

The Danish 92 Group Forum for Sustainable Development





A note from the Drafting Group

For us this paper has been an exercise of combining on-the-ground experience with an exploration of global opportunity, to try and pin down the elements of a less concretely defined phenomenon – the Green Economy - as a tool for achieving sustainable development. It has truly been a grounding exercise where we have had to relate to what opportunities the global context provides (for instance, the Rio Principles) and the tangible possibilities that the ground reality offers in working towards equitable transformation and sustainable development. In this we continue to seek a 'live' definition of equity and its appreciation and realisation on the ground.

We have, in this, had the invaluable support of FairGreenSolutions – Camilla Carstensen and Kim Carstensen. They have supported us all the way in making this paper a robustly formulated and connected document (to other organizational/institutional and country positions). We have also had the rich feedback from our more broadly represented Reference Group.



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EXECUTIVE SUMMARY

This paper is the product of an independent, Southern drafting group commissioned by the Danish 92 Group. It lays out a Southern perspective on how a Green Economy as discussed in the Rio+20 context must be designed to contribute to – rather than distract from – sustainable development.

The paper lays out a definition of an **Equitable** Green Economy as follows:

is not a state
but a process of
transformation
and a constant
dynamic progression.

The Green Economy
does away with
the systemic distortions
and dis-functionalities of the
current mainstream economy
and results in
human well-being
and equitable access to
opportunity for all people,
while safeguarding
environmental and
economic integrity
in order to remain within
the planet's finite
carrying capacity.

The Economy cannot be Green without being Equitable.

The paper sees the development of an equitable Green Economy as a progression, transforming all aspects of the current mainstream economy and spreading out to all sections of society, and it stresses that this transformation is as much about the right processes as it is about the required outcomes.

The paper sees the **equitable** Green Economy as a means for achieving the WHAT of sustainable development, i.e. agreed objectives of equity and sustainable development. It stresses that these objectives must comprise all three strands of sustainable development: the social, the economic and the environmental. And based on this, it also stresses that these objectives cannot only be the ones defined in the Rio process – such as agreements under the Rio Conventions or the proposed Sustainable Development Goals – but must encompass the whole range of development goals as agreed in the MDGs and/or in national development plans.

The paper underlines the importance of having these objectives defined to include both the transformation processes and their specific outcomes in a wide range of sectorial, cross-sectorial and thematic areas relevant to both developed and developing countries.

It goes on to analyse what these objectives of equity and sustainable development might look like in three key, interlinked areas: Food, water, and energy access and security.

The bulk of the paper's analysis is about the HOW of the link between an **equitable** Green Economy and sustainable development. It puts forward **five key working principles**, which together form a filter to inform policy and market decisions in progressing on the **equitable** Green Economy pathway:





- 1. The **equitable** Green Economy, in its ambition, links to policies specifying clear goals for key crosscutting pre-requisites (enabling conditions) to address systemic distortions and dis-functionalities in order to establish the foundation for equitable transformation and achieving sustainable development.
- 2. The **equitable** Green Economy establishes clear objectives for the necessary means for action to be mobilised (technology, capacity, finance) and defines the approach, nature and profile of these means, e.g. the role of technology within the context of building an equitable Green Economy.
- 3. The **equitable** Green Economy creates the necessary aligned framework of institutions at all levels with clearly defined roles and mandates to enable them to actively advance an equitable Green Economy.
- 4. The **equitable** Green Economy is transparent and engages all involved and affected actors, with powerful actors having clearly defined responsibilities and forms of accountability, while making sure other stakeholders are empowered to act both as beneficiaries of and contributors to the Green Economy.
- 5. Decisions on the **equitable** Green Economy include clear timelines for action to achieve objectives, introduce new systems for measuring progression and success, and integrate the tracking of the well-being of people, places, and the planet.

For each of these working principles, the paper goes into some detail in describing and defining the framework that needs to be put in place. It lays out the pre-requisites or enabling conditions, the means for action, the institutions, the systems for accountability and transparency, and the systems for measuring progress that are needed in order to assist the transformation towards an **equitable** Green Economy ensuring equity and sustainable development.

Annex B gives a graphical illustration, taking access to sustainable energy as its example, of how the five working principles could be used to populate a framework to define and understand what would be required of an **equitable** Green Economy for it to become a means for achieving equity and sustainable development.

At the end of each chapter, these observations are linked as comments and suggestions to the proposals included in the negotiation text for Rio+20, currently the 'Zero Draft'.

INTRODUCTION



WHO WE ARE

This paper is published by the Danish 92 Group as a contribution to the global discussions of a Green Economy in the Rio+20 context and beyond.

The Danish 92 Group has wanted to provide a Southern perspective on the Green Economy, and has asked a group of experienced, independent Southern individuals to draft it. Therefore, the paper does not necessarily reflect the positions of the Danish 92 Group.

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The Drafting Group has been working closely with a Secretariat at Fairgreensolutions I/S in Denmark, where Camilla and Kim Carstensen have been providing input and back-up research.

The Drafting Group has received valuable advice and feedback from a wider Reference Group of experts from professional and academic institutions, from international and Southern NGOs, and from multi-lateral organizations.

For the composition of the Reference Group, see Annex A.

The Drafting Group remains solely responsible, however, for the contents of the paper and for any oversights and shortfalls it may contain.

WHY FOCUS ON THE GREEN ECONOMY?

The Green Economy has been identified as one of the two overarching themes of the Rio-20 meeting in June this year.

There has been a lot of criticism of the notion of a Green Economy from civil society - both north and south - and from a number of governments, particularly among the developing countries. Some point out that the focus on a Green Economy may risk detracting from the broader discussions of sustainable development, and that the introduction of the Green Economy as a topic for Rio+20 is little more than a smokescreen to veil the many broken promises, in particular from developed country governments, in the Rio process. 1 Others fear that the discussion of a Green Economy is the next step on a global march to commercialise and commoditise natural resources and human relations to the detriment of those, who are already most vulnerable.² We believe these criticisms raise valid and highly relevant points.

It is our view that the current economic model ruling the world is not doing much good for equity or sustainable development, and we agree that the model needs to be changed. We are keen to explore whether the Green Economy could be designed to become a vehicle for change leading towards sound sustainable development with equitable transformation.³

We want to identify how the Green Economy should be set up in order to overcome legitimate concerns and ensure that it is an equitable and robust means for achieving sustainable development, and not a distraction from it.

Or see this critique from a number of Brazilian and other developing country NGOs:

http://www.inesc.org.br/news/2012/fevereiro-1/the-future-they-want-a-critique-of-the-rio-20-zero-draft

^{1.} For an overview of some Southern government positions along these lines, see for instance this article by Chee Yoke Ling and Saradha lyer: http://www.southcentre.org/index.php?option=com_content&view=article&id=1311%3Asb47&catid=144%3Asouth-bulletin-individual-articles&Itemid=287&lang=en

^{2.} Such concerns are reflected in the submissions to Rio+20 from, among others, Bolivia and Venezuela. These points are also raised by many Southern NGOs. See for instance the text by the Working Group on the "Green Economy" at the Porto Allegre Social Forum in January 2012: http://www.internationalviewpoint.org/spip.php?article2494

^{3.} For other discussions of possible risks and uses of the Green Economy concept for sustainable development, see for instance this paper by Martin Khor of the South Centre: http://www.twnside.org.sg/title2/uncsd2012/RP40_GreenEcon_concept_MKJul11.pdf

A shorter introduction to these points can be found in a presentation by Martin Khor at:

http://www.southcentre.org/index.php?option=com_content&view=article&id=1539%3Asb54&catid=144%253&lang=en

INTRODUCTION



OUR CONTRIBUTION

In this discussion, we bring to the table the notion of an **equitable** Green Economy as a means for achieving the objectives of sustainable development. We note that the term 'Green Economy' does explicitly only comprise two of the three strands of sustainable development: Environment (Green) and Economy. We insist that the social strand must be included explicitly as well, and for this we propose the notion of Equity.

We believe the pursuit of equity in its various dimensions and scope creates a changed set of conditions for achieving sustainable development, providing for levelled entitlement, access and involvement through appropriate sustained commitment, engagement, and support.

We want, however, to move beyond an intangible, abstract understanding of equity and be able to identify its reality on the ground. With that in mind, we put forward five working principles, which together create a more concrete framework and form a filter to inform policy and market decisions to progress on the **equitable** Green Economy pathway.

The five working principles are:

- A package of pre-requisites in place to trigger appropriate strategy and action on the key sectoral, cross-sectoral and thematic ambitions;
- Making sure the necessary means for action are available:
- Appropriately mandated institutions functioning and cooperating across the various, interconnected levels;
- All involved and affected actors engaged with the required levels of transparency, accountability, and participation;
- Clear process defined with timelines, indicators, assessment, and learning.

We look at the necessary quality of decisions through the lens of the five working principles of the equitable Green Economy and identify what level and nature of ambition is needed. Further, we relate these ambition levels to the relevant sections of the negotiation text for Rio+20 (currently the 'Zero Draft')⁴.

PURPOSE OF THE PAPER

We hope the paper will help to inspire those who work on the Green Economy both in the Rio+20 process and beyond.

In the Rio+20 process, we hope the paper can be used as a tool to analyze and judge proposals for the Green Economy in the remaining process towards the Rio+20 Summit. We hope it will also be useful for our civil society partners and for countries that wish to push for better, more holistic ideas in the negotiations and the Summit outcome.

We believe the paper can also function as a framework, post-Rio+20, to screen and analyze the outcome of the Summit and understand its strengths and shortfalls in terms of ambition, commitment and action. It would, thereby, identify areas, where improvements must be secured in the follow-up processes at global, bloc⁵, regional, national and local levels, and in related international fora.

Annex B gives a graphical illustration, taking access to sustainable energy as its example, of how the five working principles could be used to populate a framework to define and understand what would be required of an equitable Green Economy for it to become a means for achieving equity and sustainable development.

We will be seeking ways to partner with academic and/or professional institutions and other partners in the South to further develop the thinking of this paper into national and sub-national level initiatives for an equitable Green Economy.

^{4.} Note that this discussion is not in any way limited to those sections of the negotiation texts that happen to be titled 'Green Economy'.

^{5.} By blocs in this document, we are referring to political and/or economic collaboration across countries such as, the EU, for example, or – in a quite different set-up – the collaboration across emerging economies in BASIC (Brazil, South Africa, India and China).

Embedding the Green Economy in the context of a global partnership with a shared commitment to equitable transformation⁶ and sustainable development

The equitable Green Economy intigrates, seamlessly, equity and sustainable development and, as a prerequisite, its thinking and objectives inform, influence, and transform all aspects of the current mainstream economy, with the view to targetting and overcoming its current systemic and dis-functionalties

The principles of the Rio Declaration (1992) are underpinned with the

'goal of establishing a new and equitable global partnership through the creation of new levels of cooperation among States, key sectors of societies and people, working towards international agreements which respect the interests of all and protect the integrity of the global environmental and developmental system, recognising the integral and interdependent nature of the Earth, our home.'

We strongly believe there is a need to revisit, reaffirm, and reinterpret this in today's reality from both the perspective of equity and the urgency of the inter-related crises we are faced with. The way forward is one in which we can only tread collectively. Principle 3 of the Rio declaration inspires us by laying the foundation for equitable development:

'The right to development must be fulfilled so as to equitably meet developmental and environmental needs of present and future generations.'

Leaving sections of the globe, nations, and/or communities behind will lead to failure in providing a real transition to an equitable and sustainable world.

The Green Economy has been identified as one of the two overarching themes of the Rio+20 conference in June this year. In principle, this opens up an opportunity to link ambitions of equity and sustainable development to reforms of the current mainstream economy, which could be a more useful approach, as noted by the Third World Network:

"[i]f the Sustainable Development Goals are indeed to be comprehensive then the systemic economic issues need to be addressed".

There are significant concerns that a narrow focus on a Green Economy can lead to a loss of one of the main qualities of the Rio process: the integrated approach to sustainable development with its three strands ⁸ - economic, social and environmental. This would not be acceptable.

THE PREMISE

- We approach sustainable development from a Southern perspective, providing an equity framework of thinking to construct the understanding of, and thereby inform the actual building of the Green Economy as a means for achieving sustainable development within its three strands: social, economic and environmental.
- We see the development of an equitable Green
 Economy as a progression, transforming all aspects of the current mainstream economy and spreading out to all sections of society, globally.
- We believe the process of transformation, most essentially, is as much about the right processes as it is about the required outcomes, and;
- We stand by the value of always combining clear strategy and targeted action with assessment and learning for the transformative process to actually take root.

^{6.} Equitable transformation, we believe, squarely integrates poverty eradication within its scope, approach and outcome.

^{7.} Third World Network preliminary comments to the Zero Draft: http://www.twnside.org.sg/title2/sdc2012/sdc2012.120101.htm

^{8.} Throughout this document we are referring to the three components of sustainable development (social, economic and environmental) as 'strands', instead of referring to them as 'pillars'. We believe the three components need to be woven together in how we think about sustainability and how we act on it - and 'pillars' are not easy to weave together.



WORKING PRINCIPLES OF THE EQUITABLE GREEN ECONOMY

The equitable Green Economy is primarily informed by 5 key working principles:

1. The **equitable** Green Economy, in its ambition, links to policies, specifying clear goals for key crosscutting pre-requisites (enabling conditions) to address systemic distortions and dis-functionalities in order to establish the foundation for equitable transformation and achieving sustainable development.

- 2. The **equitable** Green Economy establishes clear objectives for the necessary means for action to be mobilised (technology, capacity, finance, etc.) and defines the approach, nature, and profile of these means, e.g. the role of technology within the context of building an equitable Green Economy.
- 3. The **equitable** Green Economy creates the necessary aligned framework of institutions at all levels with clearly defined roles and mandates to enable them to actively advance an equitable Green Economy.
- 4. The **equitable** Green Economy is transparent and engages all involved and affected actors, with powerful actors having clearly defined responsibilities and forms of accountability, while making sure other stakeholders are empowered to act both as beneficiaries of and contributors to the Green Economy.
- 5. Decisions on the **equitable** Green Economy include clear timelines for action to achieve objectives, introduce new systems for measuring progression and success, and integrate the tracking of the well-being of people, places, and the planet.

Ensuring a collaborative and equitable transition involves imbibing a determination and commitment to a common humanity, expressed both in a global resolve and national plans for action. Moreover, a common humanity provides the basis to claim a renewed understanding of multilateralism, collective action, and national development planning in the context of transiting into an equitable Green Economy that firmly weaves together the three strands of sustainable development.

definition of the equitable green economy

We present our definition of the Green Economy and refer to it as the 'equitable Green Economy'9:

The Green Economy is not a state but a process of transformation and a constant dynamic progression.

The Green Economy does away with the systemic distortions and dis-functionalities of the current mainstream economy and results in human well-being and equitable access to opportunity for all peoples, while safeguarding environmental and economic integrity¹⁰ in order to remain, within the planet's finite carrying capacity.

The Economy cannot be Green without being Equitable.

^{9.} Some other definitions of the Green Economy can be found at:
Guatemala's submission to Rio +20: http://www.uncsd2012.org/rio20/content/documents/465guateenglish.pdf
South Africa's submission to Rio+20: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=368&menu=20
UNEP: "Towards a Green Economy – Pathways to Sustainable Development and Poverty Eradication" p. 16:
http://www.unep.org/greeneconomy/Portals/88/documents/ger/ger_final_dec_2011/Green%20EconomyReport_Final_Dec2011.pdf



LINKS BETWEEN THE EQUITABLE GREEN ECONOMY AND OBJECTIVES OF SUSTAINABLE DEVELOPMENT

The **equitable** Green Economy must be set up as a means for achieving goals and objectives of equity and sustainable development as these have been defined and agreed at global, national, and sub-national levels.

It is important to note that we do not see sustainable development as separate from other types of development. Far too often, sustainable development is in practice seen as little more than a different term for processes to achieve environmental sustainability. This is not how we use the term. Instead, we understand sustainable development as fully integrating all the three strands of the term: Social, Economic and Environmental.

The goals of equity and sustainable development are not limited to the agreements reached in different

parts of the Rio process or in institutions at the national or sub-national levels with a specific mandate related to the environment. They must be seen to include all development goals, with the most important ones being those that have been agreed at the highest levels of institutions at the global, national, and sub-national levels.

At the national and sub-national levels, these objectives are typically to be found in national or sub-national development plans, and at the global level they include goals and objectives such as the Millennium Development Goals (MDGs) together with the principles and objectives agreed in the Rio process. Irrespective of what names these goals go by, they must be relevant to and affect change in both developed and developing countries, with a shared ambition of doing away with abject poverty and injustice while at the same time keeping consumption levels within the Earth's carrying capacity.



IN RESPONSE TO THE ZERO DRAFT

Definition and Working Principles

Preamble/Stage setting - Vision (Section I)

The Preamble sets the scene in terms of establishing the collective resolve "to work together for a prosperous, secure and sustainable future for our people and our planet", and to "enhance opportunities for all, be centred on human development while preserving and protecting the life-support system of our common home, our shared planet". It pushes the right buttons, but it falls short in terms of clarity of its promise. It is not impressive to be "committed to make every effort," or to "urge bold and decisive action," as world leaders need to show stronger resolve if they really want to put the world on a trajectory towards an equitable Green Economy.

Reaffirming Rio Principles and past action plans (Section IIA)

The text usefully reaffirms the Rio Declaration and a wide range of action plans coming out of the Rio process and the Financing for Development process.

Framing the context of the Green Economy, challenges and opportunities (Section III)

- Paras 25 and 26 create a clear link between a Green Economy and sustainable development, including its specific priorities, and sets out the Green Economy as a means for achieving sustainability. This is important and must be retained. There is a lack, however, of any actual definition of the Green Economy and only indirect references to the importance of improving governance and capacity at all levels and reinvigorating collective action through a global policy framework, which encompasses the private sector. As in many other places of the Zero Draft, these paras do little to specify and ensure actual action.
- Para 27 talks about the Green Economy 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". It must be made much clearer what this means.
- Paras 29 and 30 raise the issues of gains and costs from the shift to a Green Economy. It is positive and important that both are looked at, and also as stated in para 30 that it is recognized that developing countries will need to obtain assistance to achieve the necessary shifts. The wording here should be clearer and more specific.
- Para 31 lays out a number of things that the Green Economy will NOT lead to. It would also be very crucial that the Zero Draft lays out what the Green Economy WILL lead to, 11 and what leaders are committing to do in order to achieve this.

The Green Economy must be linked explicitly as a means for achieving objectives of equity and sustainable development in key sectors, cross-sectorally, and in thematic areas

Objectives of equity and sustainable development will have to be formulated and agreed both for the desired outcomes and for the transformation process within key sectors, cross sectorally and in thematic areas

Typically, at national and sub-national levels, objectives of equity and sustainable development have been defined in government development plans. At the global level they include, among others, the Millennium Development Goals (MDGs) and agreements reached in the Rio process. In the context of the global discussions on a Green Economy, these existing objectives need to be reconfirmed as a starting point for defining new objectives as needed either in the context of Rio+20 or in other processes. These would include those leading to a new set of global development objectives to follow-up on, reinforce, and continue after the MDGs run out by 2015.

Objectives of equity and sustainable development will have to be formulated and agreed both for the transformation process in these areas in light of the challenges and opportunities involved, and for the desired outcomes.

To illustrate the point, we revisit three key thematic areas: Food, Water, and Energy.¹²

The reason for looking specifically at Food, Water, and Energy access and security lies in their key importance for advancing equity and sustainable development together with the fact that they are clearly central both to discussions around the MDGs and to the Rio process. In addition, there are strong interrelations between these three sets of issues. There are increasing concerns over, for instance, the intensifying competition for land and water for energy or food production, and it will be impossible to resolve these effectively and to ensure resilience and equitable transformation by looking at each issue separately. New perspectives and approaches such as the water, food and energy security nexus

should be adopted to move these issues forward in the equitable Green Economy. 13

FOOD ACCESS AND SECURITY

Food access and security within an equitable Green Economy must simultaneously consider the social, environmental, and economic dimensions. This would require considering and safeguarding both upstream factors such as land and water management and allocation, along with considerations of land distribution and means for production itself, as well as the downstream elements such as distribution, market access, market information, etc. These need to be viewed in the context of increasing access and security, while addressing and doing away with food vulnerability and disparity to build resilience, increase opportunity, and improve health and well-being.

For the food and agriculture sector, there must be recognition from countries and key actors that the current mainstream food system suffers from a systemic failure. One the one hand, the current system is increasingly showing signs of losing its capacity in some countries to sustain, or stimulate the agricultural production needed to meet the population's needs and fulfill their right to food.¹⁴

On the other hand, there is overconsumption of food in other countries. At the same time, global food production is being undermined by land degradation and shrinkage, and shortage of farmland and water resources, making feeding the world's rising population – projected to reach nine billion by 2050 – a daunting challenge¹⁵.

^{12.} Objectives must be defined for a range of sectors or themes, including but not limited to Health, Education, Oceans and Seas, Fisheries, Biodiversity, Forests, Deserts, Mountains, Cities, and many others.

^{13.} See: http://www.water-energy-food.org/.

^{14.} For in-depth information and studies on this subject, see homepage of Mr. Raj Patel, award-winning writer, activist and academic: http://rajpatel.org/academic/.



The tone for urgent action on ensuring food security is set by the Millennium Development Goals (MDGs) together with the declarations over the years at the Food and Agriculture Organization's (FAO) food summits. ¹⁶ However, commitment and action remain thin on the ground.

An equitable Green Economy will guarantee people's right to food as a basis for feeding the world with sustainable agricultural production. Specifically, equitable and green agriculture related policies will¹⁷ establish poor rural communities as beneficiaries of and contributors to the Green Economy, linking sustainable agriculture to climate adaptation and mitigation potentials. They will also secure massive investment in climate resistant, sustainable agriculture, particularly targeting women small holders and family farms who continue to be the most marginalized and most overlooked when it comes to access to resources. Further, access to appropriate seeds and other inputs and technology is essential for a sustainable pathway for agriculture to materialise. 18

An equitable Green Economy will acknowledge rural communities' essential right to a clean environment, secure livelihoods, and decent living conditions by, among others, advancing self-sufficiency at the national and local levels and increasing universal access to food through local food production.

Further, it will:

- a. Improve small holder farmers' livelihoods and undertake to achieve protection of access to and ownership of natural resources such as land, water, forests, and fisheries, as well as ensuring access to information, extension services, and other enhanced resources and effective linkages, e.g. access to markets and processing, and effective farmers organizations;
- **b.** Ensure that the drive to derive energy from biomass (ethanol, biodiesel, biogas, algae) and other non-food cash crops does not displace or increase the price of agricultural crops/food commodities, including fresh and seawater-based foodstuffs.¹⁹
- c. Increase capacity and means for countries and other actors to resist agri-business solutions that pose a risk to smallholder farmers in terms of access to agricultural inputs, e.g. seed varieties, or by jeopardising longer-term food and livelihood security.
- **d.** Call on rich countries to fulfill donor commitments, as well as, in terms of urging appropriate action from developing countries, for instance, urge and equip African governments to fulfill Maputo Declaration commitments.²⁰
- **e.** Take up International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD)²¹ conclusions as the basis for developing an operational framework, including creating national institutions to ensure follow-up.
- 15. See the FAO report: "State of the World's Land and Water Resources for Food and Agriculture", November 2011.
- 16. For the most recent of these, from the 2009 World Summit on Food Security, see: ftp://ftp.fao.org/docrep/fao/Meeting/018/k6050e.pdf
- 17. Proposals for a strong focus on food security and agricultural sustainability have been made by, among others, G77 and China, Republic of Korea, the Pacific Small Island Developing States (for the blue economy with a focus on fisheries), the Women's Major Group, Oxfam and ActionAid. See: http://www.uncsd2012.org/rio20/compdocument.html
- 18. Important points and recommendations along these lines are made in the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in particular paragraph's 100-107 and recommendations 15 and 16.
- 19. The Transition to a Green Economy: "Benefits, Challenges and Risks from a Sustainable Development Perspective," report by a Panel of Experts to the Second Preparatory Committee Meeting for United Nations Conference on Sustainable Development, see: http://www.unctad.org/biotrade/DocsGE/GreenEcoFullReport.pdf
- 20. In July 2003 in Maputo, African Heads of State and Government endorsed the "Maputo Declaration on Agriculture and Food Security in Africa" (Assembly/AU/Decl. 7(II)). The Declaration contained several important decisions regarding agriculture, but prominent among them was the "commitment to the allocation of at least 10 percent of national budgetary resources to agriculture and rural development policy implementation within five years". See: http://www.nepad.org/nepad/knowledge/doc/1787/maputo-declaration



WATER ACCESS AND SECURITY

Globally - and as the consequences of climate change become more visible - freshwater scarcity, access, and sanitation are increasingly issues of concern.²² Forecasts on water supply suggest a "growing gap by 2030 between annual freshwater demand and renewable supply."²³ By the year 2025, it is estimated that two out of every three people will live in water-stressed areas.²⁴ The Rio Declaration recognizes the "integral and interdependent nature of the Earth, our home," and in Principles 1 and 3, that humans are "entitled to a healthy and productive life in harmony with nature" and that development must "equitably meet developmental and environmental needs of present and future generations." Freshwater is literally the life support of all human and natural endeavours.

Generally, a Green Economy within the three strands of the social, environmental, and economic, must address equitable access to freshwater for human uses within the limits of environmental protection and management of freshwater. All freshwater resources are dependent upon the proper timing, distribution, quality, and quantity of freshwater flows through healthy ecosystems. Moreover, UNEP reports "recent analysis is showing a close global correlation between the threats to biodiversity and threats to water security."²⁵ Freshwater is critical to human populations and to healthy and abundant natural systems and wildlife.

Clearly, protecting and restoring water resources are crucial for environmental stability and sustainable development, including poverty eradication, health, agriculture, food security, rural development and hydropower. Integrated water resources management is an approach that incorporates and addresses the economic, social and environmental strands of sustainable development. As defined by the Global Water Partnership, "Integrated water resources management is based on the equitable and efficient management and sustainable use of water and recognises that water is an integral part of the ecosystem, a natural resource, and a social and economic good, whose quantity and quality determine the nature of its utilisation"²⁶: UN Water adds to this point by proposing that the integrated approach to water resources management "must be central to the strategies for the Green Economy"²⁷.

a Green
Economy within
the three strands
of the social,
environmental,
and economic,
must address
equitable access
to freshwater for
human uses
within the limits
of environmental
protection and
management of
freshwater.

UNEP reports
"recent analysis
is showing a
close global
correlation
between the
threats to
biodiversity and
threats to water
security."

- 21. The IAASTD was initiated in 2002 by the World Bank and the Food and Agriculture Organization of the United Nations (FAO) as a global consultative process to determine whether an international assessment of agricultural knowledge, science and technology was needed. The objective of the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD) was to assess the impacts of past, present and future agricultural knowledge, science and technology on the: Reduction of hunger and poverty; improvement of rural livelihoods and human health, and; equitable, socially, environmentally, and economically sustainable development. See: http://www.agassessment.org/
- 22. For a summary of water stress and scarcity our world is facing, see "Toward a world of thirst?": http://www.grida.no/publications/vg/water2/page/3207.aspx
- 23. See: http://www.unep.org/greeneconomy/Portals/88/documents/ger/ger_final_dec_2011/Green%20EconomyReport_Final_Dec2011.pdf
- 24. See: http://www.grida.no/publications/vg/water2/page/3209.aspx
- 25. See: http://www.unep.org/greeneconomy/Portals/88/documents/ger/ger_final_dec_2011/Green%20EconomyReport_Final_Dec2011.pdf Page121.
- 26. Global Water Partnership, 2009-2013 Strategy, p.7.
- $\textbf{See:} \ http://www.gwp.org/Global/About\%20GWP/Strategic\%20documents/GWP_Strategy_2009-2013_final.pdf$
- 27. See the submission of UN Water to Rio+20: http://www.unwater.org/downloads/UNW_RIOSTATEMENT.pdf



A Green Economy, based firmly upon the environmental, social and economic strands, must achieve freshwater resource protection and restoration, whilst balancing and providing for human water supply needs equitably. An equitable Green Economy will, therefore²⁸:

- **a.** Invest in restoration and protection of freshwater ecosystems and related ecosystems, for example water-reservoir forests, critical for water cleansing, water recharge and supply protection, as well as the resilience of ecosystems and wildlife;
- **b.** Emphasize, institutionalize and foster North-South and South-South cooperation for further development of catchment protection models, groundwater recharge and rainwater harvesting technologies, and empower local communities, including indigenous peoples, to adopt such technologies.
- **c.** Promote sustainable water management and the efficient provision of adequate drinking water;
- **d.** Enhance the efficiency of water usage, especially for industrial and agricultural uses.
- **e.** Expand programmes to improve water quality and treatment, sanitation services, and reduction of production of water pollution;
- **f.** Invest in water management and infrastructure, as well as restoration of natural systems as critical means of adaptation to the consequences of climate change.

With more than
1.3 billion of the world's
population without access
to electricity and 2.7
billion people without
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ENERGY ACCESS AND SECURITY

Principle 1 of the Rio Declaration, read along with Principles 3, 4 and 5, aptly set the tone for access to sustainable and clean energy for all. With more than 1.3 billion of the world's population without access to electricity and 2.7 billion people without access to clean cooking fuel,²⁹ providing access to clean and sustainable energy for all must be an urgent priority. The Sustainable Energy for All Initiative launched by the UN Secretary-General is a reflection of this.³⁰

28. A focus on water access and sustainable water management has been proposed by, among others, the G77 and China, Nepal, Switzerland, the EU, Australia. See: http://www.uncsd2012.org/rio20/compdocument.html. See also: the High-level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," paragraph 17: http://www.un.org/gsp/report

29. World Energy Outlook 2011. See: http://www.worldenergyoutlook.org/docs/weo2011/executive_summary.pdf

30. See http://www.sustainableenergyforall.org/ and the High-level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing", recommendation 20: http://www.un.org/gsp/report. See also UNDP submission to Rio+20: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=144&menu=20



Increasing energy access and security within an equitable Green Economy is not only necessary but also perfectly doable. The urgency comes from the climate crisis and the current scale of energy deprivation, while the opportunity presents itself in the existing and the prospect of new technologies with the potential to facilitate the necessary energy transformation.

In view of this, countries must come together to:31

- **a.** Reaffirm their commitments to the Principles of the Rio Declaration and develop an ambitious work programme with quantified timelines of action towards providing sustainable energy for all;³²
- b. Commit to pursuing the most ambitious scenarios for renewable energy, as outlined by the Intergovernmental Panel on Climate Change (IPCC) Special Report on Renewable Energy³³ and set high ambitions for increasing energy efficiency, leading to a doubling, based on the current levels, by 2030 as proposed in the Sustainable Energy for All Initiative;³⁴
- **c.** Establish an energy pathway, which would pave the way to the extent possible, for a shift from the

current patterns of centralised grid generation and distribution towards decentralised renewable energy generation and distribution. Initiate and explore the possibilities of energy cooperation and trade between countries aimed at creating a common electricity grid for regions in order to maximise clean energy potentials in each of the countries of the region;

- **d.** Energy access for all must go beyond electricity to ensure that people have access to clean fuels for meeting their heating and cooking requirements, and importantly also help in livelihood enhancements and diversification;
- **e.** Promote North-South, South-South collaborative initiatives for research and development on furthering and improving renewable energy and energy efficient products and processes;
- f. Prepare an assessment of required financial resources for countries to shift to low-carbon energy pathways in a time-bound, target-based approach, and identify possible sources of finance that can be made available to developing countries to achieve their targets and slated objectives.

^{31.} Proposals to focus on sustainable energy initiatives have come from, among others, the Africa Region, Kenya, Republic of Korea, Turkey, Norway, UNDP, Greenpeace and Oxfam. See: http://www.uncsd2012.org/rio20/compdocument.html.

^{32.} A target of reaching this goal by 2030 has been proposed in the Sustainable Energy for All Initiative, by UNDP and others. A number of organizations, including Greenpeace, are proposing a far more ambitious deadline of 2020.

^{33.} See: http://srren.ipcc-wg3.de/report/IPCC_SRREN_SPM.pdf

^{34.} See for instance: http://www.un.org/News/Press/docs/2012/sgsm14085.doc.htm



IN RESPONSE TO THE ZERO DRAFT

Ambition for Equity and Sustainability

Food Access and Security

- Paras 64-66 There is no explicit mention of MDG 1, and generally the paras have little specificity. There is an overall lack of reference to the environmental sustainability of agriculture, which is particularly important in the context of the proposed "sustainable intensification of food production" (Para 64). There is also no mention of the possible contradictions between food security and an increased focus on biofuels.
- Para 107 Food security is mentioned among the issues for which Sustainable Development Goals (SDGs) should be established. It is crucial that this happens.

Water Access and Security

- Paras 67-69 There is no explicit mention of MDG 7, which should be included. The focus on wastewater management is welcomed, together with the renewed commitment to the integrated water resources management and water efficiency plans agreed as a priority in Johannesburg in 2002. However, there needs to be some specific agreement on HOW this will happen.
- Para 107 mentions water access and efficiency among the issues for which Sustainable Development Goals (SDGs) need be developed. It is crucial that this happens.
- The Zero Draft does not include recognition of the need to conserve and restore freshwater ecosystems to protect both human water supply demands and the necessities of natural systems and wildlife. An acknowledgement and commitment of the importance of conservation and restoration should be included as a new paragraph in the water section (paras 67-69).

Energy Access and Security

- Paras 70-71 The mention of the Sustainable Energy for All Initiative is welcome, but the level of ambition should be increased with its deadline as 2020 for universal access to basic, sustainable energy. The mention of low-carbon development is welcome, but should be made more specific.
- Para 107 Sustainable Energy for All is listed among the issues for which Sustainable Development Goals (SDGs) should be developed. It is crucial that this happens.

The Green Economy as a means for achieving, with purpose and urgency, clearly defined, specific ambitions and goals for crosscutting pre-requisites

Equitable Green Economy Principle 1

The **equitable** Green Economy, in its ambition, links to policies, specifying clear goals for key crosscutting pre-requisites (enabling conditions) to address systemic distortions and dis-functionalities in order to establish the foundation for equitable transformation and achieving sustainable development

The Green Economy must be developed as a tool to achieve sustainable development, and not be abused as a new green barrier to further accelerate social inequity, environmental destruction, and systemic economic deformities. Moreover, the advantages of moving to an equitable green economy - on efficiency of production, resource security, reducing dependence on imports, job generation, resilience of economies and people in the face of climate change, conflict avoidance or resolution need to be acknowledged and reflected in the political will of governments, the drivers for private enterprise and the mandates of key actors and stakeholders. The ambition is about facilitating a transformation, critically required, leading to outcomes informed by the Rio Principles and the ambition reflected in, among others, the MDGs.

An equitable Green Economy commits itself to creating a set of tools to facilitate governments, the private sector, and civil society in identifying and working towards putting in place the **pre-requisites** for sustainable development, and setting clear objectives and priorities for a set of key sectorial, cross-sectorial, and thematic priority issues (as presented in Section 2). This trajectory and the momentum it requires must be defined to reflect both the **urgency** to act and the **opportunity** for action.

THE URGENCY

The urgency to act informs the ambition in terms of both the pace and the 'drivers' for the action because the current economic and financial systems have steered humanity further away from sustainability and prosperity for all, and caused widespread, acute frustration by unreasonably benefiting some at the expense of others. The window to drastically reduce greenhouse gas emissions to avoid catastrophic and irreversible runaway climate change is also rapidly closing.35 Shrinking access of communities to diminishing natural resources, over-utilization of natural resources, unsustainable consumption patterns, and the increasingly fragile and unstable global financial systems are together increasing the vulnerabilities of a large portion of the world's population, exposing them to worsening economic, social, environmental, and climatic impacts. The urgency for systemic global transformation towards an equitable and sustainable economy summons the global community to act with swift determination and effectiveness.

THE OPPORTUNITY

Rio+20 presents an opportunity to show a renewed resolve to rewire the global political-economic systems, and to call for sincere and ambitious political will, innovative policy and governance tools, and public and private financial resources to put the globe on a sustainable and equitable track. The opportunity presents itself to national and sub-national governments, the business sector, and civil societies to realise the urgency and challenges of the situation and to jointly convert them to unprecedented opportunity. The costs to society of missing this opportunity will be unacceptable, and the benefits of action – to people and nature the world over - will greatly outweigh the costs.³⁶

^{35.} See more about the lack of ambition of current commitments to reductions in the emissions of greenhouse gases in UNEP's Emission Gap report http://www.unep.org/publications/ebooks/emissionsgapreport/. See more about the closing window of opportunity in IEA's World Energy Outlook 2011 http://www.worldenergyoutlook.org/docs/weo2011/executive_summary.pdf

^{36.} Costs of inaction on climate change have been analysed by, among others, the Stern Review see: http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sternreview_index.htm, while wider analysis of the cost of inaction on environmental policies has been carried out by, among others, the OECD, see: http://www.oecd.org/dataoecd/60/45/40501169.pdf. Much of the cost of inaction in the environmental strand shows itself in the social strand of sustainable development, not least in health effects of, e.g. water pollution, air pollution, etc.



PRE-REQUISITES FOR A GREEN ECONOMY

In the context of the Green Economy it is important to identify some of the pre-requisites, and the broad elements within each of them, that would advance implementing the Rio Declaration, Agenda 21, the Johannesburg Declaration on Sustainable Development and its Plan of Implementation. Some of the key imperatives for sustainable development are poverty eradication, protection and enhancement of the natural resource base, increasing resource efficiency, and promoting sustainable forms of development, which can be embarked upon through addressing a number of these pre-requisites. These include, advancing sustainable infrastructure and sustainable consumption and production patterns, addressing trade barriers, removing harmful subsidies, and creating green jobs and decent work. While other pre-requisites such as a financial transaction tax,37 aviation levies, and others would be required to curb consumption and help to fund the building of Green Economies. We elaborate on a few key pre-requisites below.

At the national level, countries need to establish a policy framework that facilitates the gradual phase out of harmful subsidies and the introduction of taxation and incentives systems for equity and sustainable development, 38 and also enables a shift to environmentally-friendly products and processes. Further, the policy framework should also aim at a further devolution of powers to the sub-national level, i.e. the village and city level. There are countries such as India, which have brought in a constitutional amendment to ensure devolution of powers at that level, but this devolution needs to be operationalised and practiced - in all countries, wherever applicable.

Sustainable Infrastructure

Today's infrastructure planning and development will shape tomorrow's communities. Making infrastructure sustainable is about designing, building and operating the structural elements that support and influence day-to-day functioning in ways that do not diminish the social, economic, and ecological processes required to maintain human equity, diversity, and the functionality of natural systems.

Sustainable infrastructure would entail promoting an integrated and holistic approach to planning, designing, constructing and maintaining sustainable built and natural environments, such as cities, parks, and residential and commercial areas.

It would require, amongst others, support to local authorities, efficient and environmentally and socially friendly transportation and communication networks, green buildings, improved air and water quality, reduced waste with recycling of waste to the extent possible, as elements of such an approach.

Some of the broad contours of sustainable infrastructure that should be promoted in an equitable Green Economy include:³⁹

a. A greater emphasis needs to be stressed upon decentralised planning of infrastructure, wherever feasible and necessary for infrastructure planning, in order to build a decentralised, self-contained, and self-sufficient society. This would ensure that planning also follows a bottom-up approach. This does not mean that a centralised planning approach must be completely done away with. There needs to be basic setting of norms, standards, and objectives at central levels, and therefore an effective co-existence of both needs to be established.

^{37.} UNDP proposes a financial transaction tax and environmental fiscal reform.

See: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=144&menu=20

^{38.} A focus on fiscal policies for the promotion of green economy is supported by, among others, Tunisia.

See: http://www.uncsd2012.org/rio20/compdocument.html. Pro-poor environmental, fiscal, and financial tools are proposed by UNDP.

See: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=144&menu=20

^{39.} Proposals for sustainable infrastructure initiatives have been made by, among others, Chile, India, Asian Development Bank and the C40 Climate Leadership Group. See: http://www.uncsd2012.org/rio20/compdocument.html



- **b.** De-linking infrastructure growth and development from GDP growth, and instead an identification of parameters, such as "inclusive growth," "poverty alleviation," "sustainable use of natural resources," "increased access to public health facilities," and "environmental protection," along with "economic growth," which would promote sustainable development patterns by ensuring equitable access to goods and services.
- c. Focus on promoting infrastructure access to the public, particularly the poor and vulnerable, rather than the rich. For instance, greater focus is needed on promoting energy access infrastructure, transport infrastructure that would promote sustainable forms of transport access for all, rather than focus on the privileged few. This would require a policy framework to be provided by in-country governments with public finance triggering private investments and international financial support helping developing country governments raise the public resources required for such efforts.
- d. Making cities healthy and making efficient human settlements liveable by creating self-sustaining communities and de-congesting city infrastructure. While these are responsibilities of local governments, they would need to be linked to national and international decisions that support and define an equitable Green Economy in order to provide comprehensiveness and overall consistency.

Sustainable Consumption and Production

Principle 8 of the Rio Declaration, "reduction of unsustainable patterns of Production and Consumption," was followed up at the Johannesburg Summit, which called for the establishment of a 10-year framework programmes on sustainable consumption & production.⁴⁰

Moving forward in this area is one of the key imperatives for an equitable Green Economy. **There must be** robust action to promote equity in consumption and bring it to sustainable levels, and to come up with smarter and environmentally-friendly production methods and products that are affordable to all.

Mechanisms to ensure sustainable consumption and production would include, amongst others:⁴¹

- **a.** Promoting, ensuring, and monitoring resource efficiency in production, ranging from incorporating energy efficiency practices in production, to the use of raw materials and inputs which do not result in further exploitation of our natural resources, and to production, which would ensure recycling of resources to the maximum extent possible;
- **b.** Incentivising green procurement for both public and private actors through a slew of tax concessions and rebates and penalising non-green procurement by higher tax rates and other fiscal means.
- c. Putting in place a framework of robust parameters to measure the standards of products and production processes to assess their eco-friendliness and to ensure a progressive improvement in product design, production and packaging, accompanied by systems for product information and eco-labelling;⁴²
- **d.** Supporting eco-innovation and creating global markets for innovative, sustainable products;
- **e.** Communication and education initiatives for sustainable lifestyles.

Mechanisms such as these must be further elaborated through global action on the 10-year framework of programmes for sustainable consumption and production proposed for Rio+20.⁴³

- 40. Johannesburg Plan of Implementation, Chapter 3, see: http://www.un.org/esa/sustdev/documents/WSSD_POI_PD/English/POIToc.htm
- 41. Overall ideas along these lines are already included in the Johannesburg Plan of Implementation, Chapter 3, and in the subsequent Marrakech process. See: http://esa.un.org/marrakechprocess/index.shtml. They need to be confirmed and specified through agreements at Rio+20.
- 42. Recommended by the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," recommendation 11.
- 43. The establishment of such a framework of programmes is supported by, among others, the Africa Region, the Caribbean Community (CARICOM), the
- EU, Mexico, Indonesia and Consumers International. See: http://www.uncsd2012.org/rio20/compdocument.html

3. KEY CROSSCUTTING PRE-REQUISITES

Removal of Barriers to Trade and Investment

Principle 12 of the Rio Declaration talks about promoting "a supportive and open international economic system that would lead to economic growth and sustainable development in all countries." A universal, rules-based, open, non-discriminatory and equitable multilateral trading system will be one of the key requirements for a Green Economy. It must be accompanied by enabling frameworks to promote eco-innovation of technologies, products, and processes, and to create global markets for such products and services.

This would require the establishment of a range of economic and trade-related instruments to provide opportunities for multilateral action to promote green economic innovation and technological transformation. This would need to provide an enabling environment, including systems to enable intellectual property rights to play their crucial role in accelerating equitable socio-economic development, rather than becoming barriers to it, while continuing to incentivise creativity.⁴⁴

Some of the broad contours of a policy framework for trade policies to promote an equitable Green Economy would be:⁴⁵

- a. Making sure that the multilateral trading system promotes and encourages movement of environmentally-friendly products across boundaries;
- b. Enable developing countries to provide special consideration and safeguard mechanisms to promote small farmers' livelihoods;

- **c.** Creating a framework for sharing intellectual property rights for all products and processes that would help in building green economies through eco-innovation and other similar means;
- **d.** Removing all barriers to trade of environmentally-friendly products.

Subsidies⁴⁶

Fossil fuel subsidy reform and removal has been gaining political momentum over the last few years. In 2009, the G20 and Asia-Pacific Economic Cooperation (APEC) nations pledged to phase out fossil fuel subsidies that encourage wasteful consumption.⁴⁷ There is still much to be accomplished to concretise these high-level pledges. Multilateral development banks, such as the World Bank Group and others, for instance, continue to devote the majority of their concessionary energy financing portfolios to subsidising the coal, oil and gas industries in developing countries despite their stated missions to eradicate poverty and combat climate change.

The Green Economy will not be green if it is built on fossil fuel-dependent energy infrastructure. Subsidisation of the oil, gas and coal industries worldwide demonstrates that nations and the world are not currently financing deployment of sustainable, green and renewable energy. Because transparency and monitoring are lacking, quantification of fossil fuel subsidies is difficult. However on an annual basis globally fossil fuel subsidies are likely to be more than USD500 billion, including production subsidies (making the cost of production cheaper) and consumption subsidies (making the price of fuel cheaper to the consumer).

^{44.} While recognizing that the Intellectual Property Regime encourages and promotes creative innovation and rewards the innovator, existing Intellectual Property Rights (IPRs) Laws are not able to distinguish between countries at different stages of development in ways that might help IPRs to fully contribute to development objectives, particularly crucial when promoting an equitable Green Economy.

^{45.} As noted by many countries, a key objective here will be to "achieve a universal, rules-based, open, non-discriminatory and equitable multilateral trading system and for an early balanced, ambitious and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations" (submission by G77 and China). The Rio+20 decisions must specify the requirements that the Green Economy will define for the multilateral trade system.

^{46.} This section looks at fossil fuel subsidies. There are a number of similar points that could - and should - be raised about agriculture and fisheries subsidies.

^{47.} G20 Leaders' Statement, the Pittsburgh Summit, 25 September 2009.



A recent report from the Organisation for Economic Cooperation and Development (OECD) estimates that production and consumption subsidies to fossil fuels in 24 OECD countries were between USD 45 billion and USD 75 billion a year during 2005 to 2010.⁴⁸ According to the International Energy Agency's (IEA) study of 38 developing countries, "fossil fuel consumption subsidies amounted to USD 409 billion in 2010, with subsidies to oil products representing almost half of the total"⁴⁹.

The establishment of an equitable Green Economy must be accompanied by the removal of fossil fuel subsidies, and other subsidies that harm the environment, distort markets and create barriers to sustainable development.⁵⁰ Where needed, however, and particularly in developing countries, safeguards must be established to protect vulnerable sectors of society. And as harmful subsidies are reformed, support should be focused on transitioning to clean, renewable energy technologies, as well as green industries and technologies, especially those in their infancy.

Political declarations in support of fossil fuel subsidy removal are important. However, they do not go far enough toward real subsidy reform as indicated by the lack of action on fossil fuel subsidy reform more than a year after the G20 declaration in 2009.⁵¹ Nations should take the opportunity at the Rio+20 Conference to establish a timeline by 2015 of steps to implement political pledges. For example, the Global Subsidies Initiative (GSI) states, "It is recommended that countries commit to providing: transparent, annual reporting and review; technical and financial assistance for developing countries; common research and analysis; and Secretariat support."⁵²

Green Jobs and Decent Work

An equitable Green Economy will prosper if it can harness two overriding opportunities: To stimulate new and decent employment; and to ensure that job opportunities and the necessary education and training are available to benefit the people who need them the most.

The transition to a Green Economy will have significant impacts on employment. Some sectors will experience new job creation while jobs in other sectors will be at risk. Re-skilling displaced workers is a pressing near-term concern, while over the long-term, education and training programmes are needed to prepare new labour-market entrants for green jobs.

Social well-being and growth are built on robust and high-quality investment in sustainable infrastructure that stimulates job creation.

According to the International Labour Organisation (ILO), "Jobs are green when they help reduce negative environmental impact ultimately leading to environmentally, economically, and socially sustainable enterprises and economies. More precisely green jobs are decent jobs that: Reduce consumption of energy and raw materials; limit greenhouse gas emissions; minimise waste and pollution; and protect and restore ecosystems." 53

^{48.} OECD, "Inventory of estimated budgetary support and tax expenditures relating to fossil fuels in selected OECD countries." www.oecd.org/dataoecd/40/35/48805150.pdf

^{49.} OECD/IEA, "World Energy Outlook 2011," Paris: 2011. See: http://www.worldenergyoutlook.org/docs/weo2011/executive_summary.pdf

^{50.} Removal of fossil fuel subsidies (with the necessary social safeguards given) will entail the implementation of the already mentioned agreements reached at G20 and APEC in 2009 and 2011 and should be re-confirmed in the Rio+20 context. A focus on fossil fuel subsidies is also promoted by the Friends of Fossil Fuel Subsidy Reform, comprising Costa Rica, Denmark, Ethiopia, New Zealand, Norway, Sweden and Switzerland.

^{51. &}quot;G20 Fossil-Fuel Subsidy Phase Out: A review of current gaps and needed changes to achieve success" by Oil Change International & Earth Track, November 2010, at: http://priceofoil.org/2010/11/08/g20-fossil-fuel-report/

^{52. &}quot;Rio+20: A Pledge to Phase Out Fossil-Fuel Subsidies," Global Subsidies Initiative (GSI) of the International Institute for Sustainable Development (IISD) at: http://www.iisd.org/gsi/gsi-policy-brief-high-impact-initiative-rio20-pledge-phase-out-fossil-fuel-subsidies

^{53.} See International Labour Organization site at: http://www.ilo.org/empent/units/green-jobs-programme/lang--en/index.htm



Decisions on the Green Economy must put a focus on green jobs and decent work.⁵⁴ They must enhance and reinforce the profile and engagement of labour by strengthening collective bargaining and public participation, equitable income distribution, and worker safety and security, coupled with public policies to deliver education, health care, and housing.

Sustainability also implies modification of technologies and removal of predatory practices to exploit labour and the environment by utilising technical and scientific advances that support human potentials, structure healthcare, as well as providing a robust accountability system that safeguards all the above.

Giving priority to small- and medium-sized enterprises (SMEs) is another cornerstone for achieving greater social equality, more high-quality jobs, better social and living standards, and moving economies onto green growth plans. SMEs account for a majority of employment in most countries and have an important impact on alleviating poverty and buffering social inequality. SMEs are, however, often lagging behind in technical capacities and, left without support, are unable to compete with large-scale market leaders. An equitable Green Economy will prioritize job creation and support of SMEs in green sectors and technologies to level-up their opportunities.⁵⁵

Particularly for the most vulnerable groups, including woman and youth, vocational training, retraining, and professional development are fundamental.⁵⁶ One specific outcome in this regard would be adoption of a commitment by governments and business to build partnerships and provide start-up services for young entrepreneurs and women entrepreneurs.⁵⁷ The view from Africa is one specific example of the importance of ensuring that green and decent jobs are abundantly available in the South. The continent has a huge agricultural potential and a young population - more than 40% of the work force are between 15-24 years of age.⁵⁸ This huge youth population should and must become a positive force in economic development of an equitable Green Economy. To harness this opportunity, investment to develop vocational skills is necessary,59 beyond the current focus on a small segment of youth, primarily in academia.

Indigenous peoples, must also receive respect for and protection of their traditional occupations and local livelihoods, generated in diverse local communities. Indigenous leaders elaborate "diverse local economies are critical components of resilient ecosystems and green economies, promoting sustainable local livelihoods, community solidarity and poverty eradication. These longstanding green economies, also called development with identity and Indigenous Peoples' Self-determined Development, are indigenous peoples' vital contributions to 21st century green economies."60

54. A focus on green jobs and decent work is promoted by, among others, the Philippines, Liberia, Chile, Norway, Japan, UNEP, and the Brazilian national trade union: Central Única dos Trabalhadores – CUT. See: http://www.uncsd2012.org/rio20/compdocument.html

55. This is supported by, among others, Jamaica, Japan, and the World Bank. See: http://www.uncsd2012.org/rio20/compdocument.html Important points along these lines are also made by the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in particular paragraph 185-192 and recommendation 38.

56. International collaboration on vocational training is proposed by, among others, China and Switzerland.

See: http://www.uncsd2012.org/rio20/compdocument.html. The notion is also promoted by the High-Level Panel on Global Sustainability.

57. A focus on investing in young and/or women entrepreneurs has been proposed by, among others, Brazil, Norway, and UN Women. See: http://www.uncsd2012.org/rio20/compdocument.html. It has also been highlighted in the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing", in particular in recommendations 8-10.

58. See for instance: http://www.un.org/esa/socdev/unyin/documents/ydiSergueylvanov_Demographicindicators.pdf. For more information, see also: http://www.unfpa.org/swp/

59. Supported and recommended by, among others, the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in particular 56.b, 67-74 and recommendation 5.

60. Indigenous Peoples Proposals: Parts III, IV and V of the Zero Draft, submitted by Tebtebba – Indigenous Peoples' International Centre for Policy Research and Education, and the Asian Indigenous Peoples' Pact (AIPP).



IN RESPONSE TO THE ZERO DRAFT

Key Crosscutting Pre-requisites

Ambition - Overall

• The Green Economy in the Context of Sustainable Development and Poverty Eradication – Framing the context of Green Economy, challenges and opportunities (Section III A)

An agreed definition of a Green Economy and a much clearer articulation of the conceptual relationship between the Green Economy and sustainable development is needed to provide solid and common understanding of the institutional and policy implications of the Green Economy. Actions, and the tools to measure their progress, and to build green economies towards the realisation of sustainable development have to be formulated based on the Rio Principles, including the Principle of Common But Differentiated Responsibilities (CBDR). These should be people-centred, participatory, equitable, and inclusive.

• The Green Economy in the Context of Sustainable Development and Poverty Eradication – Framework for Action (Section III C)

It is important to ensure that agreements on actions to be carried out are explicitly made consistent and compatible with the existing commitments and objectives, including but not exclusively, in Rio 1992, its various legal outcomes, and the MDGs. Outcomes of Rio+20 should strengthen and add to, rather than replace or weaken, earlier commitments in various UN institutions and fora.

Framework for action and follow-up (Section V)

Concerns in key thematic and cross-sectorial issues, should be addressed with agreement on concrete outcomes to be reached. pre-requisites for the Green Economy, such as sustainable infrastructure, sustainable production and consumption, removal of subsidies for unsustainable development, removing trade barriers, creation of green jobs, should be made explicit, acknowledged and used as guiding parameters in formulating actions and follow-ups.

Sustainable Infrastructure

• Except for some quite generic formulations in paras and 32 and 75, there is no reference to sustainable infrastructure in the Zero Draft. There needs to be a clear formulation on sustainable infrastructure that provides the direction for planning and building a Green Economy in general and also provides a basis for sustainable consumption and production in particular.

Sustainable Consumption and Production

• Section V A, Para 97 Currently, the Zero Draft has just one paragraph, which agrees to establish a 10-year framework of programmes on sustainable consumption and production, based on the text elaborated in the negotiations in the UN Commission on Sustainable Development (CSD) at its 19th session. This is encouraging, but not precise enough. There needs to be a clear, agreed formulation of the scope and nature of the framework of programmes and its pathways for implementation, which must include the exploration of a global framework for regulatory and other mechanisms to promote sustainable consumption and production.



Removal of Barriers to Trade

• Section V, C, Para 125 & 127 A reiteration of previous commitments as contained in the Zero Draft must be strengthened with formulations on creating a framework for sharing intellectual property rights for all products and processes that would be required to comprehensively build green economies at national levels, which would also mean re-vamping the current multilateral trading system to ensure free movement of such products and promote joint collaboration, as well as create global markets for eco-innovative and environmentally-friendly products.

Subsidies

- Para 126 "Phase out of market distorting and environmentally harmful subsidies that impede the transition to sustainable development, including those on fossil fuels..." Fossil fuel subsidy reform and removal is urgently needed to transition to a Green Economy and should include further elaboration in the Zero Draft:
 - By 2015, establish an international agreement and legally-binding timeline to phase out fossil fuel subsidies that are not specifically designed to provide energy access to populations without electricity or modern cooking fuels;
 - Invest in capacity building and financial assistance to developing countries to enable reporting and phase out of fossil fuel subsidies;
 - Redirect developed country fossil fuel subsidies to fund climate finance and energy access mechanisms to facilitate deployment and technology transfer of clean, renewable energy.
 - Develop and adopt international reporting mechanisms within various existing international bodies, including the IEA, the OECD and the UNFCCC. Reporting should include all countries, and all fossil fuel subsidy types, regardless of intent, and be subject to independent measurement and verification.

Green Jobs, decent work

- Paras 40 and 73-77 It is important to retain these paragraphs on green jobs and decent working conditions in the Rio +20 outcome. However, they need to be strengthened to include:
- Para 73 Maintain and strengthen the paragraph to include professional development, and special protection for vulnerable groups, including women, indigenous peoples, and youth;
- Para 76 An additional sub-paragraph (d) to reaffirm and encourage the democratisation of knowledge, through improved transparency, collective bargaining, and public participation.
- Para 77 Maintain and strengthen this paragraph to include one or more specific mechanisms, such as a financial transaction tax, to fund social protection plans and strengthen income equity.
- Additional elements for strengthening green jobs and decent work within a Green Economy include:
 - Reaffirmation of democratization of knowledge, through improved transparency, collective bargaining and public participation.
 - Training, re-training, and professional development, especially prioritising vulnerable groups;
 - Agree and establish social protection plans to reduce income inequity.

4. MEANS FOR ACTION

Momentum and direction required is maintained, and the necessary technology, capacity, finance, and other means are in place

Equitable Green Economy Principle 2

The **equitable** Green Economy establishes clear objectives for the necessary means for action to be mobilised (technology, capacity, finance, etc.) and for defining the approach nature and profile of these means, e.g. the role of technology within the context of building an equitable Green Economy

Any paradigm shift from conventional growth and development to a Green Economy pathway requires a transformation in technology development, deployment and assimilation, together with capacity renewal geared towards effective strategy, action and assessment. Furthermore, it requires financial recommitment ensuring the fulfilment of earlier commitments, particularly for countries to meet the Millennium Development Goals, while critically identifying and mobilising new and additional sources of finances.

With the decisions taken at the 1992 Rio Summit, the foundation for establishing the means for action for transformation is clearly laid out within all three areas of technology, capacity and finance:

Principle 9 of the Rio Declaration addressed both the issue of technology and capacity building – reflecting on the need for "strengthening capacity building for sustainable development by improving scientific understanding and technological knowledge, and by enhancing the development, adaptation, diffusion and transfer of technologies, including new and innovative technologies." Following up on this, chapter 31.2 of Agenda 21 aptly points out the need for technology development and collaboration, while chapter 31.6 clearly formulates objectives for capacity building.

Chapter 33.3 of Agenda 21, especially on new and innovative financing, clearly states the obligation of "providing new and additional financial resources, particularly to developing countries, for environmentally-sound development programmes and projects in accordance with national development objectives, priorities and plans."

Further, Chapter 34 of Agenda 21 also clearly outlines the need for transfer of environmentally sound technologies, fostering cooperation between countries to enable this. It also crucially states help needs to be provided to build capacities of countries, institutions, and organisations involved in implementing the plans.

Building on this foundation, based on a sincere commitment, and within a clear mandate of constructing an equitable Green Economy, a set of clear objectives and an actionable framework for the identified "means of action" - technology, capacity building, and finance - is essential to trigger the required transformation. We elaborate on each.

TECHNOLOGY

Technology development and deployment is one of the key means for building green economies. It has wide-reaching impacts both on the pre-requisites for building such economies, which include sustainable infrastructure, sustainable consumption and production, etc. (as discussed in Section 3), and on the sectorial, cross-sectorial and thematic objectives of sustainable development (as presented in Section 2).

Technology development and deployment within an equitable Green Economy would require:⁶¹

- a. Technology development aimed at identifying the range of diverse technologies required for a Green Economy;
- b. Technology innovation shaped by local needs and rooted in the local/country context to meet the challenges of "green economies" on the ground.
- **c.** Business and regulatory barriers and opportunities for development and diffusion of technologies need to be addressed, looking also at the specific needs of small-and medium-scale enterprise and the informal sector.

4. MEANS FOR ACTION

d. Existing technologies at affordable prices are made available to developing and least developed economies.

To ensure this, and the scaling up of the development, deployment and transfer of technologies in developing countries, effective mechanisms, enhanced means, and appropriate policy and enabling environments must be put in place.

The global community requires a clear agenda. 62 The guiding principles of the agenda would be based on Principle 12 of the Rio Declaration, read along with Principle 9 and Chapter 34 of Agenda 21.

The key guiding principles would be:

- a. Development of a technology policy with focus on climate adaptation and dissemination of green technologies that incorporate goals for sustainable development and principles;
- b. Creation of an investment framework to ensure adequate investments made in countries to enable them in their transition to a Green Economy. These investments would largely come from all developed economies, with fast developing economies also making their contribution on the basis of Common But Differentiated Responsibilities.
- c. Facilitation of the maintenance and promotion of environmentally-sound indigenous technologies that may have been neglected or displaced, in particular in developing countries, paying particular attention to their priority needs and taking into account the complementary roles of men and women;
- **d.** Support for endogenous capacity building, in particular in developing countries, so they can assess, adopt, adapt, manage, and apply environmentally-sound technologies.

This would require North-South cooperation and South-South cooperation for sharing Intellectual Property Rights, joint collaborative research and development of technologies, cross-fertilization of country efforts in research, and development of technologies by sharing of 'learning by doing' experiences, amongst others.

CAPACITY BUILDING

Building capacity for transformation to an equitable Green Economy is an essential and integral part of the process itself.63 Capacity building particularly in developing countries is absolutely essential in order to enable them to assess, adopt, adapt, build and manage the transformation of such a process. Both capacity at the individual and the institutional levels would be critical in order to guide the process forward with both individual and institutional commitments. Capacities need to be able to envision, implement and assess the process of transformation, while simultaneously re-skilling and creating new knowledge/data through research, technology development, etc. It is critical to comprehensively equip the required 'capacity range' from creating pathways, plans, policy and enabling frameworks at the country level to creating local capability of implementing policies and programmes, to developing technical and business skills, while also being able to assess the strategic planning, action and assessment levels. Capacity building will have to be at the country, sub-national and local levels, with structures and mechanisms put in place to ensure adequate building and creation of capacities, where needed.

^{62.} Important points and recommendations for technology in the Green Economy are made in the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in particular paragraph's 34 and 41 and recommendations 21 and 22. This issue is also highlighted by UNDP: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=144&menu=20

4. MEANS FOR ACTION

Chapter 34 of Agenda 21 and Principle 9 of the Rio Declaration set the frame for capacity building for sustainable development. The Bali Strategic Plan for Technology-Support and Capacity Building⁶⁴ details some of the required actions, which are immediately required. It includes a detailed objective, which specifies amongst others:

- a. To provide systematic, targeted, long- and short-term measures for technology support and capacity building, taking into account international agreements and based on national or regional priorities and needs;
- **b.** To provide a framework for capacity-building to ensure the effective participation of developing countries as well as countries with economies in transition in negotiations concerning multilateral development agreements;
- **c.** To endeavour to ensure that principles of transparency and accountability, built on a participatory approach and with full national ownership, are integrated in all activities;
- **d.** To integrate specific gender-mainstreaming strategies, as well as education and training for women, in formulating relevant policies, and to promote the participation of women in development planning and decision-making.

The Bali Strategic Plan covers a broad range of activities for technology and capacity building, which can further build on and inform the development of an implementing framework. Rio+20 provides the opportunity for countries to build on existing decisions and relevant elements contained in the draft, as well as to formulate a work plan as part of an implementing agreement.

FULFILLING FINANCIAL COMMITMENTS AND MOBILISING ADDITIONAL RESOURCES

It is absolutely essential that developed countries fulfil their development assistance commitments to developing economies by 2015, and that they specifically support the least developed economies in line with the Istanbul Programme of Action for the decade 2011-2020.⁶⁵ The rate of aid disbursement to these countries must be increased and follow agreed timelines to ensure implementation of actions. Further, this must be complemented by necessary actions by developing and least developed economies to factor in the key strands of sustainable development and poverty eradication, while phasing in an "inclusive model of growth and development."

A clear and ambitious work plan that aims to achieve sustainable development must also be sufficiently backed with a clear and ambitious road map for financial mobilisation to ensure that countries have the confidence in developing and embarking on an ambitious work programme.⁶⁶

The financial mobilisation package should identify the basic minimum required to kick-start the initiatives and have a credible trajectory for scaling up finances, with public finance forming the bulk of the package, but also having the ability to leverage much greater amounts of private finance for further actions. Public funding is required to leverage commercial investments and for risk mitigation and capacity building, which are key requisites for an overall financial/investment package. The package should also identify predictable and innovative sources of finances, which would include amongst others, re-directing the current harmful subsidies away from fossil fuels (as discussed in Section 3). The mobilised funds need to flow based on agreed decisions and implementation agreements, required institutional engagement (see Section 5 - Institutional Frameworks), appropriate engagement of key actors (see Section 6 on Accountability, Transparency and Participation), and agreed timelines and assessments (see Section 7 on Clear Process and Timeline for Action, Monitoring, Assessment and Follow-up).

64. The Bali Strategic Plan for Technology-support and Capacity Building can be found at: http://www.unep.org/GC/GC23/documents/GC23-6-add-1.pdf

 $65. \ For the full document, see: \\ http://www.ldcwatch.org/attachments/198_lstanbul\%20 Programme\%20 of \\ \%20 Action.pdf$

66. The creation of an incentive road map valuing long-term sustainable development in investment and financial transactions as well as mobilizing finance is also stressed by the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing."

4. MEANS FOR ACTION

The financial package also needs to have detailed allocation timelines for resources, which are based on the work programme of the respective developing countries and which are linked to development planning frameworks and the relevant institutions (see Section 5 on Institutional Frameworks). The allocation of resources will be on the basis of prioritisation of sustainable development actions with adequate provisions to scale up resources with every scale up of ambition.

Since the role of the private sector in promoting sustainable development is crucial, an enabling policy framework needs to be put in place to create a stable investment climate and a regulatory framework to ensure compliance of actions by the private sector in promoting sustainable development.

(See Section 6 on Accountability, Transparency and Participation.) While public finance can only provide the framework, private finance is essential to ensure adequate investments in eco-innovative production.⁶⁷

Therefore, for finance to act as a credible means for action, the following is required:

a. Launch an international process to identify and promote innovative financial instruments for financing green economies, some of them could include Financial Transaction Tax, Aviation Levies, auctioning of AAUs, shifting harmful subsidies for fisheries, agriculture, etc. and reforming subsidies for fossil fuels, amongst others;⁶⁸

- **b.** At the national level too, countries need to re-orient their development plans towards a Green Economy, of which the re-directing of subsidies and other forms of public financing contribute to building the Green Economy. It should also result in generating finance for sustainable production and consumption practices;
- c. Ensure that the current multiple channels of aid, in the form of bilateral and multilateral development cooperation, the Green Climate Fund and other channels of assistance need to come together to form one comprehensive package of financing for building Green Economies;
- **d.** Shift subsidies from fossil fuels and other unsustainable forms of production and consumption to those products that are deemed "environmentally sustainable" and promote "equitable consumption practices" (see more on Subsidies in Section 3);⁶⁹
- e. Shift public procurement from unsustainable to sustainable consumption and production (see more on sustainable consumption and production in Section 3);⁷⁰
- **f.** Map the financial requirements for building a Green Economy. The UNEP proposal of a USD 1.3 trillion (2% of world GDP) could be the starting point⁷¹. The mapping of financial requirements could also be based on a thorough needs assessment carried out in countries for transformation to a Green Economy.

^{67.} The need for private finance to ensure investments stressed by, among others, Botswana, Republic of Korea, the EU, Oxfam, see: http://www.uncsd2012.org/rio20/compdocument.html

^{68.} Suggestions for innovative sources of financing have been made by, among others, UNDP in Human Development Report 2011, see: http://hdr.undp.org/en/reports/global/hdr2011/

^{69.} Reform or realignment of fossil fuel subsidies is recommended by, among others, Switzerland, and UNEP in "Towards a Green Economy", p. 215-16. Also highly recommended by the High-level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing", paragraphs 151-55 and recommendation 27. UNDP proposes elimination of subsidies in its submission to the Rio+20 Preparatory Process, see: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=144&menu=20

^{70.} Sustainable public procurement to promote a green economy is supported by, among others, Brazil, Switzerland, Liechtenstein, BOND-Development and Environment Group. This is also highlighted by the High-level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing", in particular paragraphs 156-57, and recommendation 28.



4. MEANS FOR ACTION

IN RESPONSE TO THE ZERO DRAFT

Means for Action

Technology - Section V C, Paras 118, 119 and 120

• Reiterating the commitments made in the Rio Declaration and Agenda 21 needs to be further strengthened with elaboration of the key principles of technology development and creating a time-bound road map for its implementation and its link to finance.

Capacity Building - Section V C, Paras 121 to 123

• A clearer emphatic stand is required to define the nature of capacity building, linked across the various levels to build consistency, comprehensiveness, and robustness into the system, contributing directly to the transition and transformative process. This section needs to identify the areas for capacity building and start to create a framework for implementing the identified capacity building programmes.

Fulfilling Financial Commitments and Mobilising Additional Resources - Section V C

- This section requires strengthening. A clear and ambitious work plan that aims to achieve sustainable development must also be sufficiently backed with a clear and ambitious road map for financial mobilisation to ensure that countries have the confidence to develop and embark on ambitious work programmes.
- The financial mobilisation package should identify the basic minimum required to kick start initiatives in line with the Green Climate Fund. It should also have a credible trajectory for scaling up finances, with public finance forming the bulk of the package, leveraging much greater amounts of private finance for further actions. Public funding is required to leverage commercial investments and for risk mitigation and capacity building, the key requisites for the overall financial/investment package. The package should also identify predictable and innovative sources of finances, which would include amongst others, re-directing the current harmful subsidies to fossil fuels (see also Section 2 on Pre-Requisites for an Equitable Green Economy).

The instrumental role of institutions to move the Green Economy from rhetoric to practical action

Equitable Green Economy Principle 3

The **equitable** Green Economy creates the necessary aligned framework of institutions at all levels with clearly defined roles and mandates to enable them to actively advance an equitable Green Economy

Global consensus and political commitment will need to be backed up with sound and robust institutional capacity and engagement in order to realise an equitable Green Economy on the ground. The opportunity at Rio+20 needs to be seen as one that can bring alive the instrumental role of institutions at international, national and sub-national levels, building on the relevant Rio Principles, to create the conditions needed for the Green Economy to materialise and flourish. Strategic and operational connections need to be enabled between the relevant institutions across the various levels (international, national, sub-national, local/community based), themes (food, water, and energy security) and geographies (countries, regions, and blocs) to create a robust actionable framework of research, strategy, action, and assessment that defines the required ambition, confidence, and momentum in building an equitable Green Economy.

KEY TYPES OF INSTITUTIONS

Sound and robust institutional capacity and engagement will need to be secured at international, national, and sub-national levels, building on the relevant Rio Principles.

Institutions need to be able to play the following roles at all levels, integrating all three strands of sustainable development:

- a. Robust governance: securing strong policy and planning, governance and implementation at the various governing and decision-making levels (international, regional, bloc, national, sub-national, and local institutional level) to ensure a consistency of social inclusion and access, environmental sustainability and economic integrity.
- **b. Bringing together the key actors:** creating for afor

dialogue and development and exchange of ideas across society.

- c. Building the case for an equitable Green Economy and securing innovation: providing contextualised data, research, and strategic thinking with a focus on developing and spreading new options/ solutions and refining and distributing existing ones.
- d. Securing finance flows for an equitable Green
 Economy: providing public finance for agreed sustainable development priorities of developing countries with easy access, particularly for the most vulnerable countries.
 Establish mechanisms for public finance to help mobilize private investment in sustainable development initiatives in both developing and developed countries.

DEVELOPING AND ALIGNING INSTITUTIONAL MANDATES

The ambition levels and the depth and momentum of institutional engagement required for building the Green Economy calls for both top-down and bottom-up action. It will be necessary to combine decentralised approaches with a sustained sense of integrity and alignment towards the global purpose and agenda of equitable transformation and sustainable development.

Institutional mandates need to be developed and aligned in the following ways:

Direct Governance-related Institutions

a. Global governance: The options for strong governance institutions at international levels are limited in a world of national sovereignty. The Rio Conventions and a number of multilateral environmental agreements⁷² are - in a limited way – exceptions to this rule, but also these are weak and far too fragmented.⁷³

^{72.} Among the key conventions we include the Rio Conventions (UNCBD, UNFCCC and UNCCD) together with other agreements such as the Stockholm Convention, the Basel Convention and the Montreal Protocol.



Further, in many cases, they are clearly biased in defining the problem primarily in environmental terms.⁷⁴ UNEP has very limited resources and needs a stronger mandate, while the CSD - after a good start in the first years after the Rio Summit - has now lost the clout, the resources. and the intellectual capital needed to fulfill a role of setting real, actionable agendas for the many aspects of sustainable development it discusses.⁷⁵ We recognize these clear weaknesses and believe there is a strong need for reform. However, at the same time, we are concerned about the prospect of spending precious time in negotiating the addition of new bureaucratic structures, instead of working with what we have to get the necessary job done. It is crucial that the institutions forming the overall framework of global governance for an equitable Green Economy are informed by and operationally integrate the social, environmental and, economic dimensions of the state of the planet in order to drive a collective comprehensive global commitment and agenda.

- b. At the national level, governance institutions need to be able to cover all three strands of sustainable development in comprehensive decisions. Global agreements need to be integrated into the national development planning frameworks to ensure that all countries play their role in accordance with their Common But Differentiated Responsibilities.
- c. Local- level governance is a key to developing an equitable Green Economy. Most actual implementation will happen at sub-national and local levels, including in cities, and local governance institutions must therefore be

mandated, equipped, and resourced to take on this role, while being consistent with the wider national Green Economy mandate.

Six key areas of focus:

- UNEP reform: UNEP needs to be strongly mandated and well-equipped to play its role as the key global institution for the environmental strand of sustainable development with the role of informing, guiding, tracking, and sustaining the global level ambition and momentum. UNEP has a crucial normative role to play and must have the authority and the level of secure resources needed to do so. At the same time UNEP must have the mandate to secure coordination across multilateral environmental agreements and to link with the scientific community to ensure strong and credible scientific guidance at the global level. There are a number of different proposals for how to strengthen or to reform UNEP,76 and most of them include very valuable points such as securing universal membership of UNEP's Governing Council and increasing its budgets. We believe, however, that there are many good arguments for taking one extra step and upgrading UNEP to a specialized agency reporting directly to the General Assembly, with increased decision-making autonomy, and increased financial resources.
- Transforming the CSD into a Sustainable

 Development Council:⁷⁷ It is crucial to have a strong institution in charge of the sustainable development agenda at the global level, which can ensure the

^{73.} See for instance the UN Secretary General's High-Level Panel on System-wide Coherence in the Areas of Development, Humanitarian Affairs and the Environment: http://www.centerforunreform.org/node/251

^{74.} This is not the case for the Rio Conventions, but many of the agreements from outside of the Rio process have a relatively narrow environmental focus, and there are few, if any, similar agreements covering the other strands of sustainable development.

^{75.} The CSD was a product of the Rio Summit in 1992 and has met annually since then. During the first years many good discussions took place in the CSD and good frames for dialogue were developed, including the multi-stakeholder dialogues (MSD) following UNGASS 19/Earth Summit+5 in 1997. See some of the history and experiences of the CSD in: http://www.johannesburgsummit.org/html/documents/prep3_background_papers/msdhstudy2.pdf

^{76.} Proposals to strengthen UNEP in one way or the other have been made by virtually all countries (for an elaborate proposal see for instance the submission of Egypt). A number of countries and organizations have proposed upgrading UNEP to a specialized agency or UNEO. These include, among others: Guatemala, Chile, Colombia (to replace the CSD), Kenya, Botswana, Republic of Korea, EU, Greenpeace and WWF International.

See: http://www.uncsd2012.org/rio20/compdocument.html

^{77.} Proposals to change the CSD into a Sustainable Development Council have come from, among others: Guatemala, Brazil (by transforming ECOSOC), Botswana, Indonesia, the South Centre, Third World Network, Stakeholder Forum, and WWF International.

See: http://www.uncsd2012.org/rio20/compdocument.html. It is also proposed by the High-Level Panel on Global Sustainability in its report: "Resilient People, Resilient Planet: A Future Worth Choosing,"



seamless integration of the three strands of sustainable development, and which has a high profile and authority in the UN system. The current CSD has not proved itself able to play this role, and there is a strong case to be made for establishing a new set-up: The Sustainable Development Council (SDC). The SDC must build on the experiences of the CSD, such as for instance, the multi-stakeholder dialogues.⁷⁸ Inspiration for this transformation can be drawn from the transformation of the UN's Commission on Human Rights into a HR Council. It will be crucial that the SDC is established with a level of mandate and authority that enables it to move beyond being a forum for environment ministers or development ministers alone. It must engage senior ministers (planning, economic development, finance, etc.) in its work in order to be able to play the role of coordinating across the three strands of sustainable development. Further, the SDC must have the mandate to work across various arms of the UN (UNDP, UNIDO, UNEP, etc.), promoting inter-agency coordination, and strengthening the links and the consistency with strategy and action at bloc, regional, and national levels. The SDC must also have an important mandate to develop, discuss, and take action on scientific information, including regular State of the Planet Reviews (see more in Section 7 on Clear Process and Timeline for Action), and it must be able to channel information, approaches, and strategic options to national sustainable development councils or similar national-level institutions (see below for more about institutions at the national level).

A more effective ECOSOC: The World Summit
Outcome Document of 2005 recognized "the need for a
more effective ECOSOC as a principal body for
coordination, policy review, policy dialogues and

recommendations on issues of economic and social developments, as well as for implementation of the international development goals agreed at the major UN summits and conferences including the MDGs"⁷⁹. ECOSOC is uniquely placed as a bridge between normative and operative capacities of the United Nation

- Institutional reinforcement at the global level: An ombudsperson for future generations to receive complaints over lack of access to information, participation and justice from actors outside of government, and with a mandate to seek to mediate or to resolve them through other means, would help reinforce institutional capacity and robustness to address issues of disparity and inadequate access (See more in Section 6 on Accountability, Transparency and Participation).
- National-level Governance: 80 In order to follow-up dialogue with action, national institutions need to be secured with a clear and strong mandate to provide strong and consistent decision-making and governance covering all three strands of sustainable development (all-government bodies). They would need to secure consistency in policy, implementation and assessment linking the national agenda to the local level, and enabling implementation within a decentralised framework, with the active participation of local institutions and community/ village-based organisations. These all-government bodies must find ways to engage key actors in society in ways that move beyond purely advisory roles to enable them to inform and influence national planning.
- Local-level Governance:⁸¹ Local governance institutions must have the mandate, capacity and resources needed to carry out their implementation tasks, filling out the norms and standards defined at the central level.

(See also Section 6 on Accountability, Transparency and Participation – specially the sub-section on Participation.)

^{78.} These were developed and worked well during the years after UNGASS 19/Earth Summit+5 in 1997.

^{79.} The World Summit Outcome Document of 2005 - A/RES/60/1 of 16 September 2005.

^{80.} The High-Level Panel on Global Sustainability proposes: "Governments should adopt whole-of-Government approaches to sustainable development issues, under the leadership of the Head of State or Government, and involving all relevant ministries for addressing such issues across sectors," Recommendation 42. See: http://www.un.org/gsp/report

^{81.} See more about the role of local governance at ICLEI – Local Governments for Sustainability: http://www.iclei.org/index.php?id=iclei-home See also UNDPs work on this issue at: http://www.undp.org/content/undp/en/home/ourwork/democraticgovernance/overview.html



Dialogue-building Institutions:

In recent years, the CSD, as the only currently existing global institution mandated to be in charge of the sustainability agenda, has not been able to stimulate much dialogue or provide a real platform for broad global dialogue and engagement, so a transformation of the CSD is needed as explained above. Moreover, such dialogue needs to happen at various operational levels, engaging a broad range of actors especially at the national and sub-national level, which are then enhanced and supported at the regional and bloc level, appropriately.

Three key areas of focus:

- We require good models⁸² for such institutions at national or sub-national levels that can be built/strengthened and sustained as part of making the feedback loops from dialogue meaningful from the local to the global level.
- National institutions⁸³ need to be able to secure dialogue with key actors (e.g. civil society, business and industry, workers and trade unions, indigenous peoples, women, local government, and research and planning related institutions) contributing to informing/formulating a Green Economy agenda by being linked to and informing the national development planning framework across and within sectors.
- Local institutions and community/village-based organizations⁸⁴ need to have strengthened channels of communication and information in order to play a critical role in informing sub-national and national policy and strengthening the equitable Green Economy bottom-up.

Research⁸⁵ and Professional⁸⁶ Institutions:

There are no real mechanisms to facilitate their involvement or a formal mandate to create linkages within and across the various operational levels and geographical areas. Although the Rio Declaration Principle 9⁸⁷ does provide the basis for building a framework for research, capacity building and technology collaboration, the crucial role of these institutions in building the case for a Green Economy, for securing innovation and technology cooperation, and building capacity is mostly unfilled.

Three key areas of focus

- Building the case for a contextualized understanding/strategy/road map of an equitable Green Economy, including by contributing to state of the world reporting.
- Securing innovation and technology collaboration through a multi-disciplinary approach (combining the social, environmental and economic).
- Building professional capacity (e.g. management sciences, social sciences, engineering, design, financial planning, development/urban planning, etc.) and research capabilities to appropriately 'equip' the transition and transformation process.

- 82. Input for such models has been proposed by, among others, Niger, Benin and Senegal based on existing experiences, and from the Asia-Pacific Major Groups and Stakeholders Workshop (paras 33- 36). See: http://www.uncsd2012.org/rio20/compdocument.html
- 83. Support for national-level Sustainable Development Councils has come from, among others, Grenada, Niger, Benin and Senegal. See: http://www.uncsd2012.org/rio20/compdocument.html
- 84. For examples of the role of local institutions and organizations in democratic governance, see: http://www.undp.org/content/undp/en/home/ourwork/democraticgovernance/overview.html
- 85. Science & technology; social research; environment, ecology and natural resource management; policy & planning, governance and implementation
- 86. Management sciences; socio-economic development planning; economic/financial planning
- 87. Principle 9: "States should cooperate to strengthen endogenous capacity-building for sustainable development by improving scientific understanding through exchanges of scientific and technological knowledge, and by enhancing the development, adaptation, diffusion and transfer of technologies, including new and innovative technologies"



Financial institutions need to relate to and comply with allocation timelines for resources, which are based on the agreed development plans of the respective developing countries, and with full alignment of allocation based and prioritised on sustainable development actions.

Financial institutions:

The Global Environment Facility (GEF) has been established with a mandate on environment and sustainable development and with real but limited funding. In addition, a number of funds have been established under the conventions, but mostly these remain without real funding, in spite of agreement, in principle, on their relevance and importance. The bulk of public finance for sustainable development runs outside of the Rio-related institutions, through bilateral programmes, the Multilateral Development Banks (MDBs) or the United Nations, and under separate governance structures. There are various initiatives to link public and private finance for sustainable development, but no strong, overall mechanisms.

Two key issues

- The role and mandate of financial institutions needs to be formulated so as to ensure that they truly function as 'means for action'. They need to relate to and comply with allocation timelines for resources, which are based on the agreed development plans of the respective developing countries⁸⁸, and with full alignment of allocation based and prioritised on sustainable development actions. These institutions need to be assessed on their performance in reaching sustainable development objectives, increasing transparency and in the generation and level of access to funds.
- The Global Environment Facility (GEF) needs to be reformed on an urgent basis with a clear understanding of a shared road map and milestones. The reform of the GEF must ensure easier access to funds for least developing economies, increased funding flows, a stronger, more transparent and democratic system of governance with greater participation of representatives from least developed economies, while advancing low-carbon and sustainable growth to materialise by means of a Sustainable Development Fund mechanism.⁸⁹

^{88.} The importance of operating in accordance with national development plans is clearly laid out in the Paris Declaration and the Accra Agenda for Action. See: http://www.oecd.org/document/18/0,3746,en_2649_3236398_35401554_1_1_1_1,00.html



5. INSTITUTIONAL FRAMEWORKS - GLOBAL TO LOCAL

IN RESPONSE TO THE ZERO DRAFT

Institutional Frameworks - Global to Local

Three key issues

Renewing political commitment – engaging major groups (Section II.C) This section reiterates agreement already reached in Rio regarding the engagement of major groups, but provides little that is new, and no clarity on the institutional settings of this engagement. Para 20 acknowledges the role of local governments, but it must be strengthened. It is not sufficient to "integrate them into all levels of decision making on sustainable development." They must be mandated and resourced to play their respective key roles.

Governance and Capacity (Para 22) The intentions of this para are laudable. We fully support the intentions of "improving governance and capacity at all levels – global, regional, national and local – to promote integrated decision making, to fill the implementation gap and promote coherence across institutions." However, the para says nothing about HOW this would be achieved, and a lot more specificity is needed. For instance, a clearer emphatic stand is required to define the nature of capacity building, linked across the various levels to build consistency, comprehensiveness, and robustness into the system.

Institutional Framework for Sustainable Development (Section IV) The mandates of key institutions like UNEP and the CSD/SDC need to be clearly spelt out and agreed:

- Para 49 alt proposes the transformation of CSD into a new SDC. This proposal should be supported with a view to pushing global insights and debates, and strengthening global collaboration across the three strands of sustainable development. Furthermore the linkages across levels need to be clearly defined and mandated, i.e. between the SDC and the national level planning and decision-making frameworks.
- Para 51 alt proposes to establish a UN specialised agency for the environment with universal membership of its Governing Council, based on UNEP. We believe this would enable UNEP to play the necessary normative leadership role on the environmental strand, including by being mandated to provide the crucial scientific basis necessary for linking decision-making to science (see paras 52 and 53).
- Para 57 talks about the idea of establishing an ombudsperson for future generations. The wording should be strengthened to an actual decision to establish an Ombudsperson or a High Commissioner for future generations.
- Para 61 about national sustainable development councils is important but should be strengthened by adding more substance on their roles and how they would link to global and to local levels.
- Para 62 about urban development and governance is important, particularly the idea "to empower local authorities to work more closely with national governments" and the recognition of the growing international role of cooperation among cities. These points could be specified further, but should definitely be kept in the negotiation text.

Responsibility and accountability frameworks, complemented by active involvement by all, area keystone for building an equitable Green Economy

Equitable Green Economy Principle 4

The **equitable** Green Economy is transparent and engages all involved and affected actors, with powerful actors having clearly defined responsibilities and forms of accountability, while making sure stakeholders are empowered to act both as beneficiaries of and contributors to the Green Economy

Lack of real responsibility and accountability controls has long been a weakness of international organisations and the overall global environmental governance system. Likewise, there is a lack of effective, international mechanisms to ensure accountability from the private sector.

Transparency and accountability are largely left to nations and implemented by countries with varying degrees of success. The global financial crisis, particularly in the United States and Europe, is an example, at least in part, of the weaknesses presented by deregulation, weakened accountability of the financial sector, and lack of public tools to hold the private sector responsible and accountable for its actions and impacts on society. If the Green Economy is to function as a means for equitable transformation and sustainable development, this needs to change. Citizen engagement at all levels of the Green Economy is crucial to strengthen trust and cooperation and encourage accountability and responsibility.

As stated by the International Trade Union
Confederation, "a renewed political commitment can
only be sustained if it comes with a commitment to
provide citizens with accessible means to claim and
exercise their rights to sustainable development.
Accountability and social scrutiny is key. Leaders need to
be held fully accountable and responsible for their
actions and decisions."90

The Green Economy must be embedded in political and legal frameworks at international, national and sub-national levels, securing it as transparent⁹¹ and

engaging all involved and affected actors.⁹² Powerful actors, both public and private, must have clearly defined responsibilities and accountability,⁹³ while other stakeholders must be empowered to act both as beneficiaries of and contributors to the Green Economy.

PRINCIPLES AND INSTRUMENTS COMING OUT OF THE RIO PROCESS

The Rio process has led to important progress in the area of transparency and access to information. The Rio Declaration states that: "environmental issues are best handled with participation of all concerned citizens, at the relevant level" (Principle 10), and in the same vein, Agenda 21 says that "one of the fundamental pre-requisites for the achievement of sustainable development is broad public participation in decision-making" (chapter 23.2).

Rio Principle 10 lays out three necessary aspects of participation:

- Access to information
- Access to decision-making, and
- Access to justice and remedy

These have been further elaborated in the Aarhus
Convention on access to information, public
participation in decision-making, and access to justice in
environmental matters. The Convention is a
legally-binding instrument for the UN Economic
Commission for Europe with 45 parties in the UNECE
area. It states "each Party shall guarantee the rights of
access to information, public participation in

90. International Trade Union Confederation submission to Rio+20 United Nations Conference on Sustainable Development at: http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=42&menu=20

^{91.} A focus on transparency is suggested by, among others, Republic of Korea, EU, Switzerland (market transparency), Japan, Norway (business reporting), Australia, World Trade Organization. See: http://www.uncsd2012.org/rio20/compdocument.html

^{92.} The importance of participation and/or engaging citizens and other actors is underlined by, among others, Brazil, Mexico, Bolivia, and the EU. See: http://www.uncsd2012.org/rio20/compdocument.html

^{93.} Calls for clearly defined responsibilities and/or accountability have come from, among others, Botswana, EU, and Switzerland. See: http://www.uncsd2012.org/rio20/compdocument.html



Functioning systems for accountability and transparency will be instrumental in securing the trust needed to enhance the engagement and contribution of all involved and affected actors in bringing about transformation and building the equitable Green Economy.

Rules for accountability and governance are particularly important to ensure the private sector in fact conduct itself in its role in a manner that avoids and minimises environmental harm and achieves wider social inclusion.

decision-making, and access to justice in environmental matters in accordance with the provisions of this Convention" (Article 1).94

In spite of this progress in common understanding, there is no international framework to secure public access to decision-making, to justice and to remedy at the global level.

And in spite of the agreement in the 2002 Johannesburg Plan of Implementation to "enhance corporate environmental and social responsibility and accountability" (para 18), the only global framework in this area is the weak and completely voluntary UN Global Compact.⁹⁵

ACCOUNTABILITY AND TRANSPARENCY

Functioning systems for accountability and transparency will be instrumental in securing the trust needed to enhance the engagement and contribution of all involved and affected actors in bringing about transformation and building the equitable Green Economy.

General affirmations – like the agreement in Johannesburg to "enhance corporate environmental and social responsibility and accountability" – are crucial, but they remain weak political declarations not grounded in tools for accountability – such as implementation of and respect for social and environmental safeguards in project and policy decision-making, and redress for social and environmental impacts at the local, national, and international levels. We must go beyond acknowledging the "important role" of the private sector. Rules for accountability and governance are particularly important to ensure that these actors in fact conduct their roles in a manner that avoids and minimises environmental harm and achieves wider social inclusion.

Therefore, the Rio+20 meeting must:

 Commit to and implement a global Corporate Accountability accord that ensures transparency – among others through mandatory sustainability reporting for large companies – and that holds private-sector actors accountable for their management of human and natural resources.⁹⁶

Such an accord must explicitly include the agribusiness sector, where a very small number of corporations control a large share of the global business and therefore have enormous strategic power and influence over land-use, food security and access to food for hundreds of millions of people.⁹⁷

94. http://www.unece.org/fileadmin/DAM/env/pp/documents/cep43e.pdf

95. About the UN Global Compact, see: http://www.unglobalcompact.org/. Even though the Global Compact has increased its demands of members (and has expelled more than 3,000 companies), there is still widespread criticism of the Global Compact for being too lax. For criticism of the Global Compact, see Global Compact Critics (an informal network of organizations and people with concerns about the UN Global Compact): http://www.globalcompactcritics.net/. There are also a number of different codes of conduct for corporate issues (e.g. the Equator Principles for project finance), but all of these are voluntary and have limited scope.

96. Proposals to establish a global system for corporate responsibility or accountability – binding or voluntary –have come from, among others, Brazil, Third World Network and Greenpeace. See: http://www.uncsd2012.org/rio20/compdocument.html

97. For instance, the four biggest seed companies control more than half of the commercial seed market. See more in: UNEP - "Towards a Green Economy", p. 53.



Accountability – both for public and corporate actors – can only become real if it is based on clear rules to secure transparency, and if there are accompanying rules on compliance. This needs to happen at all levels from global to local and means that there is a clear need for agreement to:⁹⁸

- Design clear metrics and reporting for all key areas of the Green Economy;
- Enhance transparency of measuring, reporting, and verification of metrics, goals, and commitments;
- Develop clear and transparent compliance mechanisms, including rewards for responsible accomplishment and redress for lack of compliance.

Moreover, in building an equitable Green Economy, enterprise can discover new interpretation of their role to organize, create and manage a sustainable solution to socio-economic and/or environmental issues, engaging new technology, management systems and enterprise assessment criteria (a new take on risks, trade-offs, etc.) This holds the possibilty of creating 'wider gain', expanding the potential for enterprise options to provide relevant solutions for broader development related issues in the transition to n equitable Green Environment.

PARTICIPATION

Opening up transformation processes for citizens to participate, enhances the quality of their engagement, and makes them active contributors rather than just passive victims or beneficiaries. Thereby, it also enhances the quality of the process itself. Moreover, the scale of change required to build an equitable Green Economy means that all involved and affected

actors will need to play active and collaborative roles. Our approach to the issue of participation comes from a perspective of equity and focuses on tools for access and opportunity, which can make it possible for vulnerable sections of society not only to avoid the adverse impacts of the Green Economy, but also to contribute to and benefit from its development. This is a key element of the process of transformation itself.

The Rio Summit made groundbreaking decisions on public participation and created an important basis for national follow-up in many countries to secure access to information leading to safeguards for people against damage from environmental mismanagement and hazards. However, the Rio decisions are still far too weak, not least because they are voluntary and not binding at the international level.

The Aarhus Convention is both stronger and clearer than the decisions from Rio, but it is limited by being only a regional legal instrument.⁹⁹ We believe:¹⁰⁰

• There should be global rules in the area of public participation in environmental matters, and ideally a global, legally-binding instrument should be developed based on the Aarhus Convention.

The right to information, participation, and justice could also be promoted without new, legally-binding instruments. A clear, unambiguous endorsement of Rio Principle 10 together with the relevant chapters of Agenda 21 would be helpful, if underscored with:¹⁰¹

• The formulation of new, agreed principles at the global level on the right to information, participation

98. Calls for transparency and accountability have come from, among others, Brazil, Switzerland, EU, and Boston University (Pardee Center). See: http://www.uncsd2012.org/rio20/compdocument.html

99. See for instance: http://ec.europa.eu/environment/aarhus/

100. Proposals to establish global instruments for access to information, public participation in decision-making and access to justice have been made by, among others, Brazil. See: http://www.uncsd2012.org/rio20/compdocument.html

101. Proposals for clear wording on access to information, participation in decision-making and access to justice have come from, among others, Argentina, Republic of Korea and the EU. See: http://www.uncsd2012.org/rio20/compdocument.html



and justice related not only to environmental matters, but to the full sustainable development agenda.

One specific initiative to strengthen the public's possibilities of gaining access to information, participation and justice would be the establishment of:¹⁰²

 An Ombudsperson for future generations to receive complaints over lack of access to information, participation and justice from actors outside of government, and with a mandate to seek to mediate or to resolve complaints through other means, thus helping reinforce institutional capacity and robustness to address issues of disparity and inadequate access. (See also Section 4 on Institutional Framework.)

Access to opportunity

A weakness of the Rio decisions on public participation is that they are limited to "environmental matters." This implies that they neither cover the three strands of sustainable development nor the full range of issues relevant to an equitable Green Economy.

Taking a new approach to public participation, looking at it in the broader context of sustainable development, opens up new perspectives on people's rights to engage, beyond being safeguarded against possible environmental dangers arising from the Green Economy.

Relevant to this new approach, Rio Principle 1 acknowledges that people are entitled to a "healthy and productive life in harmony with nature," while Principle 3 acknowledges the right to development. Building on this, a new principle on people's right to access to the opportunities arising from the Green Economy needs be agreed:

 Overseeing the efforts to make this right a reality on the ground should be part of the mandate of global, national, and sub-national institutions for sustainable development, such as the proposed Councils for Sustainable Development.¹⁰³

GROUPS THAT MERIT SPECIAL ATTENTION

In addition to the general rights to information, participation and justice, there are specific groups that need special attention:

Workers and Trade Unions

The equitable Green Economy must explicitly acknowledge and respect the role and rights of workers and trade unions.

This implies specific references to the relevant International Labour Organization (ILO) conventions and to Agenda 21 chapter 29, in particular its paragraph 4, which states the need to "promote the rights of individual workers to freedom of association and the protection of the right to organise as laid down in ILO conventions."

It is particularly important that:

• Workers and trade unions become involved in the development of a Green Economy at the sectoral or thematic levels, so that decision-making in these areas becomes inclusive and is not just left to top-down decision-making in business and industry.¹⁰⁴

Indigenous peoples and local communities

The rights of indigenous peoples have in many cases been articulated in fora outside the Rio process, most importantly in the 2007 UN Declaration on the Rights of Indigenous Peoples and the 1989 ILO Convention 169.

^{102.} Proposals for establishing an Ombudsperson have come from, among others, European Economic and Social Committee (EESC), Workers and Trade Unions, and the European Environmental Bureau. See: http://www.uncsd2012.org/rio20/compdocument.html

^{103.} Proposals for giving strong mandates to Councils for Sustainable Development have come from, among others, the EU. Several countries have already established national Sustainable Development Councils, among them Senegal and Niger. See: http://www.uncsd2012.org/rio20/compdocument.html

^{104.} Strengthening the engagement of workers and trade unions has been proposed by, among others, the Africa Region, Brazil, India and the EU. See: http://www.uncsd2012.org/rio20/compdocument.html

^{105.} Clear and strong wording on indigenous peoples has been proposed by, among others, Japan, Paraguay, and CIDSE. See: http://www.uncsd2012.org/rio20/compdocument.html



Rio Principle 22 and Chapter 26 of Agenda 21 are important reference points for the roles of indigenous peoples in sustainable development, and it is vital to note that Principle 22 also covers local communities - which are most often smallholder farmers or fisher folk - in a broader sense. Reference should also be made to Article 8(j) of the Convention on Biological Diversity, asserting the obligation of states to "respect, preserve and maintain the knowledge, innovations and practices of indigenous and local communities"... "and to encourage equitable sharing of benefits arising out of the use of biological diversity."

It is important the Rio+20 meeting and its follow-up processes honour these previous agreements:

 The Green Economy must explicitly acknowledge and respect the rights of indigenous peoples.¹⁰⁵

Targeting the most vulnerable sectors of society based on class, age, and gender

Except for women and youth, who are covered in Rio Principles 20 and 21, there is little specific focus on the most vulnerable sections of society.

 Clear and unambiguous principles must be agreed to ensure that the Green Economy is designed to specifically create opportunities for the most vulnerable sections of society, including women, youth, the old, smallholder farmers, the landless and the urban poor, and to make sure that they are protected against possible adverse impacts of the Green Economy.¹⁰⁶

The Green Economy must mainstream the principle of equity for the vulnerable sections of society through e.g. recognition of the rights to equal access to food resources, water, modern energy services, incomegenerating activities, ownership of resources, green jobs, etc.

Securing the engagement of entrepreneurs in the equitable Green Economy

Entrepreneurs, both men and women, are extremely important for the development of innovative solutions both in business and in social life. This should be acknowledged in agreements on the Green Economy, and:

 New ways should be found to engage entrepreneurs and to enable them to develop their ideas and to engage with each other globally, nationally, and locally.¹⁰⁷

The World Bank, The International Fund for Agricultural Development (IFAD) and FAO note that, "securing collective and individual legal rights to land and productive resources (e.g. water, capital), especially for women, indigenous people and minorities is important. Improving women's access to working capital through microfinance is an option that would allow much greater numbers of small-scale producers to procure green inputs and related mechanisation technologies":108

 In light of experiences like these, it will be important to specifically target women entrepreneurs.¹⁰⁹

106. Clear proposals on gender equality are made prominently in the High-level Panel on Global Sustainability in its report to Rio+20: "Resilient People, Resilient Planet: A Future Worth Choosing," and has been stressed by, among others, Brazil, Australia, Norway, UNEP, UN Women and the World Bank. Clear proposals on the rights of the rural and urban poor have come from, among others, the EU and Oxfam.

See: http://www.uncsd2012.org/rio20/compdocument.html

107. Proposals on the engagement of entrepreneurs have come from, among others, Brazil, Indonesia, and World Resources Institute (WRI). See: http://www.uncsd2012.org/rio20/compdocument.html

108. UNEP - "Towards a Green Economy", p. 65.

109. Proposals to target women entrepreneurs have come from, among others, Norway, the EU and UN Women. See: http://www.uncsd2012.org/rio20/compdocument.html



IN RESPONSE TO THE ZERO DRAFT

Accountability, Transparency and Participation

Strengthening of the following paragraphs in the Zero Draft is recommended:

Para 17 This is one of the most important paras in the Zero Draft with regards to the otherwise weak references to civil society participation and should be retained.

Paras 18 and 58 These paragraphs, coupled with Para 17, provide the backbone for commitment to wide public participation (Para 17), access to information (Para 18), and Principle 10 of the Rio Declaration (Para 58). This backbone could be stronger, with clear commitments to enable public participation; to achieve (rather than "work towards") universal access to information and communications technologies (Para 18); and stronger delineation of steps to implement (rather than "give effect") to Principle 10 of the Rio Declaration (Para 58).

Para 24 and 40 These are the key paragraphs related to corporate and business-sector responsibility in contributing to the creation of the Green Economy. Para 24 would be stronger replacing "to consider" with "to commit to develop a global policy framework."

Para 36 The idea of getting major groups to share experience is good, but it should be linked to explicit efforts on the side of governments to make this possible. For instance: "We will encourage their involvement by creating a more transparent and enabling environment, including in connection to international negotiating processes."

Para 44(b) This para is important for the governments' role in providing policy frameworks and integrated decision-making at all levels. However, it must be made clear that this must happen in "transparent and inclusive processes involving all actors and stakeholders."

Para 57 This paragraph must be strengthened from "further consider the establishment" of an Ombudsperson or High Commissioner for Future Generations to "We agree to establish" an Ombudsperson.

Para 61 This paragraph, calling for the establishment of National Sustainable Development Councils, is important and could be strengthened by adding more substance.

Paras 21, 102 and 103 These paragraphs address vulnerable groups, particularly indigenous peoples, youth and women, and should be maintained and strengthened in the final outcome.

Clearly defining progression and who is committed to do what by when

Equitable Green Economy Principle 5

Decisions on the **equitable** Green Economy includeclear timelines for action to achieve objectives, introduce new systems for measuring progression and success, and to integrate the tracking of the well-being of people, places and the planet

Far too often decisions in international fora amount to little more than nice words about good intentions. The Rio Conference in 1992 was an exception. It created real agreement on a number of actionable points, including new legal instruments, new institutions and follow-up processes. Since Rio, however, we have witnessed much of the momentum fade away due to lack of real commitment to follow through on promises, not least from the developed countries. They have not for the most part delivered the means for action, including technology, capacity and finances, which were the agreed basis for necessary action in developing countries, particularly the poorest and most vulnerable ones. Moreover, the situation for the most vulnerable sections of society in developing countries has taken a turn for the worse, increasing disparity, deprivation, and hopelessness.

Establishing an equitable Green Economy is an urgent necessity, but presents huge opportunities at the same time. It will require a firm collective effort based on a common understanding of purpose and commitment to a meaningful, all-inclusive trajectory for development that is carefully marked and consistently tracked. We need Rio+20 to become a turning point, reinstating global trust, firm commitment and a sense of ambition, which creates the basis for getting an equitable Green Economy off the ground. Governments must be willing to commit to honest and strong agreements in Rio – and to make clear and measurable follow-up processes part of those agreements. Nothing less is acceptable, and given the state of the world, nothing less is viable for our common future.

TIMELINES AND INDICATORS FOR SPECIFIC OBJECTIVES AGREED ON EACH WORKING PRINCIPLE OF THE GREEN ECONOMY

Decisions on objectives of sustainable development, whether these take the form of SDGs or what gets agreed to follow-up on the existing MDGs, will only be real - and will only lead the world onto a pathway towards an equitable Green Economy - if they are specific and are accompanied with clear agreements on timelines, indicators and assessment of progress, linked into processes with the mandate to review and update decisions when needed.

This is true for all the working principles¹¹⁰ of the Green Economy: Agreed objectives for enabling conditions; sectorial and thematic issues; objectives for means for action; pathways for institutional reform and strengthening; and clear rules for accountability and participation of stakeholders:

 Based on a collective recognition of the urgency to act, all decisions in the Rio+20 process and other processes leading to objectives of sustainable development must be made actionable with clear timelines and clearly defined responsibilities.¹¹¹

As a basis for tracking the implementation of the agreements reached in the Rio+20 process, systems of measurable targets and indicators must be defined for each overall goal agreed.

^{110.} As presented in Section 1 – Framing – of this paper and elaborated in the following sections.

^{111.} Proposals for clear timelines to be agreed have been made by, among others, Nigeria, Switzerland and People and Ecosystems Program (WRI). See: http://www.uncsd2012.org/rio20/compdocument.html

^{112.} There will be a need for a concerted effort to reassess the framework of measurement itself. Both the sustenance of the dynamic state of an equitable Green Economy, and the pathway of transformation required to achieve it, will play crucial and complementary roles in this new framework.



The development of an equitable Green Economy will be a truly transformational process, which will in many cases take the world through uncharted territory. The pathways to fulfill the working principles of the equitable Green Economy will often be as important as the agreed outcome itself, and therefore, there must be indicators to cover both the process and the outcome. 112

At the same time, it will be crucial that the indicator systems established are simple and adaptable enough to be understood and used by diverse groups of stakeholders within their respective contexts.

For the Green Economy to become equitable:

 There must be a clear, agreed set of measurable targets and indicators for the decisions reached in the Rio+20 process, covering both process and outcome.¹¹³

REVIEW AND ASSESSMENT OF PROGRESS

There are a number of key global review and assessment reports, covering different aspects of the three strands of sustainable development, the social, economic and environmental. These reports are all important sources for decision-making, but there is a need for a system of overall, authoritative reviews, mandated at the highest level in the UN, linked to the agreed objectives of the equitable Green Economy and covering all three strands of sustainable development:

• There must be a system of authoritative State of the Planet Reviews established by the UN with strong

involvement of the scientific community in an inclusive process with member states.¹¹⁵

Such authoritative reviews should inform regular processes of assessing progress at all

levels. At sub-national and national levels, the assessments must be linked to national and sub-national development planning frameworks and their respective sectorial planning systems. At the global level, the assessments must use the State of the Planet Reviews as a basis for understanding the appropriateness and adequacy of the existing goals and objectives and for agreeing to change course when needed:

 Authoritative State of the Planet Reviews must be used as a basis for assessing progress and review the level of ambition, and for taking remedial action towards building the equitable Green Economy.¹¹⁶

OVERALL INDICATORS FOR THE GREEN ECONOMY

In addition to monitoring the implementation of specific objectives of the equitable Green Economy, it will also be crucial to have indicators that give a simple, but robust, overall picture of how the Green Economy is progressing. The present, dominant system of economic measuring, based on the GDP, is not in any way able to provide meaningful measurement of progress towards the goals of an equitable Green Economy.¹¹⁷

113. Proposals for focusing on indicators have been made by, among others, Liberia, Mexico, Costa Rica, Switzerland, Japan and the Global Women's Major Group. See: http://www.uncsd2012.org/rio20/compdocument.html

114. For the social strand, key reports include: UNDP's Human Development Reports, the World Bank's World Development Reports and other multilateral reports. For the economic strand, important reports include the International Monetary Fund's World Economic Outlook and the World Bank's Global Economic Prospects. For the environmental strand, key reports include UNEP's Global Environmental Outlook and the IPCC's Assessment Reports.

115. Ideas along these lines have been expressed by the High-Level Panel in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in recommendation 51. State of the Planet Reviews are also proposed in the Zero Draft Para 52.

116. Review and assessment systems have been proposed by, among others, Republic of Korea, Mexico, Japan, the EU, Switzerland and the Stockholm Environment Institute. See: http://www.uncsd2012.org/rio20/compdocument.html

117. For a critique of the limitations of GDP, see for instance the Global Transition 2012 Challenge Paper 'Beyond GDP': http://globaltransition2012.org/beyond-gdp/



the HDI provides useful information and is already in broad use. It should be further developed as a basis for the measurement of global social development.

For the economic strand, the GDP is the dominant, existing indicator. GDP, however, does not discount for the environmental damage resulting from a singular emphasis on growth, nor does it give

any indication at all for

distribution of wealth.

We propose that an overall indicator – or a set of overall indicators – be developed that builds on robust indicators for each of the three strands of sustainable development: social, environmental, and economic, consistently capturing and monitoring the issues of well-being, equity and sustainability across the three strands.

For the social strand, there is already a good basis for a global, authoritative indicator in the Human Development Index (HDI) developed by the UNDP. As noted by Sri Lanka in their submission to Rio+20, the HDI "ignores the distributional aspects of income" 118, but still, the HDI provides useful information and is already in broad use. It should be further developed as a basis for the measurement of global social development. 119

For the environmental strand, there are numbers of different indicators, but few that offer an overall picture of environmental sustainability. However, the notion of a human footprint is now widely used as a metaphor for sustainability, while at the same time the Ecological Eootprint offers¹²⁰ a measurable indicator. We believe that the Ecological Footprint should be used as a basis for developing an authoritative indicator for environmental sustainability.¹²¹

For the economic strand, the GDP is the dominant, existing indicator. GDP, however, does not discount for the environmental damage resulting from a singular emphasis on growth, nor does it give any indication at all for distribution of wealth.

It must, therefore, be complemented with indicators for that, such as the GINI co-efficient for income distribution, become a meaningful indicator for the economic strand of an equitable Green Economy.

Based on such indicators for each of the strands of sustainable development:

 An overall indicator – or a set of indicators – should be developed for the equitable Green Economy development. The new indicator – or set of indicators – must be able to consistently capture well-being, equity and sustainability.¹²²

118. http://www.uncsd2012.org/rio20/index.php?page=view&type=510&nr=362&menu=20

119. Proposals to build on the HDI in the creation of a global indicator set have been made by, among others, Botswana, Brazil, Sri Lanka and WWF International. See: http://www.uncsd2012.org/rio20/compdocument.html

120. http://www.footprintnetwork.org/en/

121. Using the ecological footprint as an indicator for environmental sustainability is proposed by, among others, Ecuador, Sri Lanka and Botswana (to measure sustainable consumption). See: http://www.uncsd2012.org/rio20/compdocument.html

122. Developing an indicator – or set of indicators – to complement or replace GDP has been proposed by, among others, Bhutan, Botswana, Jamaica, Brazil, Japan, UNDP, ICLEI – Local Governments for Sustainability, the Business and Industry Major Group, WWF International and Oxfam.

See: http://www.uncsd2012.org/rio20/compdocument.html. This is also supported by the High-Level Panel in its report: "Resilient People, Resilient Planet: A Future Worth Choosing," in recommendation 39.



IN RESPONSE TO THE ZERO DRAFT

Clear Process and Timeline for Action, Monitoring, Assessment and Follow-up

Four key issues:

Decisions at Rio+20 must be clear and actionable and cover all working principles of the equitable Green Economy (Objectives for enabling conditions, sectors and themes, means for action, 1. institutions, accountability and participation - Sections IID, IIIC, IV and V) Ensure decisions are clearly worded, including the level of ambition required and a timeline. Ensure decisions in Section III on the Green Economy are clearly linked with levels of ambition defined in Sections IV and V.

Developing indicators for both the outcome and process of the equitable Green Economy (Several paras, including 33, 43, 63 and 109) Strengthen the description of the proposed indicators to make sure that they cover both the outcome and process, and that they are understandable and useful for stakeholders, and adaptable to variable contexts.

State of the Planet Review as a basis for Assessment of Progress (Paras 43, 52 and 109) Ensure the State of Planet Reviews proposed in Para 52 are clearly defined as tools for the assessment processes proposed in para 43 and alluded to in paras 105 and 109, and that these assessment processes are more clearly defined with precise required scope, timing, and mandates.

Development of indicators for the equitable Green Economy, integrating well-being, equity and sustainability to replace or complement GDP (Para 111) Make clear that the indicator(s) to measure progress towards the Green Economy must capture all three strands of sustainable development and must integrate the elements of well-being, equity, and sustainability, while being measurable at both national and global levels. Set up a clear, inclusive and time-bound process to develop the new indicator(s) for the equitable Green Economy and make sure that the new system takes into consideration and builds upon existing, widely used indicators for the three strands of sustainable development.

ANNEX A



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ANNEX B - WORKING PRINCIPLES OF THE EQUITABLE GREEN ECONOMY: A FRAMEWORK FOR TRANSFORMATION



PRE-REQUISITES

Objectives for the Pre-requisites:

- Sustainable energy infrastructure development
- Sustainable energy consumption & production systems
- Trade and IPR for an equitable operating environment
- Subsidy reform, fiscal policy and incentives for advancing sustainable energy for all
- Green jobs and decent work for sustainable energy

MEANS FOR ACTION

Formulating an operational framework with:

- Technology: R&D;
 Eco-innovation;
 Development and Diffusion;
 Performance
- Capacity Building:
 Research & Innovation;
 decentralized management
 systems; etc.
- Finance: Mobilisation,
 Disbursement.
 Assimilation/Absorption

CLEAR PROCESS AND TIMELINE

Defining & formulating:

- Timeline: Benchmarked progression on energy access
- Measurement of process. outcomes, performance
- Learning

Ambition for Equity and Sustainable Development: Sustainable Energy for all*



Defining and encompassing:

- · Levels linked and collaborating
- Types (Governance, Dialogue building, Research & Professional, Financial)
- Decentralised institutional set-up functioning

ACCOUNTABILITY, TRANSPARENCY AND PARTICIPATION

Defining:

- Accountability (who and what kind)
- Transparency (how and what kind)
- Participation (who and what kind)
- Engaging vulnerable groups

^{*} We use the Nautilus Shell as it is a symbol of expansion, renewal and continual evolution. It strikes the balance between stability and change for improvement. As a symbol of proportional perfection, its shape represents the golden mean number, known as PHI, in which the digits continue indefinitely without ever repeating themselves. PHI is found in all living forms, whose proportions and geometry have been used in art and architecture for its attributes of beauty, energy and progression.

BUILDING AN EQUITABLE GREEN ECONOMY

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