and the United Nations Environment Programme (UNEP) will be subject to debates. Both institutions would be important for establishing an UN-wide Green Economy approach.

The idea of greening national economic policies has experienced a renaissance during the last four years due to the challenge to reconcile climate protection with lack of financial resources in times of a severe economic crisis. The idea for the Rio+20 Summit is to establish the GESDPE approach at the UN level. However, the Green Economy concept raises concerns among states who anticipate that it would lead to prescription of economic instruments or a dictated “green” orientation of their national economies. The debate on the cornerstones of a Green Economy and its implementation has refuelled the long-standing conflict between protection of the environment and economic interests. Another source of dispute that is stirring up further uncertainty is the significance of economic growth and the question of how best to measure prosperity. The United Nations thus faces the challenge of formulating its comprehensive concept of a socially just and ecologically sustainable Green Economy in a way that would make its implementation acceptable or indeed attractive to all member states, both in terms of content and alignment. Only if the UN can successfully manage this task there will be a chance that the international community may follow the EU proposal for a Green Economy Roadmap as a means to achieving a global Green Economy.

¹ On the following pages, we use the term Green Economy as the generic term for the whole debate; the acronym GESDPE refers to the political agenda being debated in the context of the Rio conference.

Understanding the concept

The buzzword Green Economy stands for an economic system that is ecologically sustainable, essentially meaning low-carbon and resource-efficient, which allows for stable economic growth, thereby securing and creating jobs, and which reduces poverty.² A government that commits to these aims can use market-based instruments like taxes, specific regulations like emissions trading, or financial incentives like subsidies to put them into practice. Some countries, including South Korea, have developed their own strategies in recent years that are very much in line with Green Economy aims. The main goal of such concepts is to counter economic downturns, create jobs and meet increasing energy needs while also improving climate protection and preventing the over-exploitation of valuable ecosystems.³ The Green Economy concept can therefore be said to have both a short and a long-term dimension.

It is largely due to the initiative by the UN Environment Programme (UNEP) that the Green Economy debate has acquired such central significance in the run-up to the UNCSD. Since autumn 2008, UNEP has been pooling policy advice and scientific analyses in its Green Economy Initiative, thus supporting all states wishing to readjust their national political and economic conditions to make their development more sustainable. UNEP has also been campaigning for top level international negotiations on the Green Economy.

In preparation for the UNCSD, UNEP defined the Green Economy as “one that results in improved human well-being and social equity, while significantly reducing environmental crises and ecological scarcities.”⁴ In February 2011, UNEP published a Green Economy Report stating that an annual contribution of 2 percent of global economic output (currently equivalent to approx. 1.3 trillion USD) would have to be invested in ten key sectors to initiate the transition to a low-carbon, resource-efficient global economy. According to UNEP, these key sectors are agriculture, buildings,

² See e.g. United Nations Environment Programme, *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication* (Nairobi, 2011); *Beyond Rio+20: Governance for a Green Economy*, ed. Henrik Selin and Adil Najam Pardee Center Task Force Report (Boston, MA: Boston University, March 2011), <http://www.bu.edu/pardee/files/2011/03/Rio20TFC-Mar2011.pdf> (accessed 4 May 2012); Hannah Stoddart, Sue Riddlestone, and Mirian Vilela, *Principles for the Green Economy: A Collection of Principles for the Green Economy in the Context of Sustainable Development and Poverty Eradication* (Stakeholder Forum, 2011), <http://www.stakeholderforum.org/fileadmin/files/Principles%20FINAL%20LAYOUT.pdf> (accessed 4 May 2012).

³ See e.g. David Shim, *Green Growth, Green Economy und Green New Deal. Die “Vergrünung” nationaler Politik in Südkorea*, GIGA Focus, no. 10 (Hamburg: German Institute of Global and Area Studies [GIGA], 2009); Republic of Rwanda, *Green Growth and Climate Resilience. National Strategy for Climate Change and Low Carbon Development* (Kigali, October 2011).

⁴ United Nations Environment Programme (UNEP), *What Is the “Green Economy”?*, Green Economy Initiative, <http://www.unep.org/greeneconomy/AboutGEI/WhatIsGEI/tabid/29784/Default.aspx> (accessed 23 March 2012); see also: UNEP, *Green Economy: A Brief for Policymakers on the Green Economy and Millennium Development Goals* (Nairobi, September 2010).

energy, fisheries, forests, manufacturing, tourism, transport, water and waste management. To protect valuable ecosystems, one quarter of this sum should be invested in natural capital, which would help maintain their important functions (so-called ecosystem services), including filtering air, water purification and the food supply.⁵ Furthermore, a Green Economy approach would spur greater economic growth during the next five to ten years than the “business as usual” option. It would also help reduce the risks associated with the increasing deterioration of the environment, while creating jobs and reducing poverty.⁶

UNEP calculations of the required capital investment are in line with corresponding calculations made by the EU. In the roadmap draft for a low-carbon economy (Roadmap 2050), the European Commission set the level of investment needed to restructure the EU economy at 1.5 percent of the EU's GDP. These costs are balanced out by the significant gains the transition would entail, including 1.5 million additional jobs by 2020 alone, as well as economic growth impulses and enhanced competitive advantage.⁷

Comparisons between the risks attached to traditional economic concepts and the opportunities presented by an ecologically, economically and socially integrated strategy of renewal have characterised recent debates on the Green Economy. A strong scientific impulse came from the Millennium Ecosystem Assessment in 2005, which painted a very sombre picture of many over-exploited and thus severely damaged ecological systems.⁸ However, it also argued that a consistent focus on an integrated social, ecological and economic use of ecosystem services could, at least theoretically, offer a feasible way out of the dilemma of having to choose between the three dimensions of sustainable development. A Worldwatch Institute report to UNEP and the International Labour Organization (ILO) also emphasised these so-called multiple usages, saying that a high level of net job creation can be expected from the transition to a Green Economy.⁹ Key instruments in the generation of as many green jobs as possible are the elimination of subsidies that damage the environment, an improved and expanded emissions trading system, increased taxation on the consumption of natural resources, for example through eco-taxes, and corresponding tax cuts for labour. Also included in the package of proposals are policy instruments to stimulate technological and environmentally-

5 Cf. Millennium Ecosystem Assessment, *Ecosystems and Human Well-being. Synthesis* (Washington D.C., 2005).

6 UNEP, *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication* (see note 2).

7 European Commission, *A Roadmap for Moving to a Competitive Low carbon Economy in 2050*, COM(2011) 0112 (Brussels, 8 March 2011).

8 Millennium Ecosystem Assessment, *Ecosystems and Human Well-being* (see note 5).

9 Worldwatch Institute (producer), *Green Jobs: Towards Decent Work in a Sustainable, Low-carbon World* (Nairobi: UNEP, 2008) (the report was commissioned and funded by UNEP, as part of the joint UNEP, ILO, IOE, ITUC Green Jobs Initiative), http://www.unep.org/labour_environment/PDFs/Greenjobs/UNEP-Green-Jobs-Towards-Sustainable-Summary.pdf (accessed 4 May 2012).

friendly innovations as well as the targeted support of renewable energies and measures to increase energy efficiency. How this large set of individual measures could be implemented in a globally coordinated way is what the international community has to decide in Rio in terms of appropriate targets, instruments, institutional requirements and funding.

Revival of a concept

In conceptual terms, the Green Economy refers back to economic policy approaches that surfaced in the 1980s under the label of ecological modernisation.¹⁰ The term Green Economy first appeared in two books published in the wake of the Brundtland Report (1986) and its definition of sustainable development. In cooperation with two other authors, environmental economist David Pearce published *Blueprint for a Green Economy* (1989), a book whose main focus was on the taxation of activities that are damaging to the environment as a means of avoiding external costs.¹¹ Two years later Michael Jacobs published *The Green Economy*, in which he argues for a comprehensive integration of the sustainability factor in economic concepts.¹² Jacobs, who takes a critical view of demands for “zero growth”, sees only limited benefit in the concept of a “green GDP” as an alternative to the established system of national economic accounting.

Growth is an issue that has always proven very divisive. Instead of propagating limitation and renunciation, as the Club of Rome did in 1972 with its report “The Limits to Growth”,¹³ the modern Green Economy debate claims that a greener economic system is in fact compatible with the aim of economic growth. With the help of environmental technologies and resource-efficient management, capitalism is to be geared up for the future. Qualitative growth and breaking the link between quantitative economic growth and resource consumption are to help reduce the conflict between economic and ecological priorities.¹⁴

To promote this line of economic development, concepts like the Green Growth Strategy developed by the Organisation for Economic Cooperation and Development (OECD) focus on market-based instruments and targeted state intervention.¹⁵ Key elements here are emissions trading, fiscal in-

¹⁰ Arthur P. J. Mol, David A. Sonnenfeld, and Gert Spaargaren, *The Ecological Modernisation Reader: Environmental Reform in Theory and Practice* (London: Routledge, 2010).

¹¹ David W. Pearce, Anil Markandya, and Edward B. Barbier, *Blueprint for a Green Economy* (London: Earthscan Publ., 1989).

¹² Michael Jacobs, *The Green Economy: Environment, Sustainable Development, and the Politics of the Future* (London and Concord, MA: Pluto Press, 1991).

¹³ Donella H. Meadows, Dennis L. Meadows, Jørgen Randers, and William W. Behrens III, *Limits to Growth: A Report for the Club of Rome's Project on the Predicament of Mankind* (New York, Universe Books, 1972).

¹⁴ A more recent report to the Club of Rome takes a similar line: Netherlands Environmental Assessment Agency, *Growing within Limits. A Report to the Global Assembly 2009 of the Club of Rome* (Bilthoven, 2009).

¹⁵ See Organisation for Economic Co-operation and Development (OECD), *Towards Green Growth* (Paris: OECD Publishing, 2011).

centives like environmental taxes, cutting back subsidies that are damaging to the environment, increasing investment in research and development in the energy and environmental sectors as well as compensation for the protection of ecosystems and their natural services. The World Bank's latest contribution in the run-up to Rio+20 links economic growth with environmental protection and social inclusion. The authors of the report titled *Inclusive Green Growth* emphasise that a greener growth model is "necessary, efficient and affordable". The report dismisses allegations of the excessive costs involved and identifies the lack of political will and insufficient funding as the main obstacle to implementation.¹⁶

The significance of GDP in the implementation and monitoring of a green economic policy has been a focus of EU discussion since 2007 when the growth debate referred to as "beyond GDP" moved back into the spotlight.¹⁷ Indicators for the consumption of natural resources are already well established in some countries, but still lacking in others. Germany, for example, has instituted the Environmental-Economic Accounting (UGR) and set up 21 sustainability indicators drawn up by the Council on Sustainable Development (RNE), which also provide information on education, health care and pension provision.¹⁸ On an international level, the OECD, UNEP and international environmental agreements have contributed to a steady improvement in knowledge about the development of the natural environment and its resources. An increasing number of studies is also analysing the economics of ecosystem services.¹⁹ Such insights, however, still need to be better translated into national policies. Two things are required here: firstly, more support should be given to countries interested in implementing policies in line with the Green Economy. Secondly, the system of international sustainability governance must be equipped with the necessary structures to support these translations into national policies with data collections and coordination tasks.²⁰ This is the point at

¹⁶ World Bank, *Inclusive Green Growth: The Pathway to Sustainable Development* (Washington, D.C., May 2012), p. 1.

¹⁷ Cf. the Stiglitz-Sen-Fitoussi Commission Report: Joseph Stiglitz, Amartya Sen, and Jean-Paul Fitoussi, *Report by the Commission on the Measurement of Economic Performance and Social Progress* (14 September 2009), http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf (accessed 9 May 2012), and European Commission, *GDP and Beyond. Measuring Progress in a Changing World*, Communication from the Commission to the Council and European Parliament, COM(2009) 0433 fin. (Brussels, 20 August 2009).

¹⁸ See Federal Statistical Office data: <https://www.destatis.de/DE/ZahlenFakten/Indikatoren/Nachhaltigkeitsindikatoren/Nachhaltigkeitsindikatoren.html> (accessed 2 April 2012).

¹⁹ One example is the so-called TEEB-Report (TEEB: The Economics of Ecosystems and Biodiversity). Cf. Pavan Sukhdev, Heidi Wittmer, Christoph Schröter-Schlaack, Carsten Nesshöver, Joshua Bishop, Patrick ten Brink, Haripriya Gundimeda, Pushpam Kumar, and Ben Simmons, *The Economics of Ecosystems and Biodiversity: Mainstreaming the Economics of Nature. A Synthesis of the Approach, Conclusions and Recommendations of TEEB* (2010), http://www.teebweb.org/Portals/25/TEEB%20Synthesis/TEEB_SynthReport_09_2010_online.pdf (accessed 4 May 2012).

²⁰ See chapter 5, pp. 55 et seq.

which the so-called Sustainable Development Goals (SDGs) become relevant, as discussed in the run-up to the Rio conference.²¹

In the throes of the economic crisis of 2008 and 2009, various industrialised and emerging countries propagated green economic stimulus packages as a combined solution to tackle economic and environmental problems.²² However, a mere sixth of the 3.3 trillion USD that were globally made available for stimulating the economy were actually invested in environmentally friendly sectors. In these sectors, priority was given to investment in energy efficiency, followed by low-carbon energy sources and the water and waste management sectors. In some countries, the green slice of the cake was significantly higher, such as in South Korea (78.7 percent) and China (33.6 percent).²³ Among EU countries, France took the lead with 18.2 percent, way ahead of Germany with investments in these sectors amounting to just 13.2 percent. In absolute terms, China led the way, with plans to invest 218 billion dollars in railways, power grids and energy efficient buildings.²⁴

Besides the small proportion of “green” investment, these measures had two further drawbacks. Firstly, the economic stimulus packages lacked long-term commitment: their only real purpose was to kick-start the economic engine again and secure jobs. Where investments in increasing efficiency are made, they can in principle lead to a longer-term pattern of production and consumption that takes better care of resources and reduces emissions. But the main focus of economic stimulus programmes certainly lies on short-term effects.

Secondly, while effects in terms of jobs and GDP are monitored, the effect on the environment is often ignored in assessing the efficiency of the implemented instruments (short-term state grants and credit subsidies in particular). General economic policy is rarely changed for the benefit of a short-term economic stimulus package. The instruments used for a short-term stimulus, such as tax cuts and investment grants, do not necessarily lead to better protection of the environment, while caps on emissions, may be clearly set by establishing an emissions trading system. Many develop-

²¹ See chapter 3, pp. 33 et seq.

²² See e.g. Edward B. Barbier, *Rethinking the Economic Recovery: A Global Green New Deal*, (Nairobi: UNEP, 2009); Alex Bowen, Sam Fankhauser, Nicholas Stern, and Dimitri Zenghelis, *An Outline of the Case for a ‘Green’ Stimulus*, Policy Brief (London: Grantham Research Institute on Climate Change and the Environment, February 2009); Ottmar Edenhofer and Nicholas Stern, *Towards a Global Green Recovery: Recommendations for Immediate G20 Action* (Potsdam: Potsdam Institute for Climate Impact Research, and London: Grantham Research Institute on Climate Change and the Environment, 2 April 2009); Jon Strand and Michael Toman, “Green Stimulus”, *Economic Recovery, and Long-Term Sustainable Development*, Policy Research Working Paper 5163 (Washington, D.C.: World Bank, January 2010).

²³ South Korea did, however, count investments in nuclear energy as low-carbon and therefore “green”. See Shim, *Green Growth, Green Economy and Green New Deal* (see note 3).

²⁴ Edward B. Barbier, “Green Stimulus Is Not Sufficient for a Global Green Recovery”, *voxeu.org* (3 June 2010), <http://www.voxeu.org/index.php?q=node/5134> (accessed 23 March 2012).

ing and some emerging countries lack the necessary information about the environmental effects such measures could generate. Even governments who do have this kind of knowledge may not perform the corresponding assessments, or do not give environmental matters the required political weight.

OECD and G20: different priorities

In response to the economic and financial crisis, the OECD adopted a Declaration on Green Growth at ministerial level in June 2009. The declaration affirms that the economic crisis cannot be used as an excuse to backtrack on climate protection or stop financial flows in the direction of developmental and environmental initiatives. On the contrary, the ecological modernisation of national economies should be seen as an opportunity for changing course towards a new, ecologically and socially sustainable growth path. Based on these premises, the OECD published a comprehensive Green Growth Strategy in May 2011.²⁵ Although this strategy is about as broad-based as the Green Economy concept developed under the umbrage of the United Nations, it is openly referring to the relatively well-developed economies of its members. According to the OECD, targeted state interventions in several policy areas are necessary to combat market failures. Tax measures, changes in innovation policies, market-based instruments, incentive systems and regulatory interventions are to stimulate green growth. With its long list of indicators and a comprehensive toolbox directed at national governments, the OECD approach resembles the national sustainable development strategies many European countries have already introduced.²⁶

So far, all efforts to establish elements of the Green Economy at the G20 level have failed. In 2009, the German Federal Government tried to persuade key international economic organisations to support a Global Charter for Sustainable Economic Activity and endorsed the establishment of a World Economic Council at the UN. Although this initiative sparked off the OECD strategy, it did not stimulate debate on a sustainable economic policy in the G20 context. The Action Plan on Development agreed at the G20 summit in Seoul did not tie the proposed investments in infrastructure to sustainability criteria, nor was a binding commitment established for the listed measures in the targeted campaign against poverty. Now, with Mexico as this year's chair of the G20, President Felipe Calderon has – for the first time ever – set a green growth strategy as one of the top five points on the agenda.²⁷

²⁵ Cf. OECD, *Towards Green Growth* (see note 15).

²⁶ Cf. *Nachhaltigkeitsstrategien in Politik und Wirtschaft: Treiber für Innovation und Kooperation?*, ed. Jutta Knopf et al. (Munich: Oekom, 2011).

²⁷ Cf. <http://g20mexico.org/en/green-growth> (accessed 2 April 2012).

International competition for innovation? Priorities of the EU, China, and the USA

The key building blocks of a Green Economy – low-carbon and environmentally friendly technologies – are becoming increasingly important in the international competition for innovation. To bring the desired benefits, however, investments in research and development must be significantly increased.²⁸ On top of that, state incentive systems and regulatory provisions for market launches and especially also market penetration of clean technologies need to be developed. If the new technologies are to have a global impact, ways must be found to make them accessible to developing countries as well. The widely divergent positions on technology transfer and funding all too familiar from environment and climate debates are again apparent in the different stances of countries regarding their priorities on Green Economy policies. While developing and emerging countries display a keen interest in the environmentally and resource-friendly strategies and technologies of some OECD states, they do not want to be regarded merely as future markets for these technologies.

With its growth strategy “Europe 2020”, the EU has clearly committed itself to green growth. Specific measures are set out in the EU Commission Roadmap for a Low-Carbon Economy presented in March 2011 in which the Commission commits to bringing CO₂ emissions in the energy sector down by 93–99 percent by 2050. The Energy Roadmap 2050 presented in December 2011 is no less ambitious.²⁹ In discordance with its pioneering image, however, the EU has not yet supplied the necessary instruments with which the “green” technologies required to achieve these aims can be established on a large scale. The EU has also set itself ambitious targets in other areas like transport and energy efficiency; in view of the distinctly modest progress on this front in the last decade, a lot more effort will be required to actually achieve them. The Environmental Council of the EU failed to agree on the Roadmap for a Low-Carbon Economy in March 2012, which once again shows that interests in the green transformation of the economy are very different within the EU.³⁰

China has also set itself ambitious targets. In its 12th five-year-plan (2011–2015), the Chinese government again shifted the focus a little from its traditional emphasis on high quantitative growth towards better quality of growth. Beijing’s priority is still to strengthen the Chinese market and to move up the value chain with the domestic economy. The installation of coal-fired power plants – the backbone of the Chinese

²⁸ Cf. Roger Pielke, Jr., *The Climate Fix* (New York: Basic Books, 2010).

²⁹ Severin Fischer and Oliver Geden, *Die “Energy Roadmap 2050” der EU: Ziele ohne Steuerung*, SWP-Aktuell 8/2012 (Berlin: Stiftung Wissenschaft und Politik, February 2012); Christian Hey, “Low-carbon and Energy Strategies for the EU”, *GAIA*, vol. 21, no. 1 (2012), pp. 43–47.

³⁰ “Poland Defies Europe over 2050 Low-carbon Roadmap”, *Euractiv* (updated 12 March 2012), <http://www.euractiv.com/climate-environment/poland-defies-europe-2050-low-carbon-roadmap-news-511380> (accessed 5 April 2012).

energy supply – is therefore set to be massively expanded.³¹ At the same time, the government is also committed to using more renewable energies, increasing energy and resource efficiency and lowering industrial greenhouse gas emissions. China already belongs to the group of states with the strongest focus on renewable energies. In 2015, the installed output of power plants using renewable energies should total 427 GW, clearly topping EU capacities that will then amount to an estimated 322 GW.³² Beijing has also shown that it is supporting new Chinese industries like solar panel production plants, for example, to face international competition.

In his 2008 election campaign, US President Obama declared his intention of developing a comprehensive new strategy for the US economy, which commentators enthusiastically dubbed the “Green New Deal” in reference to the Roosevelt era. Yet no significant changes to US climate policy, for example, have been made to date.³³ However, it may well be the case that the US will have to embrace elements of the Green Economy concept for entirely pragmatic reasons. In his State of the Union Address in January 2011, Obama spoke of the lead in expertise that the Chinese “clean tech industry” was about to take as “our generation’s Sputnik moment”.³⁴ His concern was quite justified, as US investments in clean energy technologies in 2010 were significantly below those of China and Germany.³⁵ To give the economy fresh momentum in the competition for innovation in future technologies, the US recently invested significantly more public funds, including in the renewable energies sector, enabling it to regain its place at the top of the league.³⁶ However, in this year’s State of the Union address, Obama emphasized the importance of shale gas as a “clean energy source” and announced plans to slash subsidies for the fossil fuel industry on the one hand, while opening 75 percent of potential offshore oil and gas reserves for production on the other.³⁷

31 Cf. Gudrun Wacker, “China in den Klimaverhandlungen: Zentrale Rolle zwischen den Stühlen”, in *Die internationale Klimapolitik: Prioritäten wichtiger Verhandlungsmächte*, ed. Susanne Dröge, SWP-Studie 30/2009 (Berlin: Stiftung Wissenschaft und Politik, December 2009), pp. 49–60.

32 Shin Wei Ng and Nick Mabey, *Chinese Challenge or Low Carbon Opportunity? The Implications of China’s 12th Five-Year-Plan for Europe*, E3G Briefing (London, March 2011), p. 4.

33 Stormy-Annika Mildner and Jörn Richert, *Obamas neue Klimapolitik. Möglichkeiten und Grenzen eines klimapolitischen Wandels in den USA*, SWP-Studie 4/2010 (Berlin: Stiftung Wissenschaft und Politik, Februar 2010).

34 Barack Obama, *Remarks by the President in State of Union Address* (25 January 2011), <http://www.whitehouse.gov/the-press-office/2011/01/25/remarks-president-state-union-address> (accessed 4 April 2012).

35 Pew Charitable Trust, *Who’s Winning the Clean Energy Race? Growth, Competition and Opportunity in the World’s Largest Economies* (Washington, D.C., 2010).

36 “Solar Surge Drives Record Clean Energy Investment in 2011”, *Bloomberg New Energy Finance* (12 January 2012), <http://bnef.com/PressReleases/view/180> (accessed 4 April 2012).

37 Barack Obama, *Remarks by the President in State of the Union Address* (24 January 2012), <http://www.whitehouse.gov/the-press-office/2012/01/24/remarks-president-state-union-address> (accessed 4 April 2012).

Rio 2012: en route to a global Green Economy concept?

Will the Rio conference be able to provide the desired new momentum? In the Zero Draft of the UNCSD Outcome Document of 10 January 2012, the Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) is presented primarily as a concept for putting sustainable development into practice. According to Sha Zukang, UN Under-Secretary-General for Economic and Social Affairs and Secretary-General of the UNCSD, member states and stakeholders have agreed on new areas to drive the establishment of a framework to promote green economies: the eradication of poverty and “green” jobs, energy, water, food security, urbanisation, disasters, oceans and seas, climate change and biodiversity. Opinions about the funding required to achieve these aims are, however, very diverse.

The very definition of the concept is a matter of debate. The broad UNEP definition referred to above (p. 18) can be initially read as a response to the fears of many emerging and developing countries that the Green Economy concept will encourage policymakers to focus on environmental protection rather than on combating poverty. In the run-up to the Rio Conference 2012, it was proposed that each country should be allowed to define GESDPE on its own terms. This proposal was a pragmatic attempt on the part of the UN to dispel the threat of stiff disputes early on in the process. The UN’s primary aim is for the concept to be fleshed out with content through practical action. As a result, Paragraph 28 of the Zero Draft explicitly states that each country has the right to make independent decisions concerning the priorities it sets in implementing GESDPE policies. Paragraph 27 of the Zero Draft also affirms that the GESDPE “is not intended as a rigid set of rules but rather as a decision-making framework”.³⁸

In the months before the Zero Draft was drawn up, the openness of the concept was held to be rather arbitrary by many observers. State representatives at the Arab regional meeting in preparation for the UNCSD in October 2011 and at the African regional meeting that took place shortly afterwards criticised the concept’s lack of selectivity and the ensuing lack of clarity on what exactly conference participants are supposed to agree upon in Rio. The long list of desirable effects and the argument that this approach takes account of the individual conditions of different countries initially appeased these concerns. Moreover, the Zero Draft also managed to dispel some more tangible fears of emerging and developing countries. As stipulated in Paragraph 31, no new trade barriers are to be created or new conditionalities imposed on development aid or finance referring to a

³⁸ Para. 27: “We underscore that green economy is not intended as a rigid set of rules but rather as a decision-making framework to foster integrated consideration of the three pillars of sustainable development in all relevant domains of public and private decision-making.” Para. 28: “We recognize that each country, respecting specific realities of economic, social and environmental development as well as particular conditions and priorities, will make the appropriate choices.”

Green Economy. Both these points match the priorities of the G77 states, whose main fear at the outset of the debate was that industrialised states could tie the concept to a form of eco-protectionism or impose “green” conditions on development funds.³⁹ The Zero Draft also states that a GESDPE must not exacerbate technological dependencies or widen the existing technological gaps between industrialised, emerging and developing countries. If taken seriously, the last point raises doubts on how parts of the Zero Draft are to be implemented at all. But nevertheless, the fact remains that the Zero Draft makes a series of concessions to emerging and developing countries.

Following a German initiative, EU representatives in the Rio preparatory process suggested drawing up a Green Economy Roadmap in the course of the conference. They suggest that the UN system should support states interested in preparing the transition towards GESDPE with individually tailored consulting and support schemes until 2020. According to a decision by EU environment ministers, key steps in implementation should be completed by 2030.⁴⁰ Again this shows how vital it is to bring the two key themes of the Rio conference together: in their present form, the UN institutions will not be able to put a roadmap of any scope or ambition into practice. Until now, however, no plans put forward for the reform of the UN institutional framework for sustainable development seem capable of achieving a consensus.

Some of the EU’s basic demands regarding the roadmap were taken up in the Zero Draft. An international platform for the exchange of knowledge is to be established to assist states in their choice and design of policy instruments. Individual strategies are to be developed and implemented at the national level. Indicator systems beyond GDP are to be developed by 2015; their implementation including process monitoring is to be completed by 2030.

The idea of a roadmap is still meeting resistance in negotiations, as became clear in the UNCSD preparatory sessions in March and May 2012.⁴¹ The G77 and China refuse to accept economic policy prescriptions and suspect that a roadmap will oblige them to focus on environmental protection rather than combating poverty. The USA, Canada, New Zealand and Russia also have reservations and reject specified targets, timelines and benchmarks. These fault lines are reflected in the development of the Zero

³⁹ See e.g. the discussions in the UNCSD preparatory process, such as the International Institute for Sustainable Development (IISD) Reporting Services, “Summary of the Second Session of the Preparatory Committee for the UN Conference on Sustainable Development: 7–8 March 2011”, *Earth Negotiations Bulletin*, vol. 27, no. 3 (11 March 2011).

⁴⁰ See the latest version of the EU decision in: Council of the European Union, *Rio+20: Pathways to a Sustainable Future*, Council Conclusions, 3152th Environment Council Meeting (Brussels, 9 March 2012).

⁴¹ IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations and Third Intersessional Meeting: 19–27 March 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 24 (30 March 2012); IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 35 (7 May 2012).

Draft of the Outcome Document, which grew from an original 19 pages in January to over 200 pages by the end of March. After two further rounds of negotiations and just two weeks ahead of the UNCSD, it still amounts to some 80 pages. While developing countries are protesting against the scope of some of the EU's proposals on the GESDPE, they in turn are demanding extensive changes to the global financial architecture. The G77 and China together with Mexico want a reform of the Bretton Woods Institutions including the re-distribution of voting rights, a proposal which the EU, the US, Japan, Canada, New Zealand and South Korea reject.

Alongside these thorny issues, there are also a few elements on which a consensus can be achieved. The Framework of Programmes on Sustainable Consumption and Production Patterns could finally be adopted after a year on the shelf in finished form; it was rejected by the 19th Session of the UN Commission on Sustainable Development (CSD-19) in May 2011 because of dispute over formulations concerning people living in occupied areas.⁴² The draft final document of 27 March 2012 mentions several non-sustainable consumption and production patterns that could be included in the list of SDGs.

Three months before Rio+20, the G77 and China identified one of the blind spots of industrialised countries: The amendments to the Zero Draft tabled so far are too focused on gains in efficiency while ignoring the problems created by excessive consumption.⁴³ China is referring to the so-called rebound effect, meaning that the saving of resources through efficiency gains often goes hand in hand with increased use of particularly efficient products, leading to higher total consumption in the end. Industrialised countries are particularly prone to this phenomenon. However, this argument could have a boomerang effect on the rapidly expanding emerging economies with their surging shares of middle and upper class citizens, following the consumption patterns of OECD countries. According to OECD estimates, the so-called global middle class, which in 2010 totalled approximately 1.8 billion people, will have grown to 4.9 billion people by 2030, mainly as a result of increasing prosperity in Asia.⁴⁴

The dynamic emerging economies, their rapidly increasing resource consumption and resulting destruction of the environment are reason enough for some industrial countries to demand an eradication of the strict lines that are traditionally drawn between the developed and the developing world. In the outcome document draft of 27 March 2012, Australia, the US, the EU, Canada, Japan and South Korea rejected the

⁴² IISD Reporting Services, "Summary of the Nineteenth Session of the Commission on Sustainable Development: 2–14 May 2011", *Earth Negotiations Bulletin*, vol. 5, no. 204 (16 May 2011).

⁴³ IISD Reporting Services, "Summary of the UNCSD Informal Informal Consultations and Third Intersessional Meeting: 19–27 March 2012", *Earth Negotiations Bulletin*, vol. 27, no. 24 (30 March 2012), p. 9.

⁴⁴ Homi Kharas, *The Emerging Middle Class in Developing Countries*, Working Paper no. 285 (Paris: OECD Development Center, January 2010); Edward M. Kerschner and Naeema Huq, *Asian Affluence: The Emerging 21st Century Middle Class* (Morgan Stanley Smith Barney, June 2011).

repeatedly mentioned principle of common but differentiated responsibilities put forward by G77 and China. The issue has remained a bone of contention and could not be resolved in the following round of negotiations in early May. For its part, the EU introduced its own paragraph on the international responsibility of emerging countries, which the G77 promptly rejected. The Europeans have run up against a similar brick wall in the climate negotiations, where they aimed to overcome the distinction between Annex I and Non-Annex I countries with the intention of ultimately extending emission reduction commitments to emerging countries as well. China is the most vociferous opponent of such a process of re-categorisation; it seems, however, to be only a matter of time before the various negotiating forums decide on a categorisation that more accurately reflects present economic realities. The ultimate position of emerging countries in the outcome document of the UNCSD conference can be interpreted as another signal regarding future developments on this point.

Conclusions

The Green Economy is supposed to form the core of a global economic policy concept, planned to enshrine the principles of sustainable development at the UN level. Despite the long list of hoped-for positive effects associated with a Green Economy, support for the corresponding targets, indicators or instruments for implementation is still far from unanimous.

From a diplomatic point of view, the UNCSD decision to avoid a top-down approach in defining the Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) and allow it to take shape in practice is useful; however, a solid GESDPE concept does require a minimum of tangible criteria to be successful at the global level. Further, clear commitment is needed on the part of industrialised countries to increase support for investments in the identified key economic areas, or to make the promised transfer payments. The Zero Draft and later draft outcome document formulations have been kept deliberately vague and open for strategic reasons and can be easily aligned with growth-oriented economic priorities. The lack of a solid and comprehensive definition of what the Green Economy actually is will make it very difficult to assess whether policies and business activities are genuinely committed to sustainable development. The failure to adequately anchor the polluter-pays principle within the concept is already showing a negative impact: national industries that could potentially damage the environment, the climate, natural resources or have negative social impacts will not face severe consequences. Finally, there is always a danger of “green-washing” – purportedly green methods of production that are just deceptive attempts to brush up a public image.⁴⁵

⁴⁵ On this and further criticism cf. Barbara Unmüßig, “Grüne Ökonomie – die neue Zauberformel? Erwartungen an die Rio+20-Konferenz”, *Vereinte Nationen*, no. 1 (2012), pp. 3–9; Ulrich Brand, “Green Economy – The Next Oxymoron?”, *GALA*, vol. 21, no. 1 (2012), pp. 28–32.

The major economic powers seem reluctant to draw on Green Economy elements in their battle to manage the financial and economic crisis. This raises concerns that the big players will pay no more than lip service to the concept. So far, the initiatives developed by the OECD and the few envisaged by the G20 have scarcely made the G20 members take the Green Economy any more seriously. No real effort is being made to curtail counterproductive measures like subsidies for environmentally damaging practices, and environmentally-friendly technologies are still under-funded. The greatest risk is that the multi-faceted approach of the Green Economy will be cut back and limited to environment and energy technologies, a move that would effectively sweep financial market stability and the aim of reducing poverty off the negotiation table.

If the international financial institutions (World Bank, IMF and the WTO) and the UN pull together in the same direction, the required investments and innovations could effectively be channelled in a new direction. The G20 has to take a pioneering role here and prevent the UNCSD from getting weighed down in discussions about the reform of the Bretton Woods Institutions – a subject the Rio conference has no capacity to deal with. As chair of the G20, Mexico could ensure that debates among the major economies focus on the Green Economy. The Mexican government has indeed put the issue on the agenda of the G20 summit to take place in June 2012 shortly before the Rio summit. The German Government should support the Mexican initiative here, as this would be the perfect opportunity to debate the wide range of issues comprised in the concept and reach a consensus on the significance of the Green Economy for UN sustainability policies. Such an achievement would certainly also increase the chances of success for a global Green Economy Roadmap.

3. SDGs: A Renewed Commitment to Implement Existing and Emerging Sustainable Development Goals?

Birgit Lode

The prime objective of the 2012 United Nations Conference on Sustainable Development (UNCSD) is to reinvigorate political commitment for sustainable development.¹ The joint proposal submitted by the governments of Colombia and Guatemala to compile a suite of global Sustainable Development Goals (SDGs)² may be suitable for eliciting such commitment from the international community. The implementation of this initiative would help to increase the Rio+20 Summit's visibility, while also leading to a more focused perspective on the challenges that lie on the road to sustainable development. Held in June in Rio, the UNCSD furthermore provides an opportunity to complement the existing follow-up measures to the Millennium Development Goals (MDGs), which will expire in 2015, with a set of more broadly-defined goals for *sustainable* development.

The proposal by Colombia and Guatemala

The suggestion of the Colombian and Guatemalan governments to define global sustainability goals was not made public until early August 2011 in advance of the UNCSD Regional Preparatory Meeting for Latin America and the Caribbean. According to the two governments, experience with the MDGs has shown that it is easier for governments and participating institutions to collaborate when they have specific targets to direct their efforts towards common goals. Consequently, Colombia and Guatemala propose making the definition and agreement of a suite of SDGs one of the key outcomes of the Rio+20 Summit. Such a set would be based on the MDGs and complement these, but also – in contrast to the MDGs – aim for universality.³ In terms of their specific contents, the SDGs could represent the out-

¹ UN General Assembly, *Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Outcomes of the World Summit on Sustainable Development*, UN Doc. A/RES/64/236 (2010) (31 March 2010), para. 20 (a). As well as this primary conference goal, the summit is to focus on two main areas: the Institutional Framework for Sustainable Development (IFSD), and the Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE).

² UN Conference on Sustainable Development (UNCSD), *Rio+20: Sustainable Development Goals. Proposal by the Governments of Colombia and Guatemala for Consideration by the Participating Countries*, UN Doc. LC/L.3366/Rev.1 (2011) (30 August 2011).

³ Cf. UN General Assembly, *Roadmap towards the Implementation of the United Nations Millennium Declaration*, UN Doc. A/56/326 (2001) (6 September 2001), also Marianne Beisheim, *Zwischenbilanz: Millenniumsziele +10. Fünf Jahre verbleiben bis 2015, um die Ziele zu erreichen – aber*

comes of the Rio process that commenced 20 years ago, i.e., the principles and targets outlined in 1992's Rio Declaration and Agenda 21 as well as 2002's Johannesburg Plan of Implementation; these will now need to be linked to concrete indicators and timetables. Colombia and Guatemala have stated two main expectations for the conference: Firstly, Sustainable Development Goals as such are to be defined during the Rio summit. Secondly, the international community is to agree on a post-Rio mandate that on the one hand specifies how the defined goals can be further developed and fine-tuned following the summit, and on the other initiates a process that could run in parallel with the revision of the MDGs.⁴

The need for a comprehensive framework for sustainable development

Meaningful, up-to-date commitment to sustainable development entails more than just advocating a reform of sustainability institutions within the UN⁵ and the transformation of conventional economic and growth models towards a Green Economy.⁶ Above all, resulting from globally concerted action, a set of Sustainable Development Goals is needed that is comprehensive, concise and easily understandable. This insight has become widely accepted, as is shown by the many submissions from states (including Peru, Brazil, Mexico, the US and Indonesia),⁷ institutions, and the Major Groups that have accompanied the Rio process since 1992 towards the Rio Compilation Document.⁸ The fact that every fourth submission has at least mentioned the Colombian/Guatemalan proposal⁹ in itself proves how quickly the idea to compile a series of global sustainability goals has gained traction around the world. The EU has been supporting the SDG initiative since early 2012,¹⁰ with Sweden and the UK being its most explicit proponents.¹¹ There is also prominent support for the idea at

wie kann dies gelingen?, SWP-Aktuell 62/2010 (Berlin: Stiftung Wissenschaft und Politik, August 2010).

⁴ UNCSD, *Rio+20: Sustainable Development Goals. Proposal by the Governments of Colombia and Guatemala* (see note 2).

⁵ Cf. chapter 5, pp. 58 et seq.

⁶ Cf. chapter 2, pp. 18 et seq.

⁷ Peru's submission to the Compilation Document (see note 8) can be accessed at <http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=460&menu=20> (accessed 10 May 2012). Links to the submissions of all other mentioned countries can be found at <http://www.uncsd2012.org/rio20/index.php?page=view&nr=291&type=12&menu=20&str=Sustainable%20development%20goals%20%28SDGs%29>.

⁸ The Compilation Document is a collection of all the submissions sent to the UNCSD Secretariat before the 1 November 2011 deadline. These submissions were then condensed, quite significantly, to form the so-called Zero Draft. The Zero Draft is the basis of the Rio Outcome Document.

⁹ Ibid. Note that critical voices and opponents of the proposal were also counted.

¹⁰ Council of the European Union, *Rio+20: Wege zu einer nachhaltigen Zukunft*, Conclusions of the Council, Doc. 7514/12 (2012), (Brussels, 12 March 2012), paras. 24 et seq.

¹¹ Cf. the speech by British Secretary of State for Environment Caroline Spelman on 9 February 2012 at the London Guildhall, <http://www.defra.gov.uk/news/2012/02/09/>

the highest level of the UN structure, namely from Secretary-General Ban Ki-moon and the High-Level Panel on Global Sustainability he established.¹² A number of the initiative's advocates mentioned above argue that SDGs will be vital in the definition of a post-2015 development agenda.¹³

Doubtlessly, the promises made in 1992 in Rio and again in 2002 in Johannesburg must finally be put into practice. It is crucial now to tap into the high level of global attention to sustainability issues brought into focus by the upcoming Rio+20 Summit. The goal of sustainable development needs to be given the high priority it has warranted for so long. A suite of global sustainability goals, the SDGs, could play a major part in the strategy to achieve this. In this respect, the Zero Draft of the UNCSD Outcome Document states that goals, targets and milestones are essential for measuring and accelerating progress on the path towards sustainable development. Accordingly, the Zero Draft contains the proposal to firstly compile a set of global, universally applicable SDGs by 2015, and secondly to develop a mechanism that both regularly monitors and reports on the efforts and achievements made in the implementation of these goals.¹⁴

Compatibility with the Millennium Development Goals (MDGs)

Any proposition to compile a set of Sustainable Development Goals by 2015 should be aligned with the follow-up process to the Millennium Development Goals (MDGs),¹⁵ which will expire at this time. The Zero Draft only states very briefly that as part of the post-2015 UN Development Agenda, the SDGs should “complement and strengthen” the MDGs.¹⁶ Exactly what is entailed by complementing and strengthening the MDGs, and by integrating the SDGs into the post-2015 process, remains unclear at

greener-growth-at-rio20 (accessed 22 March 2012), and the declaration by Swedish Minister for Development Gunilla Carlsson at the Helsinki meeting of Nordic Ministers for Development on 23 January 2012, <http://formin.finland.fi/Public/default.aspx?contentid=239699&nodeid=15145&contentlan=2&culture=en-US> (accessed 22 March 2012).

¹² United Nations Secretary-General's High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet. A Future Worth Choosing* (New York: United Nations, 2012), para. 237 et seq., http://www.un.org/gsp/sites/default/files/attachments/GSP_Report_web_final.pdf; cf. also the UN Secretary-General's speech at the General Assembly on 25 January 2012 in New York, <http://www.un.org/sg/statements/index.asp?nid=5825> (accessed 22 March 2012).

¹³ Cf. International Institute for Sustainable Development (IISD) Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 10 (7 May 2012), <http://www.iisd.ca/download/pdf/enb2735e.pdf> (accessed 15 April 2012).

¹⁴ United Nations (UN), *The Future We Want*, Zero Draft of the UNCSD Outcome Document (version of 10 January 2012), para. 105.

¹⁵ Cf. Beisheim, *Zwischenbilanz: Millenniumsziele+10* (see note 3), and “‘Keeping the Promise’ – or Keep Promising? Ein Abgleich zwischen den Erwartungen an den MDG-Gipfel und seinen Ergebnissen”, *Die Millenniumsentwicklungsziele 2010: Erfolge und Handlungsbedarf, 2015 im Gespräch* series, no. 17 (Bonn and Berlin: Verband Entwicklungspolitik Deutscher Nicht-regierungsorganisationen e.V., December 2010), p. 6.

¹⁶ UN, *The Future We Want* (see note 14), para. 108.

this point.¹⁷ This mainly involves harmonizing the existing set of MDGs with the proposals for SDGs, both in relation to their contents and their procedures.

In terms of content alignment, the overarching goal of the MDGs – to create national and international environments that foster development and alleviate poverty – should be retained.¹⁸ For example, MDG 1 (“Eradicate extreme poverty and hunger”) could be used as a basis for formulating the idea of sustainability in the SDGs in a way that also facilitates a more detailed perspective on poverty. Alongside purely economical factors such as income, social and ecological indicators will also need to be taken into consideration, as this would enable to more closely align the MDGs with the three-pillar model of sustainability.¹⁹

In addition, the actors engaged in compiling the SDGs will need to learn from the mistakes that were made in the drafting of the Millennium Development Goals. The existing weaknesses of the MDGs need to be identified, and during the revision of the MDGs, new global challenges will need to be addressed.²⁰ A reinstatement of goals not specified in sufficient detail, such as MDG 7 (“Ensure environmental sustainability”), should be avoided. Similarly, a goal such as MDG 8 (“Develop a global partnership for development”) should not be formulated again, as this represents not so much an objective in itself but rather a means for achieving other MDGs. More attention should also be paid to how global goals are best translated into regional and national targets, and who is to coordinate and monitor the implementation of these targets. Finally, those elements of the MDG agenda that are not yet achieved by 2015 will need to be integrated into a follow-up set of goals.

With regard to the process of developing the SDGs, it should not be ignored that it took more than a decade to complete the MDG framework. The procedures involved will need to be tightened considerably if there is indeed to be a follow-up set of global sustainability goals by 2015. Also, a more integrative approach to formulating the SDGs should be taken than was the case for the MDGs, particularly in terms of including developing countries. Within the framework of the MDG Roadmap until 2015, the key

¹⁷ Cf. IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations” (see note 13), pp. 10 et seq., 13 et seq.; UNCSD Secretariat, *Current Ideas on Sustainable Development Goals and Indicators*, Rio 2012 Issues Briefs, no. 6, http://www.uncsd2012.org/rio20/content/documents/218Issues%20Brief%206%20-%20SDGs%20and%20Indicators_Final%20Final%20clean.pdf (accessed 22 March 2012); Ikuho Miyazawa, *What Are Sustainable Development Goals?*, IGES Rio+20 Issues Brief, no. 1 (Hayama: Institute for Global Environmental Strategies [IGES], March 2012).

¹⁸ Cf. UN General Assembly, *Roadmap towards the Implementation* (see note 3), Annex, para. 2.

¹⁹ First steps in this direction can be found in the UNDP’s new Multidimensional Poverty Index (MPI), cf. <http://hdr.undp.org/en/statistics/mpi/>.

²⁰ Cf. also Claire Melamed, *After 2015, Contexts, Politics and Processes for a Post-2015 Global Agreement on Development* (London: Overseas Development Institute, 4 January 2012), and Beisheim, “‘Keeping the Promise’ – or Keep Promising?” (see note 15).

points of which have largely been established,²¹ the debate around revising the Millennium Development Goals should be brought together with the idea of compiling a suite of SDGs, and an integrative strategy should be devised accordingly. This way, it could indeed be possible to draw up a progressive list of global sustainability goals by 2015 that reflects not only overdue and new challenges but also the continued implementation of those MDGs that will remain relevant after 2015.

SDG contents: priority areas and indicators

According to the UN Secretary-General, a new generation of global sustainability goals should pick up where the MDGs leave off.²² A range of concepts already exists regarding the potential key areas in future SDGs, based among others on the Rio Declaration, Agenda 21, the Johannesburg Plan of Implementation, and the MDGs themselves.²³ In keeping with Agenda 21, the Colombian and Guatemalan draft proposal stipulates *eight* main areas in which the sustainability agenda needs to be implemented: eradication of poverty; consumption patterns; sustainable human settlements; biodiversity and forests; oceans; water resources; food security; and energy, including energy from renewable sources.²⁴ Sha Zukang, UN Under-Secretary-General for Economic and Social Affairs and Secretary-General of the UNCSD, stated that *seven* priority areas or “new and emerging issues” in November 2011 had been identified in the Rio Conference’s preparatory meetings. These largely correspond to the eight central problem areas outlined by the Colombian and Guatemalan governments.²⁵ Beyond these two proposals, there are the demands stated in the so-called Bonn Declaration, which were compiled by NGOs from across the world; according to these, there is a total of 17 problem areas that the SDGs need to address.²⁶ The

²¹ Ibid.

²² Secretary-General’s Report to the General Assembly: “We the Peoples” (New York, 21 September 2011), <http://www.un.org/sg/statements/index.asp?nid=5547> (accessed 23 March 2012).

²³ See above, as well as: Birgit Lode and Nils Meyer-Ohlendorf, *Rio+20: Sustainable Development Goals – The Environmental Pillar. Rigorous Stock-taking and Present Proposals*, Working Paper FG 8, 2012/01 (Berlin: Stiftung Wissenschaft und Politik, May 2012); Hannah Stoddart for Stakeholder Forum, *Global Sustainability Targets, Building Accountability for the 21st Century*, <http://www.stakeholderforum.org/fileadmin/files/globalsustainabilitytargets.pdf> (accessed 26 March 2012).

²⁴ UNCSD, *Rio+20: Sustainable Development Goals* (see note 2).

²⁵ Cf. UN only, *Remarks by Mr. Sha Zukang, Under-Secretary-General for Economic and Social Affairs, Secretary-General of the 2012 UN Conference on Sustainable Development*, 4 November 2011, http://www.uncsd2012.org/rio20/content/documents/497USG%20remarks_briefing%20to%20MS%20on%20Rio+204Nov_Cleared%20for%20posting_2.00pm.pdf, and UNCSD, *7 Critical Issues at Rio+20*, <http://www.uncsd2012.org/rio20/7issues.html> (accessed 10 May 2012). This lists the following seven areas: jobs, energy, cities, food, water, oceans and disasters.

²⁶ Cf. *Sustainable Societies; Responsive Citizens. Declaration of the 64th Annual UN DPI/NGO Conference, Chair’s Text* (Bonn, 3–5 September 2011), <http://www.un.org/wcm/webdav/site/ngoconference/shared/Documents/Final%20Declaration/V3.pdf> (accessed 30 March 2012). This lists the following additional areas: sustainable consumption and production; sus-

conclusions of the EU's Environment Council, on the other hand, focus on just *five* main areas: sustainable energy; water; sustainable land use and ecosystems; oceans; and natural resource efficiency – each with particular attention being paid to waste management.²⁷

To reiterate, the MDGs' shortcomings in the area of sustainability urgently need to be remedied.²⁸ Particularly promising in this context is the UN Secretary-General's "Sustainable Energy for All" initiative, which promotes the establishment of sustainable energy supply systems. At the same time, the inclusion of new key areas in the SDGs should avoid any overlap or even duplication of processes. As the example of international climate protection illustrates, for specific tasks the UN system already provides mechanisms elsewhere, in this case in the form of the regularly-held world climate conferences.²⁹ On the other hand, where there are new challenges that need to be jointly addressed by the international community – such as improvements in disaster resilience³⁰ – these certainly should be included in the SDGs.

In attempting to encompass all dimensions of sustainable development, a future set of global sustainability goals might include the following: the eradication of global poverty; the promotion of sustainable lifestyles, particularly in urban environments; the preservation of biodiversity and the related ecosystem services; the protection of the marine environment, including sustainable fisheries; the improvement of natural disaster resilience and mitigation of disaster risks; as well as three additional SDGs relating to the so-called water, energy and food security nexus.³¹

Parallel to the definition of key issues, for which subsequently global sustainability goals must be formulated, suitable indicators need to be developed that make the SDG achievements measurable.³² Such indicators should be aligned with the deliberations of the European Union towards a Green Economy Roadmap, which have already expressed the demand for creating effective indicator systems by 2015.³³ Only with the help of the

tainable livelihoods, youth and education; sustainable agriculture; subsidies and investment; new indicators of progress; access to information; public participation; access to redress and remedy; environmental justice for the poor and marginalised; basic health care.

²⁷ Statement by Commissioner Potočník Following Environment Council Conclusions on Rio+20, Press releases RAPID (MEMO/12/177) (Brussels, 9 March 2012).

²⁸ See Lode and Meyer-Ohlendorf, *Rio+20: Sustainable Development Goals* (see note 23).

²⁹ Cf. most recently Susanne Dröge, *Die Klimaverhandlungen in Durban. Erfolgreiche Diplomatie, aber kein Fortschritt für den Klimaschutz*, SWP-Aktuell 3/2012 (Berlin: Stiftung Wissenschaft und Politik, January 2012), as well as the website of the UN initiative <http://www.sustainableenergyforall.org> (accessed 23 March 2012).

³⁰ Cf. e.g. Robert Kipp, *Building Resilience and Reducing Risk from Natural Disasters: Essentials of 21st Century Sustainable Development*, IGES Rio+20 Issues Brief, no. 2 (Hayama: IGES, March 2012).

³¹ Cf. The Federal Government, *The Water, Energy & Food Security Nexus Resource Platform*, <http://www.water-energy-food.org> (accessed 2 April 2012).

³² Cf. UN Secretary-General's High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet* (see note 12), para. 243.

³³ Cf. UN, *The Future We Want* (see note 14), paras. 40 et seq., and chapter 2, pp. 18 et seq.

respective key figures will it be possible to provide decision makers with reliable data that they need to monitor change. This is also the only way to make progress on the road to sustainable development visible.

Currently, there is neither a globally standardized definition of sustainable development nor a binding set of metrics to assess such development. However, a number of endeavours are underway to measure the well-being of societies in terms other than gross domestic product. Of particular note in this context are the UN Development Programme's Human Development Index (HDI); the OECD's Better Life Index; the Bellagio Sustainability Assessment and Measurement Principles; the Stiglitz Sen Fitoussi Report and the Sustainable Society Index; as well as the UN Environment Programme's Global Environmental Goals (GEGs), which are complemented by indicators to track progress on target achievement.³⁴ In Germany, a cross-parliamentary Enquete Commission named "Growth, Wellbeing and Quality of Life – A new compass for politics and society" has launched a project team that is currently working on the definition of an integrated welfare and progress indicator.³⁵ However, despite these many commendable efforts, there still is no globally accepted set of indicators to measure sustainable development. The HDI, for example, stands accused of neglecting the ecological dimensions of growth.³⁶ It seems, then, that there are two feasible courses of action: Firstly, the proposal of the High-Level Panel on Global Sustainability should be acted on, whereby a technological task force – guided by the UN Secretary-General and including all relevant stakeholders – designs a new Sustainable Development Index.³⁷ Secondly, the measurement ranges of the existing indexes could be expanded to encompass all three dimensions of sustainable development, i.e., the social, ecological and economical factors; alternatively, the findings from

³⁴ United Nations Development Programme (UNDP), *Human Development Index (HDI)*, <http://hdr.undp.org/en/statistics/hdi> (accessed 26 March 2012); OECD, *OECD Better Life Index*, <http://oecdbetterlifeindex.org/#> (accessed 26 March 2012); IISD, *Bellagio Sustainability Assessment and Measurement Principles*, <http://www.iisd.org/measure/principles/progress/bellagio> stamp (accessed 26 March 2012); Joseph E. Stiglitz, Amartya Sen, and Jean-Paul Fitoussi, *Report by the Commission on the Measurement of Economic Performance and Social Progress* (14 September 2009), http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf (accessed 26 March 2012); Sustainable Society Foundation, *Sustainable Society Index*, <http://www.ssfindex.com/ssi> (accessed 26 March 2012); United Nations Environment Programme (UNEP), *Global Environmental Goals (GEGs)*, <http://geg.informea.org/about> (accessed 3 May 2012); mostly recently, also see UNEP, *Measuring Progress, Environmental Goals & Gaps* (Nairobi, 2012).

³⁵ German Bundestag, Enquete Commission "Wachstum, Wohlstand, Lebensqualität – Wege zu nachhaltigem Wirtschaften und gesellschaftlichem Fortschritt in der Sozialen Marktwirtschaft", http://www.bundestag.de/bundestag/ausschuesse17/gremien/enquete/wachstum/projekt/gruppe_2/index.html (accessed 4 April 2012).

³⁶ Abuj D. Sagar and Adil Najam, "The Human Development Index: A Critical Review", *Ecological Economics*, vol. 25, no. 3 (1998), pp. 249–264 (251).

³⁷ Cf. United Nations Secretary-General's High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet* (see note 12), para. 39.

existing indexes could at least be augmented with a “sustainability check”, as has already been suggested for the HDI.³⁸

SDG process: a coherent roadmap for Rio and beyond

The weeks remaining before the Rio summit should be used to advance and promote Colombia’s and Guatemala’s initiative to define global sustainability goals. In the run-up to the conference, the international community should try to agree on seven to no more than ten priority areas for the proposed set of SDGs. Also, a concrete “Rio+20 mandate”³⁹ on the SDGs should be prepared for the UNCSD itself. Such a mandate would consist of the agreed-upon priority areas and a dedicated plan for the period between the Rio summit and 2015, reconciled appropriately with the MDG roadmap. Answers will also need to be found to questions such as which actors will participate in the selection of specific contents, and how will they define the goals related to these; who will control this process, and how will the SDGs be implemented once enacted.

In addition, the UN Secretary-General should be taken up on his offer to appoint a Senior Advisor who coordinates all UN-level efforts towards the creation of a set of global sustainability goals by 2015.⁴⁰ If the UNCSD is successful in agreeing on a feasible Rio+20 mandate, this Senior Advisor could initially create thematic clusters for the identified priority areas, each of which would be assigned representatives of the UN, its member states, academia, and the public. As the first task relating to their cluster, these representatives would develop targets and indicators within their area of expertise. Next, they would investigate how compatible their targets are with those of the other clusters, and then transform the initial patchwork structure of isolated working groups into a coherent framework of SDGs. Ideally, this would not only reflect the holistic nature of the three pillars of sustainable development in a balanced way but also accommodate, and even emphasize, the interdependencies between the three pillars. A further important aspect of this stage would be for the Senior Advisor, in coordination with Jeffrey Sachs, the UN Secretary-General’s Special Advisor on the Millennium Development Goals, to ensure that the formulation of SDGs goes hand in hand with the revision of the MDGs as part of the post-2015 development agenda.

³⁸ Eric Neumayer, *Sustainability and Well-being Indicators*, Research Paper no. 2004/23 (Helsinki: United Nations University, World Institute for Development Economics Research [WIDER], March 2004), pp. 1, 15.

³⁹ Cf. for this term Miyazawa, *What Are Sustainable Development Goals?* (see note 17), p. 5.

⁴⁰ *Secretary-General’s Remarks to the General Assembly on his Five-Year Action Agenda: “The Future We Want”*, New York, 25 January 2012, <http://www.un.org/sg/statements/index.asp?nid=5825> (accessed 26 March 2012).

Criteria and roles of future SDGs

To function as a worthy successor to the Millennium Development Goals – which despite their many critics have been highly successful – any future set of global sustainability goals should be kept as concise as possible and always specify concrete targets. For transparency's sake, the SDGs should encompass no more than ten priority areas, each described in plain, non-technical terms. Regardless of which key areas the SDGs will ultimately focus on, it is important to avoid having two parallel sets of goals, SDGs and (post)-MDGs. The international community should do its very best to agree on one single suite of development goals.

Ideally, such a framework of goals will have three essential roles: to *combine*, to *coordinate*, and to *concentrate*. In its combinatory role, the set of SDGs would ensure upon analysis of the MDGs' strengths and weaknesses that the good experiences made in the formulation and implementation of the MDGs are retained, while the same mistakes are not repeated. In this context, "combinatory" furthermore signifies that the SDGs seamlessly continue the process so successfully initiated by the MDGs to foster global development and combat poverty – while ideally also balancing the three pillars of sustainable development. In their coordinating role, the SDGs would help to globally align the many different efforts made towards sustainable development. In their concentrating role, finally, they would help to more effectively streamline the various sustainability initiatives existing around the world.

Where to next?

SDGs hold great potential to reinvigorate political commitment to the implementation of sustainable development. This requires first of all support for the joint Colombian and Guatemalan proposal to compile a set of global sustainability goals. The initiative would also benefit greatly from public advocacy across the nations of the European Union. Leading up to the UNCSD conference, the EU countries should further complement and firm up the Rio Outcome Document in view of the discussed proposal – ideally by agreeing on seven to ten priority areas for such a set of goals. At the conference itself, the EU and the member states of the United Nations Economic Commission for Europe (UNECE)⁴¹ should work towards the adoption of a concrete Rio+20 mandate dedicated to the formulation and implementation of the SDGs. In this context, the EU could urge all of the 56 states belonging to the UNECE to uniformly support the proposal – including Russia and the US, who have already expressed their support for the SDGs. Seeing how well aligned the positions of the EU and the UNECE already are in advance of the conference, such concerted support seems quite achievable. The best-case scenario is that the resulting Rio+20 man-

⁴¹ Cf. United Nations Economic Commission for Europe (UNECE), *Dates of Membership of the Economic Commission for Europe 56 Member Countries*, http://www.unece.org/oes/member_countries/member_countries.html (accessed 2 April 2012).

date comprises not only the pre-agreed priority areas but also a roadmap harmonized with the MDG roadmap. Such a mandate would apply to the transition period between the Rio summit and 2015, when the MDGs' expiry will in any case necessitate a new framework of goals with concrete measures towards sustainable development. The overarching goal of eradicating poverty on a global level should be maintained, but the principle of sustainable development also needs to be included. Beyond this, the Rio+20 mandate should set out directions for how the SDGs are put together: Firstly, the goals need to be complemented by suitable indicators that go further than the traditional measurement of gross domestic product (GDP). This aim is bolstered by the "Beyond GDP" debate which has also intensified in the lead-up to the Rio Conference,⁴² indicating not only current conceptual shifts in the area of measuring human well-being and quality-of-life but also working towards providing politicians with more comprehensive data for their decision-making processes. Secondly, the Rio+20 mandate should aim to finally bestow sustainable development the prominence it has so long been lacking on the international stage.

Germany should openly and unequivocally commit to the idea of global sustainability goals, ideally in advance of the summit. The German government, which last year hosted Bonn's so-called Nexus Conference,⁴³ could well demonstrate its commitment to sustainability if it were to formulate SDGs for the three priority areas of water, energy and food – and further bring the debate into focus by emphasising the interdependence of these areas.

⁴² Cf. even just the UNEP submission to the Compilation Document: Secretariat of the UNEP, *Input to the Compilation Document for UNCSD*, http://www.uncsd2012.org/rio20/content/documents/217UNEP_secretariat_rev.pdf (accessed 4 April 2012).

⁴³ Cf. The Federal Government, *The Water, Energy & Food Security Nexus Resource Platform* (see note 31).

4. Between Deadlock and Breakthrough: The Reform of International Environmental Governance in the Run-up to Rio 2012

Nils Simon

At the United Nations Conference on Sustainable Development (UNCSD) in June 2012, the Institutional Framework for Sustainable Development (IFSD) is to be rigorously scrutinised and adapted to address the challenges of the 21st century. A central pillar of the IFSD system is international environmental governance (IEG), of which the organisational core is the United Nations Environment Programme (UNEP). This entity suffers from serious weaknesses despite some notable successes.¹ There is a consensus among the community of nation states that international environmental governance is not able to achieve its goals and that a reform is necessary. Thanks to years of diligent discussions, participants have recently been able to come to an agreement on the key functions that the IEG system should perform. Debate over the future shape of the reformed environmental governance architecture, on the other hand, has been all the more intense. Negotiations have once again resumed on the proposal to establish a United Nations Environment Organization (UNEO) as a potential outcome of the Rio Conference. It is not the first time that this idea, which is chiefly backed by the European Union, has been an item on the agenda. However, its chances of being realised have never been as good as they are now.

The fragmented environmental governance landscape: 44 organisations, 1,100 agreements, 60,000 projects

The system of international environmental governance (IEG) is highly fragmented institutionally.² This fragmentation derives from the situation that the community of states continuously introduces new institutions instead of equipping existing ones with additional resources and wider-reaching authority. However, fragmentation should not be assessed as negative *a priori*; a complex system can be capable of reacting more flexibly

¹ For a basic overview of the international environmental governance system and of the reform processes to date, see Nils Simon, "International Environmental Governance for the 21st Century: Challenges, Reform Processes and Options for Action on the Way to Rio 2012", SWP Research Paper 1/2011 (Berlin: Stiftung Wissenschaft und Politik, February 2001).

² Cf. Frank Biermann et al., "The Fragmentation of Global Governance Architectures: A Framework for Analysis", *Global Environmental Politics*, vol. 9, no. 4 (November 2009), pp. 14–40.

to new challenges than a monolithic construct.³ Yet, fragmentation hinders the functionality of the system when it is accompanied by unresolved coordination issues and comes with efficiency problems.⁴ Within the IEG system, these difficulties affect the coordination between international organisations, as well as the collaboration on the level of multilateral environmental agreements (MEA).

An oversight study from 2004 found that, in total, some 60,000 United Nations environment-related projects are in operation, but there is no database that would provide a comprehensive overview.⁵ The responsibility for the coordination between environment-related institutions rests with the Environment Management Group (EMG), which was established in 1999 and convenes under UNEP supervision.⁶ However, several of its 44 members also sit in other coordinating bodies, creating an unclear distribution of responsibilities.⁷ If the environmental governance architecture is to be successfully reformed, the initial task will therefore be to resolve these coordination problems either by enhancing the authority of the EMG or by facilitating significantly more effective interaction between the EMG and other existing coordinating bodies. The latter could be achieved by integrating the EMG in the UN Systems Chief Executives Board for Coordination (CEB). Another conceivable option would be the establishment of a new coordination structure within the scope of the proposed UN Council on Sustainable Development.⁸

In order to manage global environmental problems, the community of states has thus far adopted numerous multilateral environmental agreements. Depending on the counting method used, there are anywhere from several hundred to more than 1,100 MEAs.⁹ Most of these agreements are regional in scope, while some 30 percent have a global reach.¹⁰ The large number of MEAs illustrates the fact that all major problem areas in international environmental politics are at least partially covered by multilateral agreements. At the same time, however, their abundance causes

³ Sebastian Oberthür and Thomas Gehring, "Reforming International Environmental Governance: An Institutionalist Critique of the Proposal for a World Environment Organisation", *International Environmental Agreements: Politics, Law and Economics*, vol. 4, no. 4 (2004), pp. 359–381.

⁴ United Nations Environment Programme (UNEP), *Fragmentation of Environmental Pillar and Its Impact on Efficiency and Effectiveness*, UNEP Issues Brief, no. 2 (Nairobi, 2011).

⁵ Tadanori Inomata, "Management Review of Environmental Governance within the United Nations System", UN Joint Inspection Unit, JIU/REP/2008/3, (Geneva, 2008), p. 19.

⁶ United Nations General Assembly, Resolution Adopted by the General Assembly, A/RES/53/242, (10 August 1999).

⁷ Cf. chapter 5, pp. 59 et seq.

⁸ Cf. chapter 5, pp. 59 et seq.

⁹ According to Ronald B. Mitchell's calculations, there are more than 1,100 multilateral environmental agreements, *International Environmental Agreements (IEA) Database Project*, Version 2012.1, <http://iea.uoregon.edu> (accessed 20 March 2012).

¹⁰ Inomata, "Management Review of Environmental Governance" (see note 5), p. 10.

high administrative costs and enormous diplomatic effort, and complicates the integration of action areas thus far addressed separately.¹¹

The effectiveness and efficiency of environmental agreements could be increased by clearly defining the separation of responsibilities within the IEG system and centralising the duties of the secretariats, thus eliminating any overlaps.¹² The clustering of three agreements on chemicals management has shown what form a successful consolidation process might take, that is, closer administrative co-operation among secretariats which were previously organised separately. The chemicals conventions, grouped under the aegis of UNEP, recently enacted a uniform secretariat structure that promises to generate considerable synergies.¹³ Clustering, however, has its limits since it only focuses on administrative processes and does not affect the legal framework of the environmental agreements.¹⁴ The community of states must therefore clarify where MEAs stand in relation to one another and, in particular, to UNEP. While, in this context, the decision of the community of states to negotiate a new mercury convention at the UNEP Governing Council in 2009 is principally welcomed, it also has its drawbacks. The IEG system becomes more fragmented; scarce resources are invested in a costly negotiation process; and considerable effort is expended on the regulation of a single substance while other hazardous chemicals like lead and cadmium go unregulated. A better approach would be to establish a new structure under a common institutional framework that could swiftly implement the community of states' decisions without protracted negotiations while being open to incorporating further chemical substances or other areas in need of regulation. In its present form, UNEP does not have the means to achieve this, which is just one of many good reasons for reforming the Programme.

The United Nations Environment Programme

Since UNEP's founding in 1972, assessments of its effectiveness have differed widely. According to some observers, the programme has achieved substantial results thanks to its efficient operation and constructive

¹¹ See Inomata, "Management Review of Environmental Governance" (see note 5), pp. 11 et seq.; UNEP Governing Council, "Background Paper for the Ministerial Consultations. Discussion Paper Presented by the Executive Director. Addendum. International Environmental Governance and United Nations Reform", UNEP/GC.25/16/Add.1 (Nairobi, 24 December 2008), pp. 5 et seq.; Steinar Andresen, "The Effectiveness of UN Environmental Institutions", *International Environmental Agreements: Politics, Law and Economics*, vol. 7, no. 4 (2007), pp. 317–336.

¹² For a more detailed description, see Simon, "Internationale Umweltgovernance für das 21. Jahrhundert" (see note 2), particularly pp. 25 et seq.

¹³ Judith Wehrli, "Clustering Assessment: Enhancing Synergies among Multilateral Environmental Agreements", Governance and Sustainability Issue Brief, no. 3 (Center for Governance and Sustainability, University of Massachusetts, Boston, January 2012).

¹⁴ Cf. Sebastian Oberthür, "Clustering of Multilateral Environmental Agreements: Potentials and Limitations", *International Environmental Agreements: Politics, Law and Economics*, vol. 2, no. 4 (2002), pp. 317–340.

proposals for new international agreements on environmental protection, particularly considering its relatively meagre budget.¹⁵ However, others say that UNEP has achieved very little overall, but can hardly be held accountable mainly because its resources are grossly insufficient to fulfil what has been a “hopeless mandate”¹⁶ from the start.

According to its mandate, UNEP is the most important actor on environmental politics within the United Nations system. The Programme’s responsibilities include developing normative standards and encouraging international negotiations for multilateral environmental agreements. It is also tasked with monitoring the status of the environment and documenting the impact of environmental policy efforts. Furthermore, it should promote the integration of environmental protection as a cross-cutting task in other UN entities. Lastly, it should provide capacity development, that is, support countries that want to implement the international agreements.

The highest decision-making body of the Environment Programme is the 58-member Governing Council (GC). In the past, several attempts to increase the representation of UN member states and to establish universal membership failed.¹⁷ It is still controversial whether this is necessary at all from a functional standpoint and would actually lend the entity more visibility and legitimacy, as advocates claim.¹⁸ Nevertheless, since 2000, the Global Ministerial Environment Forum (GMEF) has provided an example of a high-ranking body with potentially universal membership, even though the annual meetings with 100 to 150 participating delegations do not truly represent a plenary session. Weighing in favour of universal membership is that the visibility of international environmental governance increased through the GMEF, although it so far solely complements the Governing Council and cannot pass binding resolutions. The GMEF only makes recommendations to the Governing Council.¹⁹ An argument levelled against universal membership is that UN institutions that are thus structured, for example the International Labour Organization (ILO) and the World Health Organization (WHO), typically also have

¹⁵ Steffen Bauer, “The Secretariat of the United Nations Environment Programme. Tangled Up in Blue”, in *Managers of Global Change. The Influence of International Environmental Bureaucracies*, ed. Frank Biermann and Bernd Siebenhüner (Cambridge, 2009), pp. 169–202.

¹⁶ Ken Conca, “Greening the United Nations: Environmental Organisations and the UN System”, *Third World Quarterly*, vol. 16, no. 3 (1995), pp. 441–457.

¹⁷ Cf. UNEP Governing Council, “Synthesis of Views of Governments Concerning the Question of Universal Membership of the Governing Council/Global Ministerial Environment Forum”, UNEP/GCSS.VIII/INF/6 (Nairobi, 15 March 2004).

¹⁸ Cf. German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, German Federal Foreign Office, and Ecologic Institute, “Round Table: UNEP – Establishing Universal Membership, Summary of the Chairman” (Potsdam, 2–3 February 2004), http://www.ecologic.de/download/projekte/1800-1849/1810/1810_Summary.PDF (accessed 4 April 2012).

¹⁹ Steven Bernstein and Jutta Brunnée, “Options for Broader Reform of the Institutional Framework for Sustainable Development (IFSD): Structural, Legal, and Financial Aspects”, Report Prepared for the Secretariat of the UNCSO (University of Toronto, 2011), pp. 9 et seq.

smaller executive bodies, enabling more effective work than the often slow-moving plenary sessions do.²⁰

UNEP's Secretariat, headed by Executive Director Achim Steiner since 2006, has its headquarters in Nairobi, Kenya. In the past several years, the number of UNEP staff has significantly increased to some 600 employees. However, this is still a relatively small workforce considering the scope of its responsibilities and compared to other international organisations. In 2010, UNEP's budget totalled 217 million dollars, only one-twentieth of the funding that the United Nations Development Programme (UNDP) receives, and one-tenth of the WHO budget.²¹ Due to its programme status, UNEP is also much more dependent on voluntary contributions from member states than UN specialised agencies. These payments are naturally less secure than the small fixed allocations of the UN to UNEP. However, thanks to the increased willingness of European states to provide funding, UNEP's financial situation has markedly improved since a low point in the 1990s.²²

Twenty years of reform discussions: between Rio 1992 and Rio 2012

Since the establishment of UNEP in 1972 and more so since the Rio Conference in 1992, reform of the environmental governance architecture has been the subject of heated debate.²³ Current discussions in the run-up to the UNCED build upon three historical phases of institutional reforms. During the first phase, which lasted from the original Rio Conference (UNCED) in 1992 until 2000, the international environmental governance architecture initially saw considerable expansion before being plunged into a serious crisis in the mid-1990s due to payments withheld by the US. This culminated with an insufficient reform package that included several administrative changes within UNEP's Secretariat and the establishment of the above mentioned Global Ministerial Environment Forum. In the second phase starting in 2001, far-reaching reform proposals – such as the founding of a World Environment Organisation, for which the Europeans particularly pushed – were irreconcilably pitted against deep-seated scepti-

²⁰ Ibid., pp. 9–11.

²¹ Maria Ivanova, "Financing International Environmental Governance: Lessons from the United Nations Environment Programme", Governance and Sustainability Issue Brief, no. 1 (University of Massachusetts, Boston, October 2011).

²² Muhammad Yussuf, Juan Luis Larrabure, and Cihan Terzi, "Voluntary Contributions in United Nations System Organizations: Impact on Programme Delivery and Resource Mobilization Strategies", UNEP Joint Inspection Unit (Geneva, 2007); UNEP, *UNEP Annual Report 2009. Seizing the Green Opportunity* (Nairobi, 2010), p. 90.

²³ For a more detailed description, see Simon, "Internationale Umweltgovernance für das 21. Jahrhundert (see note 2), pp. 16–24; cf. Adil Najam, Mihaela Papa, and Nadaa Taiyab, *Global Environmental Governance. A Reform Agenda*, International Institute for Sustainable Development (IISD) (Winnipeg, 2006), pp. 21 et seq.

cism about enhancing UNEP.²⁴ During this time, only modest and incremental reforms were possible, such as those implemented under the Bali Strategic Plan for Technology Support and Capacity-building (BSP), which was adopted in 2005.²⁵

It was not until the launching of the Informal Consultative Process on the Institutional Framework for the United Nations' Environmental Activities in January 2006 by the President of the UN General Assembly that the reform discussion gained new momentum for a third phase. This process saw the beginning of an urgently needed rapprochement between member states, brought about by intensive talks on the IEG's main functions and shortcomings.²⁶ The Co-chairs' Options Paper, completed in June 2007, presented considerable results.²⁷ It set forth seven building blocks for a strengthened IEG, each consisting of several individual proposals. In the words of the co-chairs, these measures should be realised by means of an "ambitious incrementalism." In spite of this pragmatic approach, delegates were subsequently unable to agree on a draft resolution that could have provided the basis for IEG reform.

The positive experience of the consultative process inspired Serbia, undeterred by the lack of consensus, to propose the establishment of a Consultative Group of Ministers or High-Level Representatives on International Environmental Governance at the 25th session of the UNEP Governing Council (GC-25/GMEF) in Nairobi in February 2009.²⁸ The first meeting of the Group, attended by representatives of 39 countries, was held in the Serbian capital in June 2009, which is how it came to be known as the "Belgrade Process." The next meeting, now numbering 43 delegations, was convened in Rome in October 2009. In the outcome report, the Consultative Group defined the fundamental objectives of the IEG, identified its key functions and outlined a series of steps that would help achieve the objectives. Lastly, the outcome report laid out various options for system-wide governance reform (see box below, p. 47).

24 A World Environment Organization. *Solution or Threat for Effective International Environmental Governance?*, ed. Frank Biermann and Steffen Bauer (Aldershot, 2005); Marjanneke Vijge, *A World/United Nations Environment Organisation? An Explanation of the Non-decisions on the Reform of the International Environmental Governance System*, MSc Thesis, (Wageningen University, August 2009).

25 IISD Reporting Services, "Summary of the 23rd Session of the UNEP Governing Council/Global Ministerial Environment Forum: 21–25 February 2005", *Earth Negotiations Bulletin*, vol. 16, no. 47 (28 February 2005).

26 Cf. UNEP Governing Council, "Letter from the Co-chairs of the Informal Process of the General Assembly on the Strengthening of International Environmental Governance", UNEP/GC.25/INF/35 (17 February 2009).

27 Informal Consultative Process on the Institutional Framework for the United Nations' Environmental Activities, *Co-chairs' Options Paper* (New York, 14 June 2007).

28 Cf. UNEP, *Co-chairs' Summary. Building on the Set of Options for Improving International Environmental Governance of the Belgrade Process*, First Meeting of the Consultative Group of Ministers or High-level Representatives on International Environmental Governance (Nairobi, 7–9 July 2010); IISD Reporting Services, "Twenty-Fifth Session of the UNEP Governing Council/Global Ministerial Environment Forum: 16–20 February 2009", *Earth Negotiations Bulletin*, vol. 16, no. 73 (16 February 2009).

Of these five options, only two – enhancing UNEP (a) and the creation of a UN Environment Organisation (c) – are within the scope of international environmental governance. The other options go beyond the means and mandates available to actors within the IEG system. Therefore, they require a broader negotiating framework such as will be available in Rio with its focus on the Institutional Framework for Sustainable Development (IFSD).²⁹

| Reform options for international environmental governance in line with the Belgrade and Nairobi-Helsinki Processes* |
|--|
| <ul style="list-style-type: none"> a. Enhancing UNEP b. Establishing an umbrella organisation for the environment and sustainable development c. Creation of a UN specialised agency such as a UN world environment organisation d. Reforming the UN Economic and Social Council and the UN Commission on Sustainable Development e. Expanding institutional reforms and streamlining existing structures |
| <p>* Consultative Group of Ministers or High-Level Representatives, “Nairobi-Helsinki Outcome”, Second Meeting of the Consultative Group of Ministers or High-Level Representatives on International Environmental Governance, (21–23 November 2010), Espoo, Finland.</p> |

At its subsequent session in February 2010 (GCSS-11/GMEF), the UNEP Governing Council called on action to be taken on reform measures that can be implemented directly by the secretariat.³⁰ It also decided to continue with the consultation process. Two further meetings took place, one in Nairobi in July 2010 and another close to Helsinki in November 2010. After the UNEP Secretariat had compiled a list of 24 options for reforming the IEG at the end of the Belgrade Process,³¹ it was decided in Nairobi to consolidate these. The nine remaining options were assigned five objectives for effective environmental governance along with their associated functions, as listed in the table (pp. 48 et seq.).

The Helsinki meeting was mainly characterised by disagreements over the text of the outcome report. Here, the seemingly minor changes compared to the outcome of the Belgrade Process suggest that the initial

²⁹ For a thorough analysis of the five options, see Bernstein and Brunnée, “Options for Broader Reform” (see note 19).

³⁰ IISD Reporting Services, “Summary of the Simultaneous Extraordinary COPs to the Basel, Rotterdam and Stockholm Conventions and the 11th Special Session of the UNEP Governing Council/Global Ministerial Environment Forum: 22–26 February 2010”, *Earth Negotiations Bulletin*, vol. 16, no. 84 (1 March 2010).

³¹ UNEP, “Ideas for Broader Reform of International Environmental Governance”, Background Paper by the Executive Director (Nairobi 7, June 2010).

Table

Objectives, functions and options for broader international environmental governance reform based on the IEG consultative process

| <i>Objectives</i> | <i>Functions</i> | <i>Options</i> |
|--|---|---|
| a) To create a strong, credible and accessible science base and political interface | i) Acquisition, compilation, analysis and interpretation of data and information ii) Data exchange iii) Environmental assessment and early warning iv) Scientific advice v) Science-politics interface | 1) To create a multi-scaled, multi-thematic global information network of national, international and independent scientific expertise for monitoring the impact of human activity on environmental change and for issuing early warnings |
| b) To develop a global authoritative and responsive voice for environmental sustainability | i) Global agenda setting, policy guidance and advice ii) Mainstreaming environmental concerns into other relevant policy areas iii) Promotion of rule-making, standard setting and universal principles iv) Dispute avoidance and settlement | 2) Establishing a global policy organisation with universal membership to set, coordinate, and monitor the global environmental agenda |
| c) To achieve effectiveness, efficiency and coherence within the United Nations system | i) Coordination of policies and programmes ii) Efficient and effective administration and implementation of MEAs iii) Facilitating cooperation between various environmental agencies | 3) Clustering secretariat functions and common services; establishing a uniform mechanism for global coordination among existing MEAs 4) Establishing a UN-wide medium-term strategy for the environment |
| d) To secure sufficient, predictable and coherent funding | i) Mobilising and accessing funds ii) Developing innovative financing mechanisms to complement official funding sources iii) Utilising funding effectively and efficiently in accordance with agreed priorities | 5) Widening the donor base 6) Establishing a joint management mechanism for all major trust funds for the environment 7) Linking global environmental policy making with global environmental financing |

Table (continued)

Objectives, functions and options for broader international environmental governance reform based on the IEG consultative process

| <i>Objectives</i> | <i>Functions</i> | <i>Options</i> |
|---|--|--|
| e) To ensure a responsive and cohesive approach to meeting country-specific needs | i) Human and institutional capacity building ii) Technology transfer and financial support iii) Mainstreaming the environment into development processes iv) Facilitating South-South, North-South and triangular cooperation | 8) Establishing environment-development country teams 9) Developing an overarching framework for capacity building and technical assistance |

Source: UNEP, “Co-chairs’ Summary. Building on the Set of Options for Improving International Environmental Governance of the Belgrade Process”, First Meeting of the Consultative Group of Ministers or High-level Representatives on International Environmental Governance (Nairobi, 7–9 July 2010).

process of consultation and rapprochement has entered a new stage marked by difficult negotiations. The discussions in Belgrade and Rome focused primarily on broad options for the future IEG system without setting a clear direction. In Nairobi und Helsinki, however, participants were already preparing for the upcoming 2012 Rio Conference, where fundamental decisions are to be made about the future governance structure of the UN system in the areas of environment and sustainable development. Such major changes to the institutional structure, which now seem imminent, have thus far been avoided by the international community of states.

UNEP – upgrade or new operating system?

At the start of the preparations for the UNCSD, UN Secretary-General Ban Ki-moon pointed out in a report assessing the themes and objectives of the UNCSD that the environmental institutions are often perceived as the weakest of the three pillars of sustainable development.³² With this observation, he underscored just how important the IEG component is within the institutional structure for sustainable development. The upcoming negotiations in Rio can build upon the results of the aforementioned consultative groups, particularly on the two options for UNEP reform as recently confirmed in the Nairobi-Helsinki Process.

Initially, the discussions during the preparation process for the UNCSD appeared to coalesce around these two alternatives. In the Zero Draft Out-

³² Ban Ki-moon, “Objective and Themes of the United Nations Conference on Sustainable Development. Report of the Secretary-General”, United Nations General Assembly, Preparatory Committee for the United Nations Conference on Sustainable Development, UN Doc. A/CONF.216/PC/7, (22 December 2010), p. 25.

come Document of 10 January 2012, two options are specified in Article 51: either strengthening UNEP by, among other measures, establishing universal membership in its Governing Council along with “significantly increasing” its financial base, or converting the programme into a full-fledged specialised agency operating on “equal footing with other UN specialised agencies”. The proposals mainly differ with respect to their international legal structure. An enhanced UNEP would be less autonomous than a specialised agency for the environment – usually referred to as “United Nations Environment Organization” (UNEO), but also called “World Environment Organization” (WEO).³³ An enhanced UN Environment Programme would remain a subsidiary organ of the General Assembly. Nonetheless, the UNGA could explicitly grant it the right to create its own subsidiary bodies and committees, to enter into written covenants with governments and other UN organisations, as well as to adopt decisions and make environmentally relevant recommendations to the General Assembly. In contrast, a UNEO with autonomous authority under international law could conclude contracts with other international organisations, appoint its own Director-General and directly request advisory opinions from the International Court of Justice without having to go through the General Assembly (Article 96 UN Charter).³⁴ In short, the community of states is faced with the choice of giving UNEP either an upgrade or a new and more powerful operating system.³⁵

The current disagreement hence revolves around the structure of the future IEG system, after the Belgrade and Nairobi-Helsinki Processes had successfully resulted in a consensus about its basic functions. The legal status of the Environment Programme had been a controversial issue within the community of states even before its founding in 1972.³⁶ At that time, UNEP was consciously created as a programme rather than as a specialised agency since it was not intended to deal with an isolated subject but rather to perform functions cutting across several disciplines and to play a coordinating role within the UN system. The wisdom of the day was that a programme was more flexible and therefore better suited for these tasks. Even today, critics of establishing a UNEO claim that little has changed in this regard and therefore no compelling reason exists for

³³ United Nations (UN), *The Future We Want*, Zero Draft of the UNCSO Outcome Document (version of 10 January 2012), p. 10. Cf. also Bernstein and Brunnée, “Options for Broader Reform” (see note 19), particularly pp. 8–22 and pp. 24–32.

³⁴ UNEP, *Legal Questions and Answers on IEG Reforms: WEO and UNEO?*, UNEP Issues Brief, no. 4 (Nairobi, 2011); cf. Frank Biermann, “Reforming Global Environmental Governance: The Case for a United Nations Environment Organisation”, Stakeholder Forum, Think Piece Series (February 2011).

³⁵ Cf. Steffen Bauer, “Welche Zukunft wollen wir? Die Rio+20-Konferenz soll die UN-Nachhaltigkeits-Architektur reformieren”, *Vereinte Nationen*, vol. 60, no. 1 (2012), pp. 10–15 (13 et seq.).

³⁶ Maria Ivanova, “Designing the United Nations Environment Programme: A Story of Compromise and Confrontation”, *International Environmental Agreements: Politics, Law and Economics*, vol. 7, no. 4 (2007), pp. 337–361.

restructuring UNEP.³⁷ But this line of reasoning fails to convince. Firstly, established UN specialised agencies such as the WHO, FAO and ILO have long since assumed multidisciplinary responsibilities. Also, environmental policy was firmly established as a distinct field long ago. Evidence of this are the numerous environment ministries that states have created over the past decades, as well as the proliferation of multilateral environmental agreements.³⁸ Secondly, the 40 years of UNEP's existence have shown that its resources are not sufficient to effectively tackle global environmental problems. No matter how functional the structure of the Environment Programme might have been at its inception in 1972, the results have been patchy at best. This is certainly not only due to the status of UNEP – otherwise the UN Development Programme would suffer from similar problems – but is mainly the outcome of unfulfilled pledges, particularly financial ones to the Environment Fund.³⁹ Still, it is of little use to simply call attention to past promises and appeal to the community of states to finally live up to its decades-long commitments. Instead it would be better to enable UNEP to gain more autonomy and control over its own destiny.

In addition to the aforementioned legal powers and independence from the UN General Assembly, there is another argument for a UNEO, which, however, is only talked about in whispers: the perception within the community of states and within the UN system – a perception that arises not only from material resources and normative influence, but also from the formal status. Such an argument is seldom expressed openly because it runs contrary to the IEG's credo of “form follows function”. This principle is essentially sound; today, however, it tends to block overdue institutional reforms just as much as it promotes goal-oriented thinking – its original intention.⁴⁰ This assumption is further supported by the fact that to this day no one has ever made reference to the functional advantages of UNEP over a UNEO in the reform debate. On the contrary, critics of a UNEO are content to simply point out that a UN specialised agency for environmental matters offers too few tangible benefits.

By the beginning of June 2012, the draft version of the Outcome Document “The Future We Want” had reached some 80 pages, after growing from its original 20 pages in January to over 200 pages in March. The two main options for IEG reform described above have been greatly expounded upon, and the differences of opinion between the individual states are now

³⁷ Maria Ivanova, “Institutional Design and UNEP Reform: Historical Insights on Form, Function and Financing”, *International Affairs*, vol. 88, no. 3 (2012), pp. 565–584.

³⁸ Cf. Kristine Kern, Helge Jörgens, and Martin Jänicke, “The Diffusion of Environmental Policy Innovations: A Contribution to the Globalisation of Environmental Policy”, WZB Discussion Paper, FS II 01-302 (Berlin: Wissenschaftszentrum Berlin für Sozialforschung [WZB], 2001).

³⁹ Simon, “Internationale Umweltgovernance für das 21. Jahrhundert” (see note 2), pp. 8 et seq. and pp. 12–15.

⁴⁰ An example of the latter is provided by, e.g., John E. Scanlon, *Enhancing Environmental Governance for Sustainable Development: Function-oriented Options* (Center for Governance and Sustainability, University of Massachusetts, Boston, April 2012).

clearly evident.⁴¹ Supported by the community of African states, spear-headed by Kenya, an EU-led coalition is calling for extensive restructuring of the environmental governance system with a specialised agency for the environment at its centre.⁴² The US and Russia have meanwhile unmistakably positioned themselves as opponents of comprehensive reforms. This despite the fact that in the past few years, voices could certainly be heard from within the US that suggested the United States was, at least, not categorically against institutional reforms.

Any strategy for dealing with this opposition must, on the one hand, rebut the criticism with objective arguments. The US and Russia have repeatedly emphasised that it is necessary to work more efficiently within the existing system before creating a new UN specialised agency. A counter-argument would have to clearly demonstrate in which areas an enhanced UNEP could achieve better results and more efficiently utilise resources. One example might be the argument that a future UNEO serving as the institutional home of new environmental agreements could reduce the higher cost of fragmentation.

On the other hand, the Europeans should attempt to persuade undecided states to join with them in forming a powerful reform coalition. Those developing countries outside Africa that are still hesitant to take sides can be presented with several arguments in favour of a UNEO.⁴³ This includes pointing out that a UNEO could provide representatives from national governments and civil society with better access to the complex IEG system if it has the hoped-for gravitational effect and gradually develops into the most important forum for discussions and negotiations on global environmental governance. Furthermore, the voices of developing countries would carry more weight in an assembly with universal membership. Finally, the greater effectiveness of a UNEO with more personnel and financial resources should be highlighted. It could give poorer countries powerful support in establishing and further developing their environmental policy capacities.

Other states have put forward alternative proposals that either constitute a compromise between the UNEP upgrade and UNEO options or offer new approaches. According to the March 2012 draft version of the Outcome Document, Japan and South Korea advocated a World Environment Organisation as a “possible end point” of a longer reform process, which goes too far for Russia and the US but not far enough for the EU. Switzer-

⁴¹ IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations and Third Intersessional Meeting: 19–27 March 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 24 (30 March 2012); IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 35 (7 May 2012).

⁴² Cf. Council of the European Union, “Rio+20: Pathways to a Sustainable Future”, Council Conclusions, 3152nd Environment Council Meeting (Brussels, 9 March 2012); Africa Regional Preparatory Conference for the UNCSD, “Africa Consensus Statement to Rio+20”, E/ECA/CPSSD/7/Min./3, Art. 53–54 (Addis Ababa, 25 October 2011).

⁴³ Nils Meyer-Ohlendorf and Markus Knigge, *Potential Benefits for Developing Countries. Design Options for a UNEO*, Ecologic Institute (Berlin, 24 January 2005).

land, together with Liechtenstein and Mexico, devoted intense efforts to a possible enhancement of UNEP below the level of a UN specialised agency. The EU would be prepared to incorporate parts of this in its proposal, whereas Canada expressed reservations, and Russia and the US rejected the proposal on principle. During the negotiations from the end of April to the beginning of May 2012, the G77 and China initially expressed support for universal membership in the UNEP Governing Council. However, shortly thereafter, the African Group withdrew its backing for this consensus and endorsed, as described above, the establishment of a UNEO.⁴⁴ Ukraine went even further than the EU-submitted concept, bringing forward the idea of an Environmental Constitution, which encountered opposition from Japan, Canada and Russia.⁴⁵ The EU and Ukraine's procedural proposal to charge an intergovernmental committee with the negotiation of a UNEO founding treaty was also opposed by the US, Canada, Russia, and Japan.

Conclusions: UNEO as a goal

After perennially unsuccessful discussions among the community of states regarding the enhancement of UNEP, Rio could and should see a decision on transforming UNEP into a full-fledged UN specialised agency (UNEO). This would not solve all the problems of international environmental governance in a single stroke. However, a UNEO would provide a much better institutional and legal foundation for giving global environmental protection the additional boost that will be urgently needed in the coming years. Building on the competencies of the UN Environment Programme, the UNEO could become the most important forum for international environmental negotiations. If new multilateral environmental agreements could be concluded under the umbrella of the UNEO, it would be possible to put a stop to the ongoing and unchecked fragmentation of international environmental governance. Due to its greater capacities, the UNEO could – much more pro-actively than UNEP has done to date – call attention to blind spots in international environmental protection and urge states to take action, as well as detect future challenges at an early stage and put these issues on the agenda. Should the UNEO receive the necessary financial and legal means, it would at last be able to effectively implement the UNEP mandate, passed 40 years ago, that stated it should be the highest environmental authority in the UN system. In connection with an ambitious Green Economy Roadmap and supported by a centrally-positioned Council for Sustainable Development, the founding of a UNEO would represent the “best case” scenario for the Rio Conference. As this offers a unique opportunity to achieve the long-awaited breakthrough, the

⁴⁴ IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012” (see note 41).

⁴⁵ IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations and Third Intersessional Meeting: 19–27 March 2012” (see note 41), p. 8; see also “Submission of Ukraine for Rio+20 Compilation Text”, <http://www.uncsd2012.org/rio20/content/documents/689InputRio20Ukraine.pdf> (accessed 5 April 2012).

EU should, working with its allies, try to pursue this option to the furthest extent possible.

However, should the reform falter over the question of its legal status as a UN specialised agency, the EU could forgo this part of its demands and instead advocate the installation of a “UNEP 2.0”, endowed with far-reaching competencies under the General Assembly. The achievement of universal membership would be a significant step towards more visibility for international environmental governance. This would come very close to having the function of a UN Environment Organisation. It would then be left to the Europeans to further increase financial contributions to the new UNEP and to show that they do not merely wish to engage in “institutional tinkering”, as a critic of the UNEO idea once commented,⁴⁶ but rather that their dedication to the idea of a UN Environment Organisation is the result of serious political commitment.

⁴⁶ Adil Najam, “Neither Necessary, Nor Sufficient: Why Organizational Tinkering Will Not Improve Environmental Governance”, in *A World Environment Organization*, ed. Biermann and Bauer (see note 24), pp. 235–256.

5. A Sustainable Development Council: Relaunching Global Sustainability Policy and Politics

Marianne Beisheim, Birgit Lode, and Nils Simon

At the upcoming United Nations Conference on Sustainable Development (UNCSD), fundamental questions of sustainable development should be discussed not only in relation to the Green Economy in the Context of Sustainable Development and Poverty Eradication (GESDPE) but also to the Institutional Framework for Sustainable Development (IFSD). In their current form, the institutions of the United Nations responsible for sustainable development are not in a position to provide adequate support for the restructuring measures that will be required to move the world toward a Green Economy.¹ The long-overdue reforms of these institutions should raise the visibility and profile of sustainability themes within the UN system. The idea of expanding the United Nations Environment Programme (UNEP) to become the environmental pillar of the sustainability architecture has been under consideration for some time.² The reforms to be discussed at Rio+20 go even further, extending to the politically weak Commission on Sustainable Development (CSD), among other bodies.

In the lead-up to the Rio+20 Conference, the reform of UN sustainability institutions was initially sidelined by the predominant discussions about the Green Economy. But since mid-2011 at the latest, when high-level representatives of member states, UN institutions, and civil society met to discuss the IFSD in the Indonesian city of Solo, the reform debate finally began to gain momentum.³ Since then, restructuring the CSD into a Sustainable Development Council (SDC) has been widely discussed as another key element in these reforms. The proposal soon found prominent advocates. Sha Zukang, UN Under-Secretary-General for Economic and Social Affairs and UNCSD Secretary-General, declared it one of the key questions

¹ See Susanne Dröge and Nils Simon, *Green Economy: Connecting the Dots*, SWP Comments 29/2011 (Berlin: Stiftung Wissenschaft und Politik, October 2011).

² See Nils Simon, *International Environmental Governance for the 21st Century. Challenges, Reform Processes and Options for Action on the Way to Rio 2012*, SWP Research Paper 1/2011 (Berlin: Stiftung Wissenschaft und Politik, February 2011).

³ *Chair's Summary, High Level Dialogue on Institutional Framework for Sustainable Development*, 19–21 July 2011, Solo, Indonesia, paras 12 and 20, <http://www.uncsd2012.org/rio20/content/documents/Chairs%20Summary%20from%20Solo%20meeting.pdf> (accessed 12 March 2012).

for discussion prior to the conference.⁴ The proposal has also found support among NGOs from both the North and the South.⁵

The Commission on Sustainable Development: disappointed expectations

The CSD was founded in 1992 at the conclusion of the UN Conference on Environment and Development in Rio. It is charged with monitoring the implementation of the resolutions made at the conference, including Agenda 21 and the Rio Declaration on Environment and Development. It is also responsible for taking political leadership of the Johannesburg Plan of Implementation that was adopted in 2002.⁶ It is becoming less and less effective, however, in fulfilling either of these functions.⁷

The CSD is one of nine Functional Commissions of the Economic and Social Council (ECOSOC). To be able to achieve substantial results, however, a sustainable development commission with the responsibilities described above would have to be situated at a much higher level within the UN system and be given substantially greater authority.⁸ Probably the main reasons for the CSD's low success rate to date are the general lack of political will and the lack of consensus among its members regarding the means and methods for implementing sustainable development. Nevertheless, international institutions should not let themselves be deterred from crafting compromises through negotiation and working to mobilize the political will to implement them. To do so, however, they must be adequately equipped: their status, resources, and political instruments all need to be augmented.⁹ This point was emphasized by the High-Level Panel

⁴ International Institute for Sustainable Development (IISD) Reporting Services, "UNCSD Informal Consultations, Wednesday, 25 January 2012", *Earth Negotiations Bulletin*, vol. 27, no. 14 (26 January 2012), <http://www.iisd.ca/vol27/enb2714e.html> (accessed 14 March 2012).

⁵ Jan-Gustav Strandenaes, "A Council for Sustainable Development: A Possible Outcome of the Rio+20 Process", Prepared for Stakeholder Forum for a Sustainable Future (sdg 2012), 24 August 2011; February 2012, pp. 28 et seq.; South Centre, *Proposals on the Institutional Framework for Sustainable Development*, Climate Policy Brief no. 7 (Geneva, November 2011).

⁶ VN Dok. A/RES/47/191 (29 January 1993).

⁷ Daniel Mittler, "Schwach, schwächer, CSD? Die Kommission für nachhaltige Entwicklung der Vereinten Nationen 15 Jahre nach Rio", *Vereinte Nationen*, vol. 56, no. 1 (2008), pp. 16–19; Steven Bernstein and Jutta Brunnée, "Options for Broader Reform of the Institutional Framework for Sustainable Development (IFSD): Structural, Legal, and Financial Aspects", Report Prepared for the Secretariat of the UNCSD (Toronto: University of Toronto, 2011).

⁸ Stine Madland Kaasa, "The UN Commission on Sustainable Development: Which Mechanisms Explain Its Accomplishments?", *Global Environmental Politics*, vol. 7, no. 3 (August 2007), pp. 107–129 (125).

⁹ Frank Biermann et al., *Transforming Governance and Institutions for Global Sustainability. Key Insights from the Earth System Governance Project*, Earth System Governance Working Paper no. 17 (Lund and Amsterdam, November 2011).

on Global Sustainability (GSP) in its report advocating for a “fresh start” in cooperative international efforts around sustainability.¹⁰

Rudimentary efforts at reform have been made before. In 2002, the CSD took the decision to focus on specific thematic priorities for periods of two years each. This strategy has made it possible to achieve the desired focus, but has limited the CSD’s flexibility in responding to current developments. The Commission has therefore been unable to contribute much to agenda-setting, and has declined in importance as a result.¹¹ It is particularly sobering that the decisions and recommendations of the CSD have found little resonance among either the other UN institutions or the UN member states.¹²

It comes as little surprise, then, that fewer and fewer high-level politicians have been attending the Commission’s meetings: While 107 ministers spoke at its fifteenth session in the year 2007, only 16 spoke at the nineteenth meeting in May 2011 (CSD-19).¹³ Furthermore, this event ended as yet another meeting of the Commission lacking tangible outcomes¹⁴ – a further indication of how urgently fundamental reform is needed. While the delegates to the meeting did agree on matters of content – both on a ten-year framework program for sustainable consumption and production patterns, and on the cluster of thematic issues of transport, chemicals, waste management, and mining, the Commission was unable to adopt a final text.¹⁵ CSD-19 thus marked the lowest point to date in the history of an institution that had inspired high expectations when it was founded twenty years ago, immediately after the first Rio Summit in 1992.

Reform goals

An effective sustainability architecture should fulfil two key functions. It should, first of all, provide leadership and political guidance. The United Nations can only accomplish what its member states empower it to do. Meetings should therefore be attended by the policy makers who have the authority to negotiate ambitious, and whenever possible, binding targets with clear timetables for implementation. This should prevent the participants from becoming mired in the struggle to reach minimal consensus or

¹⁰ United Nations Secretary-General’s High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet. A Future Worth Choosing* (New York: United Nations, 2012), pp. 77 et seq.

¹¹ Steinar Andresen, “The Effectiveness of UN Environmental Institutions”, *International Environmental Agreements: Politics, Law and Economics*, vol. 7, no. 4 (2007), pp. 317–336.

¹² Bernstein and Brunnée, “Options for Broader Reform” (see note 7), pp. 34 et seq.

¹³ UNCSD Secretariat, *IFSD: Issues Related to an Intergovernmental Body on SD*, Rio 2012 Issues Brief no. 3 (October 2011), p. 5.

¹⁴ IISD Reporting Services, “Summary of the Nineteenth Session of the Commission on Sustainable Development: 2–14 May 2011”, *Earth Negotiations Bulletin*, vol. 5, no. 304 (16 May 2011) <http://www.iisd.ca/download/pdf/enb05304e.pdf> (accessed 13 March 2012).

¹⁵ (Ibid.) The decision failed over questions of financing and technological cooperation, an old line of North-South conflict, and on the strong emphasis by a group of Arab states on the rights of persons living in occupied territories – a highly politicized question, although not a key issue.

in disputes over questions of wording. Second, decisions must finally be implemented reliably and consistently. This calls for monitoring and effective compliance management.

In preparation for the Rio+20 Conference, a range of different options were explored that would serve the aims outlined above and could also strengthen sustainability governance. These included reforming ECOSOC,¹⁶ carrying out periodic high-level dialogs on sustainable development in the General Assembly, creating a High Commissioner¹⁷ for sustainable development, and upgrading the CSD.¹⁸ All of these reform proposals aim at raising the status of sustainability governance within the UN system. But instead of creating new institutions, the existing institutions should be restructured to enable them to better fulfil their tasks – especially in political leadership and implementation.¹⁹ At the start of the Rio process in 1992, the CSD was given responsibility for spearheading the implementation of an integrated sustainability governance, encompassing the ecological, the social, and the economic dimensions of sustainable development. It is urgent that the CSD be placed in a position to fulfil this task. Up to now, the CSD has been just a subsidiary organ of ECOSOC, reporting to it and thus suffering from its same weaknesses.²⁰ ECOSOC can give recommendations and prepare draft conventions but cannot make any binding decisions. It reports to the United Nations General Assembly (UNGA), the main political organ of the United Nations. A central UN sustainability institution with a strengthened mandate should therefore be situated under the UNGA.

The Sustainable Development Council in the Zero Draft

In the so-called “Zero Draft” of the UNCSD outcome document released in early January 2012, two options are outlined for the reform of the CSD.²¹ One is to strengthen the Commission: to tighten the focus of its approach, agenda, and program of operations, and to implement its decisions more

16 IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012”, *Earth Negotiations Bulletin*, vol. 27, no. 35 (7 May 2012), <http://www.iisd.ca/download/pdf/enb2735e.pdf> (accessed 8 May 2012).

17 Halina Ward, *Committing to the Future We Want: a High Commissioner for Future Generations at Rio+20*, Discussion Paper (Foundation for Democracy and Sustainable Development/World Future Council, March 2012).

18 Marianne Beisheim, Birgit Lode, and Nils Simon, *A Sustainable Development Council. In the Run-up to Rio 2012: Options for Reforming the UN Sustainability Institutions*, SWP Comments 28/2011 (Berlin: Stiftung Wissenschaft und Politik, October 2011); Bernstein and Brunnée, “Options for Broader Reform” (see note 7); Strandenaes, *A Sustainable Development Council* (see note 5).

19 Joachim Müller, “United Nations System Coordination: The Challenge of Working Together”, *Journal of International Organizations Studies*, vol. 1, no. 1 (2010), pp. 29–56.

20 Thomas G. Weiss, *ECOSOC Is Dead, Long Live ECOSOC* (New York: Friedrich Ebert Foundation, December 2010).

21 United Nations (UN), *The Future We Want*, Zero Draft of the UNCSD Outcome Document (version of 10 January 2012).

consistently. This would be guaranteed through a review process, which would not, however, be mandatory but rather voluntary.

A second possible solution proposed in the Zero Draft is to convert the CSD into a Sustainable Development Council (SDC) vested with far-reaching authority. The task of this high-level body would be to integrate the three dimensions of sustainable development within the UN and to promote the implementation of decisions at all levels. In contrast to the former proposal, the latter does not make explicit reference to a review process. But since the second proposal is the stronger reform option and is currently being discussed with reference to the reform of the United Nations Commission on Human Rights (UNCHR) as a model, it is likely that an SDC would include a review mechanism.

In the last paragraph of the section about the SDC, the President of the General Assembly is called upon to lead open, transparent, and inclusive negotiations. These would be used to develop the central structural elements of an SDC: its mandate, modalities, functions, size, composition, membership, working methods, and procedures. It is suggested that a first report be submitted even before the end of the 67th session of the General Assembly, that is, in mid-September of 2012.

The submissions of the member states for the Final Declaration of the Rio Summit show that a large number of states including Indonesia, Korea, Australia, Guatemala, and Norway expressly endorse the establishment of an SDC. Further states, institutions, and major groups²² at least mention the proposal, although many give no or only sketchy details of the institutional configuration envisioned. As the ongoing negotiations on the draft outcome paper make clearly evident, it is important not to look at the SDC as a new, supplementary structure, but to emphasize that it would essentially be a restructuring of the CSD to take on a higher status and priority within the UN. If this distinction is not drawn, the usual objections by members like the USA to what they see as an expansion of the UN will be voiced loudly. In the negotiations around the Zero Draft in New York in April and May 2012, the EU put aside its previous hesitations and announced its support for the proposal. The EU continues to focus on developing UNEP into a specialized agency, but does see raising the status of the CSD into an SDC as an opportunity to strategically combine the two goals. The G77/China was long unable to achieve consensus, and even in May 2012 was still calling for a vaguely defined high-level intergovernmental forum that would build on the CSD, among other bodies.²³

²² Agenda 21 recognizes nine major groups of civil society that play a key role in sustainable development: (1) women, (2) children and youth, (3) indigenous peoples and their communities, (4) non-governmental organizations, (5) local authorities, (6) workers and trade unions, (7) business and industry, (8) scientific and technological community, (9) farmers. See UN Department of Economic and Social Affairs (DESA), Division for Sustainable Development, *Major Groups*, http://www.un.org/esa/dsd/dsd_aofw_mg/mg_about.shtml (accessed 13 March 2012).

²³ A “high-level political forum with an intergovernmental character, building on existing relevant structures or bodies, including the CSD”, IISD Reporting Services, “Summary of the UNCSD Informal Informal Consultations: 23 April – 4 May 2012” (see note 16), p. 7.

Establishment, membership, voting rights, and responsibilities

With regard to the structure of the proposed Sustainable Development Council, the Zero Draft provides few guidelines, since – as mentioned above – the participating states disagree on the details. One compelling model for such a process could be found in the replacement of the UN Commission on Human Rights (HRC) – which, like the CSD, was a functional commission of ECOSOC – in 2006 by the UN Human Rights Council (HRC), with the HRC now functioning as a subsidiary organ under the overarching authority of the UN General Assembly. Following this example, the CSD could also be restructured as a Sustainable Development Council and made subordinate to the UN General Assembly.²⁴ This could be accomplished relatively simply through a resolution of the General Assembly, thus making the protracted process of passing an amendment to the UN Charter unnecessary.²⁵ The new SDC could make recommendations directly to the General Assembly. Upon approval, the SDC could take charge of pushing the implementation of the resolutions. It could meet several times per year, simultaneously with ECOSOC, alternately in New York and Geneva. This would facilitate the process of reaching agreements within the United Nations.

At present, the CSD has 53 members.²⁶ Each member has one vote; formally, a simple majority of votes suffices²⁷ although in practice the CSD follows the principle of consensus. As is the case in the CSD, and also in the HRC, the seats in the SDC should be distributed according to a system that ensures balanced geographical representation.²⁸ Here as well, each member would have one vote.

Going beyond this, innovative procedural rules could be considered as a means of preventing deadlock in negotiations and avoiding biased decisions. As a rule, the members of the SDC should make every effort to reach unanimous agreements on recommendations in order to lend these more weight. If no consensus can be reached, decisions on important questions should be made based on a two-thirds majority of all present and voting members, the general practice in the General Assembly.²⁹ A double-weighted majority could be required for decisions that entail financial costs, as done in the Global Environment Facility (GEF). This would require an affirmative vote representing both a 60 percent majority of the total number of member states and a 60 percent majority of the total contribu-

²⁴ Beisheim, Lode, and Simon, *Ein Rat für Nachhaltige Entwicklung* (see note 18), p. 3.

²⁵ On the creation of the UN Human Rights Council, see the UN Document A/RES/60/251 (3 April 2006). In contrast to this, changes in the UN Charter require a two-thirds majority of all UN member states, including the five permanent members of the Security Council. The minimum number of successful ratification processes, in particular, would make this a difficult and time-consuming option.

²⁶ A/RES/47/191(1993) (29 January 1993), para. 6.

²⁷ Ibid., para. 8, lit. (c) see also E/5715/Rev.2(1992), Rule 60.

²⁸ Cf. A/RES/47/191(1993) (29 January 1993), para. 6 or A/RES/60/251(2006) (3 April 2006), para 7.

²⁹ Art. 18, para. 2 UN Charta.

tions.³⁰ Beyond this, one could also consider distributing votes to groups of stakeholders that are affected particularly strongly by decisions.³¹ Here, the nine major groups could be given a share of voting rights for specific decisions.

The SDC should not only assume the responsibilities previously assigned to the CSD; it should also be given the mandate to undertake political initiatives to regulate areas where gaps remain and to address new and emerging issues in line with the Rio+20 Conference objective of raising the profile of such themes. Furthermore, the SDC should work to disseminate best practices from national sustainability policies. This could be accomplished by giving it the responsibility for the international knowledge-sharing platform mentioned in the Zero Draft, which outlines possible pathways to a Green Economy.³² In this context, it would be desirable for the SDC to provide assistance to countries that are interested in obtaining access to financial resources or green technologies. The strong interest within both developing and emerging countries in capacity-building and improved technology transfer could be utilized to mobilize their support for the SDC. This would not necessarily mean that the Council would have to expand its internal capacities to provide such services. It should, however, be equipped to make recommendations to the responsible organisations, programs, and funds within the UN system, to examine applications and proposals, and undertake action on them when its mandate allows.

A second chamber: improved coordination and integration

If the SDC is to fulfil its tasks in a more efficient and coherent manner, prudent coordination between the numerous specialized agencies, programs, and commissions of the United Nations will be crucial. Several important steps in this direction have already been taken. The central coordinating body of the UN is the Chief Executives Board for Coordination (CEB), with its 28 members, most of which are specialized agencies.³³ The 32-member United Nations Development Group (UNDG), founded in 1997 as an independent body to coordinate development cooperation, has now been integrated into the CEB as one of three High Level Committees. The 44-member Environment Management Group (EMG), on the other hand, continues to work independently.³⁴ There are also further coordination mechanisms such as UN Water, UN Energy, and UN Oceans. The picture that emerges from this is one of a fragmented landscape of bodies

³⁰ GEF, *Instrument for the Establishment of the Restructured Global Environment Facility* (Washington, D.C., March 2008), para. 25, lit. (c), (i), http://www.thegef.org/gef/sites/thegef.org/files/publication/GEF_Instrument_March08.pdf (accessed 13 March 2012).

³¹ An example for such an approach are the voting rights of employer and worker representatives in the International Labor Organization (ILO).

³² UN, *The Future We Want* (see note 21), para. 33.

³³ The CEB was founded in 1948 under the designation Administrative Committee on Coordination (ACC).

³⁴ A/RES/53/242(1999) (10 August 1999), and UNEP/GCSS.VIII/8(2004) (17 May 2004), Appendix I, Terms of Reference of the Environment Management Group.

that are all supposed to be improving coordination among programs but that have a hard time in doing so because of overlapping memberships and unclear divisions of labour among them.³⁵

For these reasons, the proposed Sustainable Development Council should help the different coordination bodies work together more effectively and efficiently. This could be achieved with the help of an innovative three-chamber system. The state chamber would be the forum for inter-governmental negotiations and voting. Here, representatives of the member states could engage in debate and develop proposals for resolutions by the UN General Assembly. The organisation chamber would be the forum in which the relevant UN organizations would come together. There, they could form committees to address specific issues. This would help to unite the United Nations Development Group and the Environment Management Group, which have convened separately up to now, and would also help to integrate the UN Water, UN Energy, and UN Oceans, allowing programmatic work on sustainability themes to be better coordinated within the United Nations. Regular meetings of both chambers could improve dialog between the international community and the UN system, enabling the UN to fulfil its tasks more effectively. Finally, the nine major groups and additional external experts could be more closely integrated in a third, stakeholder chamber.

Furthermore, the gulf between the International Financial Institutions (IFIs), Multilateral Development Banks (MDBs), and the remaining institutions of the UN system also remains to be overcome. If developing countries are to be enabled to pursue a path of sustainable development, they need tailored support, especially to finance small and medium-sized projects. It is precisely in this area that the comparative advantages of IFIs lie – namely, in their experience in capacity development and in their skills facilitating financial transactions and global knowledge transfer.³⁶ In 2002, the Johannesburg Plan of Implementation already advocated expanding the cooperation among IFIs, the GEF, and the World Trade Organization (WTO), both within and outside the UN system.³⁷ The Zero Draft also calls for serious consideration to be given to sustainable development, specifically among IFIs – in particular, the World Bank (WB) and the International Monetary Fund (IMF), the regional development banks, the United Nations Conference on Trade and Development (UNCTAD), and the WTO. The Zero Draft recognizes the importance of reviewing the programmatic strategies of the institutions mentioned “to ensure the provision of better support to developing countries for the implementation of sustainable development.”³⁸ However, the draft fails to point out that this

³⁵ Müller, “United Nations System Coordination” (see note 19).

³⁶ Kirk Herbertson, *Greening the International Financial Institutions (IFIs): Finance for the Next Decade's Sustainable Development*, Stakeholder Forum for a Sustainable Future (sdg 2012), p. 8, <http://www.stakeholderforum.org/fileadmin/files/Greening%20the%20IFIs%20FINAL.pdf> (accessed 19 March 2012).

³⁷ A/CONF.199/20(2002) (4 September 2002), chapter I, 2., para. 140, lit. (b).

³⁸ UN, *The Future We Want* (see note 21), para. 54.

requires cooperation and coordination – both within the institutions mentioned and beyond them, with those institutions that deal primarily with sustainable development.

This process of consensual agreement and cooperation could take place within the organisation chamber of the SDC. A Sustainable Development Financing Group (SD Finance) could be set up there to address financial questions of sustainable development. It should include the institutions already represented in the Environment Management Group, that is, WB, IMF, GEF, UNCTAD, and WTO. Furthermore, it should also comprise representatives of the four large regional development banks, that is, the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), and the Inter-American Development Bank (IADB). With their help, the SD Finance could succeed in comprehensively integrating the environmental and social aspects of sustainable development with its economic aspects. The joint positions on sustainability questions developed in the first chamber of the SDC would be passed on to its second chamber. There, the SD Finance would study the positions with regard to their financial implications.

Improved participation, access to information and justice

The third mandate of the CSD is the promotion of non-governmental participation and, since 2002, of multi-stakeholder partnerships.³⁹ The participation of the nine major groups⁴⁰ is one aspect of the CSD's activities that has been evaluated positively. The reform of the Commission, or its transformation into an SDC, offers the opportunity to expand this participation.⁴¹

There are already over 2,000 non-governmental organizations (NGOs) currently involved in the activities of the CSD.⁴² In addition, the Commission has effective mechanisms in place to actively involve representatives of major groups and other stakeholders.⁴³ These instruments need to be expanded further given that NGOs have proven time and again to be the driving force in negotiations: They are often the source of the most innovative proposals brought to the table, and because they are close to the social base, they are able to mobilize broader public support for the adoption and implementation of international agreements.

In the run-up to the Rio+20 Conference, a coalition of civil society groups is urging stronger legal enforcement of Principle 10 of the 1992 Rio

³⁹ A/RES/47/191(1993) (29 January 1993), para. 3, lit. (f); UNCSD Secretariat, *IFSD* (see note 13), pp. 2 et seq.

⁴⁰ For a definition see fn. 22.

⁴¹ Jan-Gustav Strandenaes, *A Sustainable Development Council – A Possible Outcome of the Rio plus 20 Conference*, Draft Version 2012, p. 9.

⁴² UN DESA, NGO Branch, *Sustainable Development Major Groups*, <http://esango.un.org/civilsociety/displaySusDevSearch.do?method=search&sessionCheck=false> (accessed 13 March 2012).

⁴³ Beisheim, Lode, and Simon, *A Sustainable Development Council* (see note 18), p. 5.

Declaration.⁴⁴ They are proposing that the non-binding principle laid down in it be made legally binding through a global convention establishing international access rights to information, participation, and justice in environmental matters.⁴⁵ The Zero Draft also contains a few statements pertaining to Principle 10, but these are relatively vague.⁴⁶ There are, to date, no concrete proposals for response measures or follow-up actions.

The issue of legal enforcement should therefore be tied more closely to the proposed reforms of the IFSD, and tangible demands should be made with respect to public access, participation, and the accountability mechanisms of the SDC. Faster and more comprehensive information provision and negotiation processes could be accomplished by simplifying accreditation procedures and dealing with them in a coordinated manner among all of the members of the UN institutions represented in the second chamber of the SDC. In order to avoid the exertion of political influence, the SDC Secretariat should decide on accreditation, guided by pre-established criteria. A fund should be established to enable participation of organisations from the southern hemisphere, to cover expenses like travel costs and access to live-stream broadcasts. Moreover, the founding resolution of the SDC should contain binding rules governing the participation of representatives from important social groups in meetings – except in cases where more than one-third of member states oppose this at the start of a meeting. All documents concerning the negotiations should be available online before and during the session.

It is also worth considering whether to give a limited number of representatives from civil society a special observer status in the SDC governing body, as is the already the case in UNAIDS and the World Food Programme (WFP).⁴⁷ Even if they were not given voting rights, having a limited right to speak and give input would constitute a major advance. For the major groups in the SDC, representatives could be selected from the third chamber, to which they would then also report. The third chamber, whose membership could also include selected experts as well as delegates from national sustainability councils, should meet parallel to the regular meetings of the SDC. In this chamber, representatives of the nine major groups could also formulate proposals for the wording of documents and discuss existing draft documents; later on, in the formal negotiations, they could provide input on both of these.

Finally, an independent accountability mechanism linked directly to the SDC could be established to ensure that the access and participation rights

⁴⁴ A/CONF.151/26(Vol. I) (1992) (12 August 1992), Annex I, Principle 10.

⁴⁵ David Banisar, Sejal Parmar, Lalanath de Silva, and Carole Excell, *Moving from Principles to Rights. Rio 2012 and Ensuring Access to Information, Public Participation, and Access to Justice for Everyone* (July 2011) <http://www.accessinitiative.org/sites/default/files/Moving%20from%20Principles%20to%20Rights.pdf> (accessed 14 May 2012).

⁴⁶ UN, *The Future We Want* (see note 21), paras. 17 et seq. and 58.

⁴⁷ UN ECOSOC Resolution 1995/2 (3 July 1995), para. 7 and Annex; World Food Programme (WFP), *General Regulations, General Rules, Financial Regulations, Rules of Procedure of the Executive Board* (November 2010), Rules of Procedure, Rule XV, para. 4, http://one.wfp.org/aboutwfp/how_run/GeneralRegulations_E.pdf (accessed 13 March 2012).

of civil society may be enforced, if necessary by means of a complaints procedure. Following the model of the Compliance Committee of the Aarhus Convention,⁴⁸ an extra-judicial committee could verify whether the procedural rules of the SDC have been observed.⁴⁹ This review process would admit the possibility of having initial recourse to an independent ombudsperson, who would seek an informal and mutually agreeable solution.

In general, it is also desirable that as many social organisations as possible participate in the review and compliance mechanisms anchored in the SDC. Independent monitoring activities by social groups should be conducted to facilitate and expand this participation.⁵⁰

Peer review mechanisms

The Zero Draft contains the proposal to establish a voluntary peer review process that could help to implement the objectives and agreements on sustainable development more consistently in the future. This type of instrument would have the added advantage of being acceptable to states that have until now remained sceptical about other tools for monitoring and that reject all means of enforcement. The voluntary nature of the instrument, however, entails problems of its own, as demonstrated by the past experience with voluntary reporting by states to the CSD. Due to the low quality of the reports, they are used very little in the review processes of the CSD.⁵¹

It would be far preferable, therefore, to use a universal peer review mechanism similar to the one used in the UN Human Rights Council. Since 2006, this organisation utilizes a process known as Universal Periodic Review (UPR).⁵² Starting in June 2012, the human rights situation in all UN member states will be closely examined once every four and a half years.⁵³ These periodic reviews allow for monitoring independent of any particular situations that may arise; the binding nature of the procedure is

⁴⁸ United Nations Economic Commission for Europe (UNECE), *Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters* (Aarhus, 25 June 1998), Article 15, <http://www.unece.org/fileadmin/DAM/env/pp/documents/cep43e.pdf> (accessed 13 March 2012).

⁴⁹ *Almaty Guidelines on Promoting the Application of the Principles of the Aarhus Convention in International Forums* (Almaty, 25–27 March 2005), ECE/MP.PP/2005/2/Add.5.

⁵⁰ Jacob Werksman and Joseph Foti, *Improving Public Participation in International Environmental Governance*, Discussion Paper, Perspectives no. 1 (Nairobi: UNEP, December 2011), pp. 10 et seq.

⁵¹ UNCSD Secretariat, *IFSD* (see note 13), p. 2; Kaasa, “UN Commission on Sustainable Development” (see note 8), p. 112 et seq.

⁵² A/RES/60/251(2006) (3 April 2006).

⁵³ A/HRC/RES/16/21(2011) (12 April 2011), Annex; see also UN Human Rights, Office of the High Commissioner for Human Rights, *Basic Facts about the UPR*, <http://www.ohchr.org/EN/HRBodies/UPR/Pages/BasicFacts.aspx> (accessed 13 March 2012).

now widely recognized and no longer contested.⁵⁴ As a result, today, it is virtually impossible for states to avoid participating in this review process. Following the practice of the HRC, the SDC as well should make it a prerequisite for membership that every member state complete the peer review process within the membership period.⁵⁵ Such a test of credibility could also have the desired side-effect of keeping states that are not seriously interested in sustainability policy from applying for membership.

Peer reviews cannot and should not enforce implementation, but they can promote it.⁵⁶ They are not conducted in a top-down fashion but carried out on equal footing with the countries in question and focus on constructive learning processes to ensure quality and to create awareness. In this respect, they should be designed as openly as possible and should take into account the wide range of problems involved in implementation. Final assessments and legally binding judgments or sanctions emanating from a higher level are not part of this process.

As a basic principle, a distinction can be drawn between expert and stakeholder peer review processes.⁵⁷ The former are conducted periodically by representatives of political and administrative bodies;⁵⁸ the latter also include the participation of peers from relevant social groups. As is the case with the UPR of the UN Human Rights Council, the peer reviews of the SDC should be opened up to NGOs for participation. This would ensure that the review procedures remain transparent to the broader public. In the HRC, NGOs, in addition, are allowed to contribute to reports and participate in working group meetings. The relevant member states can explicitly grant stakeholders additional rights, such as the right to speak.⁵⁹ The working group meetings, furthermore, are not only generally open to the public but are also broadcast live and recorded.⁶⁰ All this could also serve as a model for the SDC. The experience of the UPR, however, also suggests that the proceedings should not necessarily take place in New York, since this can lead states to engage in public spectacle.

A universal peer review mechanism for the SDC could help raise awareness of sustainability issues in the international community and push forward the implementation of national and regional sustainability policies.

⁵⁴ Human Rights Watch, *Curing the Selectivity Syndrome. The 2011 Review of the Human Rights Council* (New York, 2010), p. 12, <http://www.hrw.org/reports/2010/06/24/curing-selectivity-syndrome-0> (accessed 13 March 2012).

⁵⁵ A/RES/60/251(2006) (3 April 2006), para. 9.

⁵⁶ UNCSD Secretariat, *Lessons from the Peer Review Mechanism*, Rio 2012 Issues Brief no. 2 (July 2011), <http://www.uncsd2012.org/rio20/content/documents/Issuesbrief.pdf> (accessed 13 March 2012).

⁵⁷ Joachim H. Spangenberg and Ingeborg Niestroy, "Policy Learning durch Peer Reviews", in *Nachhaltigkeit regieren. Eine Bilanz zu Governance-Prinzipien und -Praktiken*, ed. Reinhard Steuerer and Rita Trattnigg (München, 2010), pp. 215 et seq.

⁵⁸ For example the Annual Ministerial Review (AMR) of the ECOSOC.

⁵⁹ Janine Osthoff, *Weiterentwicklung des internationalen Menschenrechtsschutzes unter dem UN-Menschenrechtsrat?* (Baden-Baden, 2012), pp. 127 et seq.

⁶⁰ United Nations Webcast, *Video On-demand, Human Rights Council*, <http://www.unmultimedia.org/tv/webcast/c/un-human-rights-council.html> (accessed 13 March 2012).

The broad participation of the nine major groups recognized by the CSD would ensure that the final reports of the reviews will be discussed in depth. Ideally, the pressure resulting from the high expectations could in turn promote the rapid implementation of the recommendations.

Partnerships for sustainable development

Partnerships are a further policy implementation tool that needs to be revised and strengthened. At the Johannesburg Conference in 2002, the United Nations invited business and civil society to help expedite implementation of hitherto agreed objectives concerning sustainable development through the formation of partnership initiatives. These partnerships were conceived as a means to disseminate knowledge of sustainable production processes, to develop voluntary standards and certification tools, and to finance and implement projects.⁶¹ At that time, the CSD was charged with supporting the development of partnerships. Now again, the UNCSecretariat plans to “reenergize, revitalize and strengthen” partnerships for sustainable development during a Partnership Forum that will run parallel to the larger conference in Rio.⁶²

Since the creation of the CSD’s Partnerships Database, 349 partnerships for sustainable development have been registered.⁶³ How effective the partnerships are, however, remains a subject of debate. In the invitation to the Partnership Forum in Rio 2012, they are characterized as “one of the most participatory and effective mechanisms to implement sustainable development.” Critical NGOs, however, have accused many partnerships of “greenwashing.” Research studies have concluded that more than half of the partnerships in the CSD database are inactive or dysfunctional.⁶⁴ Consequently, the Rio Conference should pass a resolution that the UN supervise and evaluate the partnerships more closely in the future. The call for an improved institutional architecture “[that e]ncourages innovative partnerships among various stakeholders in priority areas and reviews their implementation” is also found in the report of the High-Level Panel on Global Sustainability.⁶⁵

⁶¹ Marianne Beisheim, *Partnerships for Sustainable Development. Why and How Rio+20 Must Improve the Framework for Multi-stakeholder Partnerships*, SWP Research Paper 3/2012 (Berlin: Stiftung Wissenschaft und Politik, February 2012).

⁶² UNCSecretariat, *Partnership Forum at Rio+20*, <http://www.uncsd2012.org/rio20/content/documents/476FLYER%20FOR%20BRIEFING%2013%20MARCH%202012.pdf> (accessed 14 March 2012).

⁶³ UN DESA, Division for Sustainable Development, *Partnerships for Sustainable Development – CSD Partnerships Database*, <http://webapps01.un.org/dsd/partnerships/public/welcome.do> (accessed 14 March 2012).

⁶⁴ *Public-Private Partnerships for Sustainable Development. Emergence, Influence and Legitimacy*, ed. Philipp Pattberg, Frank Biermann, Sander Chan, and Aysem Mert (Cheltenham and Northampton, MA, 2012); London School of Economics and Political Science, *Global PPP Project Platform*, <http://globalppps.org/V1/index.php> (accessed 14 February 2012).

⁶⁵ UN Secretary-General’s High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet* (see note 10), p. 77.

A new SDC could provide more concentrated support and assistance to partnerships from the outset. Already for the process of their selection, the Secretariat of the Council should be provided with clearly defined and transparent (sustainability) criteria for evaluating partnerships. Moreover, the SDC should obligate all registered partnerships to submit a report of activities based on these criteria at least once every two years. In principle, this obligation was already contained in the CSD's 2003 guidelines for partnerships. However, those guidelines were never consistently implemented and were largely ignored by the partnership initiatives, without resulting in any repercussions.⁶⁶ This should change: partnerships that fail to submit reports should be reminded, and then if they still fail to respond, they should be excluded. All incoming reports should be published on the SDC website with a comment function. This would enable civil society to visibly exercise its supervisory function.

The insights gained from these evaluations should also be incorporated into the design of future initiatives. This would have the desired effect of "scaling up" successful models, allowing them to have a broader impact.

Financing

To promote the coordination of global sustainability initiatives and aid the transition to a global Green Economy, a new Sustainable Development Council should be equipped with its own independently managed financial resources. This should not be done by creating a new fund, but rather by building on existing mechanisms.

One promising approach would be to convert the Global Environmental Facility (GEF) into the financing mechanism of the SDC. Although the GEF has previously focused exclusively on environmental issues, it has nonetheless funded numerous projects that encompass all three dimensions of sustainable development.⁶⁷ Among the ten institutions that currently oversee the implementation of GEF-funded projects, there are not only the GEF Implementing Agencies – i.e., UNEP, UNDP, and the WB – but also four regional development banks.⁶⁸ The GEF is therefore situated at the nexus of the social, environmental, and economic objectives of sustainable development.

The specific legal structure and turbulent history of the GEF would of course make it somewhat difficult, although not impossible, to reposition

⁶⁶ UN ECOSOC, "The Implementation Track for Agenda 21 and the Johannesburg Plan of Implementation: Future Programme, Organisation and Methods of Work of the Commission on Sustainable Development". Draft Resolution Recommended by the Commission for Adoption by the Council (14 May 2003), <http://www.un.org/esa/sustdev/csd/csd11/csd11res.pdf> (accessed 15 February 2012).

⁶⁷ GEF, *Instrument for the Establishment of the Restructured Global Environment Facility* (Washington, D.C., October 2011), p. I.2.

⁶⁸ GEF, *Instrument* (see note 67), III. 22 and III. 28; GEF, *GEF Agencies*, http://www.thegef.org/gef/gef_agencies (accessed 16 March 2012).

the institution itself.⁶⁹ In order to establish the GEF as the financial arm of the SDC, the GEF Instrument would have to be changed, that is, its “constitution” would need to be amended. This would require consensus in the GEF Assembly, consisting of 182 member states. In order for this to be achieved, the GEF Council would first have to make a proposal, then UNEP, UNDP, and the World Bank would have to agree to it and implement it.⁷⁰ To finalize the institutional integration, it would make sense for the Sustainable Development Council to take over the functions of the GEF Council, while the GEF Assembly could be left intact in its present form and function. The next regular GEF Assembly is scheduled for 2013/14. This would give the 32-member GEF Council, which will continue to hold its semi-annual meetings until that point, time to prepare for restructuring.

Regardless of whether the GEF is converted into an SDC fund, or whether another solution is found, any reform of the financial architecture of sustainable development must address three fundamental trends in this field. First, since the 1990s, there has been a trend toward increasing *specialization*. Donor countries prefer programs that pursue a predefined goal through clearly delineated tasks. Here, a notable increase has been seen in the earmarking of funds paid by international organisations.⁷¹ The second trend is the considerable increase in *bilateralism* of financial flows, whereby two countries agree to make direct transfers between each other and thereby circumvent multilateral funds.⁷² Third, cooperation in sustainable development suffers from remarkable *underfunding*. This is true in the area of environmental protection as well.⁷³ The GEF, too, with its current budget of well over 1 billion US dollars per year is inadequately resourced.⁷⁴ Reform proposals must take all of these trends into account, and put a special emphasis on building a secure funding base. This will require, among other things, identifying new sources of funding and designing innovative financial mechanisms.

It is also necessary to increase transparency surrounding ongoing bilateral and multilateral monetary transfers. The Sustainable Development

⁶⁹ Laurence Boisson de Chazournes, “The Global Environment Facility (GEF): A Unique and Crucial Institution”, *Review of European Community & International Environmental Law*, vol. 14, no. 3 (November 2005), pp. 193–201.

⁷⁰ GEF, *Instrument* (see note 67), IX. 34.

⁷¹ Muhammad Yussuf, Juan Luis Larrabure, and Cihan Terzi, *Voluntary Contributions in United Nations System Organizations: Impact on Programme Delivery and Resource Mobilization Strategies* (Geneva: Joint Inspection Unit, 2007), p. iii.

⁷² Organization for Economic Co-operation and Development (OECD), *2011 DAC Report on Multilateral Aid*, DCD/DAC(2011)21/FINAL (Paris, 8 November 2011), esp. p. 41.

⁷³ Maria Ivanova, *Financing International Environmental Governance: Lessons from the United Nations Environment Programme*, Governance and Sustainability Issue Brief Series no. 1 (Boston: University of Massachusetts, October 2011).

⁷⁴ To date, the GEF has been funded by voluntary contributions that flow into various funds. The GEF Trust Fund is the largest of these. Since the establishment of this facility, 39 donor countries have resourced the agency with 15.225 billion US dollars. See GEF, *GEF-Administered Trust Funds*, http://www.thegef.org/gef/trust_funds (accessed 3 May 2012).

Council could take on this task in its role as a clearinghouse, and determine whether actual financial flows correspond quantitatively to the level of financial obligations and qualitatively to the resolutions of the environmental and sustainability conferences. Over time, based on the statistical expertise acquired in this process, the SDC could take on a normative, agenda-setting role by interpreting the data collected and pointing out disparities, for example, between required measures and the available funding or use of funds.

If it were possible to assign the SDC the authority over an increased GEF budget at the outset and subsequently manoeuvre it into the central position in information gathering and processing, this would constitute a definitive step forward and one that would also ensure greater efficiency.

A fresh start with a Sustainable Development Council

If it is resolved at the Rio Conference that a Sustainable Development Council (SDC) should replace the politically weak CSD as a subsidiary organ of the General Assembly, this would not only be a victory for the conference but would also help to improve the UN's sustainability architecture overall. It would therefore represent the "fresh start" called for by the High-Level Panel on Global Sustainability.⁷⁵

The outcome document of the Rio+20 Conference should therefore recommend that the UN General Assembly adopt a resolution establishing the SDC as a subsidiary body. At the same time, it should call for the ECOSOC to disband the CSD. The UN Secretary General should appoint a high-ranking committee of experts as soon as possible to formulate proposals for the design of the new SDC in time for the next meeting of the General Assembly in Fall 2012. Despite this narrow time frame, it is quite possible to accomplish this since the process is based on a model internal to the United Nations – the upgrading of the UN Commission on Human Rights to the Human Rights Council. The General Assembly would then already be positioned to debate at least the principle features of this reform this year and would ideally be able to adopt a founding resolution for the SDC that has been thoroughly vetted and agreed upon in all its details.

A less ambitious and therefore perhaps more realistic option could be the establishment of an intergovernmental "high-level sustainable development forum" to replace the CSD – a suggestion made by Mexico at the end of April 2012. There would be annual ministerial sessions convened by ECOSOC, and every four years, the forum would be convened jointly by the General Assembly and ECOSOC at the level of the heads of state and government to ensure leadership. This option could offer a space for consensus. It should be noted, however, that the US, Canada, and others have

⁷⁵ United Nations Secretary-General's High-Level Panel on Global Sustainability, *Resilient People, Resilient Planet* (see note 10), pp. 77 et seq.

already restated their typical reservations about duplicative structures and overlapping mandates.⁷⁶

Another impeding factor is that in comparison with the CSD, the SDC or any other version of an upgraded forum would almost certainly require a moderate increase in some member states' financial contributions, in particular to support the review process. This additional investment would pay off, however, if the SDC succeeded in persuading member states to enforce the largely ineffectual decisions of the CSD, not just with words, but with actions – actions that could prevent the high costs of environmental damage resulting from business as usual.

Germany and the EU should promote the fundamental restructuring of the CSD into a Sustainable Development Council. This would signal to developing nations that the Europeans want to systematically and comprehensively strengthen not only the environmental pillar of the United Nations but also the institutional framework for sustainable development. On this basis, an alliance could be forged in advance of the conference that supports both of the key components of the IFSD reform in Rio: the upgrading of UNEP into a UN specialised agency and the transformation of the CSD into a Sustainable Development Council as a subsidiary organ to the General Assembly.

76 IISD Reporting Services, "Summary of the Third Round of UNCSD Informal Informal Consultations, 29 May – 2 June 2012", *Earth Negotiations Bulletin*, vol. 27, no. 40 (5 June 2012), <http://www.iisd.ca/vol27/enb2740e.html> (accessed 7 June 2012).

Annex

Abbreviations

| | |
|---------|---|
| ADB | Asian Development Bank |
| AfDB | African Development Bank |
| AMR | Annual Ministerial Review |
| BSP | Bali Strategic Plan for Technology Support and Capacity-building |
| CEB | Chief Executive Board for Coordination |
| CSD | Commission on Sustainable Development |
| EBRD | European Bank for Reconstruction and Development |
| ECOSOC | Economic and Social Council |
| EMG | Environment Management Group |
| EU | European Union |
| FAO | Food and Agriculture Organization |
| G20 | Group of 20 major economies |
| G77 | Group of 77 developing nations |
| GC | Governing Council |
| GDP | Gross Domestic Product |
| GEF | Global Environment Facility |
| GEGs | Global Environmental Goals |
| GESDPE | Green Economy in the Context of Sustainable Development and Poverty Eradication |
| GMEF | Global Ministerial Environment Forum |
| GSP | High-Level Panel on Global Sustainability |
| GW | Gigawatts |
| HDI | Human Development Index |
| HRC | United Nations Human Rights Council |
| IADB | Inter-American Development Bank |
| IEG | International Environmental Governance |
| IFIs | International Financial Institutions |
| IFSD | Institutional Framework for Sustainable Development |
| IGES | Institute for Global Environmental Strategies (Hayama, Japan) |
| IISD | International Institute for Sustainable Development (Winnipeg, Manitoba, Canada) |
| ILO | International Labour Organization |
| IMF | International Monetary Fund |
| JPoI | Johannesburg Plan of Implementation |
| MDBs | Multilateral Development Banks |
| MDGs | Millennium Development Goals |
| MEAs | Multilateral Environmental Agreements |
| MPI | Multidimensional Poverty Index |
| NGO | Non-governmental organisation |
| OECD | Organisation for Economic Cooperation and Development |
| PrepCom | Preparatory Committee |
| RNE | Rat für Nachhaltige Entwicklung (Council on Sustainable Development) |
| SDC | Sustainable Development Council |
| SDGs | Sustainable Development Goals |
| TEEB | The Economics of Ecosystems and Biodiversity |

| | |
|--------|---|
| UGR | Umweltökonomische Gesamtrechnung (Environmental and Economic Accounting) |
| UN | United Nations |
| UNAIDS | Joint United Nations Programme on HIV/AIDS |
| UNCED | United Nations Conference on Environment and Development |
| UNCHE | United Nations Conference on the Human Environment |
| UNCHR | United Nations Commission on Human Rights |
| UNCSD | United Nations Conference on Sustainable Development |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDG | United Nations Development Group |
| UNDP | United Nations Development Programme |
| UNECE | United Nations Economic Commission for Europe |
| UNEO | United Nations Environment Organization |
| UNEP | United Nations Environment Programme |
| UNGA | United Nations General Assembly |
| UPR | Universal Periodic Review |
| WB | World Bank |
| WEO | World Environment Organization |
| WFP | World Food Programme |
| WHO | World Health Organization |
| WSSD | World Summit on Sustainable Development |
| WTO | World Trade Organization |

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