



RIO+20
United Nations
Conference on
Sustainable
Development

What reasonable ambition for Rio+20?

This policy brief summarizes and extends the outcomes of the January 30, 2012 experts workshop organised by IDDRI in Paris.

The objective of this brief is to set the stage for a bold and ambitious Rio+20 Conference. First, there is a need to establish a consensual diagnosis of what has been achieved – and what has not been achieved – by “sustainable development” since the Rio Earth Summit in 1992. This cannot be done without taking into account the complete reshuffling of power relations in the design and making of sustainable development policies. Building upon these shared visions of the past and of the current global context, we derive two sets of reachable objectives for Rio+20. The first pertains to closing the round of debates and negotiations that have been unfolding over the past few years. This is what we dub: “what Rio cannot miss”. The second paves the way for crafting a broader – yet feasible – reform of the foundations of globalization and sustainable development governance.

1. TAKING STOCK OF SUSTAINABLE DEVELOPMENT ACHIEVEMENTS AND DEADLOCKS

Ever since it emerged, the concept of sustainable development has triggered considerable scepticism, particularly from the environmental community. The opportunity to reconsider wealth generation from an environmental perspective was partly missed, leaving too wide a space and giving too high a weight to economic product growth – namely GDP. Sustainable development was therefore criticised as an oxymoron and, as such, could not and cannot deliver.

Efforts to overcome the original definitional flaws did not rule out scepticism – it even fuelled it at times. “Integrating” the three pillars to overcome their potential trade-offs flourished in public discourses but never materialized. The definition of “weak sustainability”, which allows for some natural resources to be run down as long as adequate compensation is provided by increases in other resources, even in the form of man-made capital, was fiercely criticised for entailing no special place for the environment. Overall, the practical meaning of sustainable development remains unclear, even 20 years after the term was popularised by the Brundtland report, while the economics of sustainable development remains shaky.

Interestingly enough, ongoing initiatives in the diplomatic process to Rio+20 take into account sustainable development flaws. Propositions by some countries to enshrine the concept into measurable and reportable “sustainable development objectives” are aimed at making the concept clearer and more effective¹. Along the same line of thought,

1. Flagship proposition from Colombia and Guatemala

enhancing and harmonizing “sustainable development indicators”² can be deemed a response to the “metric” and GDP-hegemony problems. Last, “green economy” in itself can be conceived of as a political opportunity – or diversion – for breaking the conceptual deadlock that “sustainable development” is trapped in by focusing on two pillars³.

The paradox may be that conceptual illusiveness and vagueness did not impede some initiatives towards sustainability. There is no doubt that the situation today would have been even worse had the Rio 1992 summit never been convened, and the “sustainable development” concept never been coined. Some celebration of Rio successes should hence be made. Still, the alarming report by the High-Level Panel on Global Sustainability – established in 2010 by UN Secretary General Ban Ki-moon – is a fierce reminder of our planetary boundaries and the urgent need for action. Giving credence to the idea that the economic foundation of sustainable development remains weak, the report emphasises that “the time has come to unify the disciplines, to develop a common language for sustainable development that transcends the warring camps; in other words, to bring the sustainable development paradigm into mainstream economics.”⁴ Fixing the economy thereby becomes a consensual means for achieving sustainable development. And much more than was the case in 1992, political will is a prerequisite.

2. ASSESSING THE CONSEQUENCES OF POWER RELATIONS RESHUFFLING

If we look back to 1992, we had at this time the environmental-climate change bell ringing in OECD economies, while developing countries were asking for more policy space to catch up with advanced economies. The three-pillar concept was then promoted as

a way to rebalance growth; allegedly, it was a universal paradigm any country could buy into whatever its income level. Yet the political economy of sustainable development conveys a different story. The concept appears now as the superimposition of completely different objectives and concerns, each pertaining to a specific income level country group: more growth and less poverty for the developing countries, more environmental sustainability for OECD economies. There was no shared economic vision but a fragmented agenda that the three-pillar concept fallaciously reunified through a fragile compromise.

Twenty years later, this fragmented agenda still remains. Developed countries seem to have abandoned even attempts to integrate the environment into their economic decision-making in their quest for growth, while BASIC countries have taken more seriously attempts to integrate environmental goals into their economic planning by actively investing in a green economy. The economic power structure has been significantly reshuffled since Rio without any corresponding reshuffling in the legal structure of governance itself, with the formal exception of G20. G20’s handle of sustainable development issues yet remains cautious and hesitant. Rio+20 marks as much the birthday of the Earth Summit as the exhaustion of the economic model and its associated governance framework built up at the end of World War II.

In 1992, countries accommodated the potentially conflicting aspects of their agenda with the truly shared vision that globalization forces would help each country meet its own objectives without impeding others’ progress. We know that this was not a question of economics but politics once again. This was the reign of what Steven Bernstein coined the “compromise of liberal environmentalism”⁵ which promoted and spread the view that liberalization in trade and finance was consistent with, and even necessary for, international environmental protection.

Twenty years after, conflicts on sustainable priority and objectives can no longer be solved or simply deleted by the naïve belief that globalization will make any country closer to its own target (growth, environment, poverty) and is the answer to their specific problem. Governance and policies need to include protections for social and environmental goals, as well as positive efforts internationally to support those protections, investment, and integration of those goals in policies and practices. This is the novelty of the period: there can be conflicts over globalization-sustainable development relationships that the governance of each of these two issue-areas can no longer ignore. The economy cannot be fixed without global governance being fixed as well.

2. The European Commission for instance recalls that Agenda 21 already requested governments to develop sustainable development indicators and environmental accounting. “However, progress has been slow and uneven. Rio+20 should promote the transparency of national reporting and agree on the use of environmental accounting and robust indicators at national and at global level in order to measure this wider sense of progress in addition to GDP”. European Commission (2011) “Rio+20: towards the green economy and better governance” Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM (2011) 363 final.

3. One would easily acknowledge that the neglect of the social pillar by the “Green economy” actually leads to the awkward and certainly more confusing than clarifying formula: “Green economy in the context of poverty eradication and sustainable development” as one of the two key themes of Rio+20.

4. United Nations Secretary-General’s High-level Panel on Global Sustainability (2012). *Resilient People, Resilient Planet: A future worth choosing*. New York: United Nations.

5. Bernstein, S. (2001), *The Compromise of Liberal Environmentalism*. New York: Columbia University Press

3. LISTENING TO GOVERNMENTS AND CIVIL SOCIETY'S CALLS FOR A PARADIGM SHIFT

Can Rio+20 fix the global economy to make it sustainable and green at last? There is a huge gap between diagnosis, for which convergences do arise across countries and stakeholders, and propositions for action, which are much more heterogeneous in nature and ambition. The own merit of sustainable development is to provide us with a powerful diagnostic tool. It helps raise awareness of the economic, ecological and social imbalances of the current economic system. It prompts the need for radical reform in our thinking about wealth and prosperity. Therefore changes in wealth measurement and generation must be included in the Rio+20 agenda. How to make Bretton Woods, San Francisco and Havana-like conferences happen is yet another question for which answers still need to be carefully constructed and coalesced.

Once the diagnosis has been set, the need for a paradigm shift follows in many contributions and stances, from civil society platforms and governments alike. The report “Resilient people, resilient planet: A future worth choosing”⁶ makes several propositions in this spirit. To mention a few: the integration of water, energy and food issues; a new metric beyond GDP; and the need to address the widening social inequality with what could be a new global compact. The host country endorses many of the report propositions, calling for: a global pact for sustainable production and consumption; a pact for an inclusive green economy; the development of a global socio-environmental protection programme; new indicators for measuring development, in addition to UN specific reform to enhance sustainable development.

Colombia and Guatemala are proposing that a key outcome of the Rio+20 process be the definition and agreement of a suite of Sustainable Development Goals (SDGs), similar and supportive of the MDGs. These SDGs would focus the broad debate at a practical level, and enable the preparatory process to productively address key issues for which measurable progress could be made. This means prioritizing those themes and issues that are considered critical factors in moving the sustainable development agenda forward. These could broadly include issues such as combating poverty, changing consumption patterns, and promoting sustainable human settlement.

These are inspirational goals, however, more than actions. Diagnosis can easily be turned into overarching objectives. The main issue is the need to design actions in between. Maybe the clear divide in

the negotiation process is that some countries and actors point to the lack of political will as a key explanation of our unsustainable present and future, while others stress that the economy is the key. Political will, the latter group would argue, is not enough; governments and stakeholders are much more short of *economic policies* liable to address ongoing sustainability issues. The proposition that the world needs to move towards a “green” economy implies that the economy we have is not working, at least not for the environment and future generations, hence the need to “take economics seriously”. The “how” question then is crucial: how to reframe economic forces so as to direct them toward the political goals that will be agreed upon? This divide delineates two distinct agendas and expectations for Rio+20. They can be bridged with a sequencing approach of the negotiation process until and beyond Rio +20.

4. TARGETING WHAT RIO+20 CANNOT MISS

The signposts are clear: The world needs dramatic structural change in global governance. There is dire need to introduce a stronger institutional framework for sustainable development (IFSD), develop a clear and ambitious roadmap for institutional change and bring about fundamental reform of current sustainability governance, with a strong integration of international environmental governance (IEG) into IFSD within the next decade.

4.1. Solving old issues

There are many gaps or inadequacies in the current IFSD that need to be addressed.⁸ Current sustainable development institutions are too weak and fragmented.⁹ This fragmentation – of treaties, financing, and overall authority for environmental and sustainable development

6. Ibid. 4, p. 2.

7. Najam, A., Runnalls, R., Halle, M. (2007), *Environment and Globalization: Five Propositions*. Winnipeg, Canada: International Institute for Sustainable Development (IISD).

8. We draw in this section on Steven Bernstein and Jutta Brunnée (2011), “Consultants’ Report on Options for Broader Reform of the Institutional Framework for Sustainable Development (IFSD): Structural, Legal, and Financial Aspects”. Available at: <http://www.uncsd2012.org/rio20/index.php?page=view&type=400&nr=211&menu=45>.

9. While there is no comprehensive review of sustainable development governance in the UN system, the Joint Inspection Unit’s review of global environmental governance within the UN system maps much of this terrain within the UN system, including the only organizational chart that attempts to make sense of these institutional relationships (Inomata 2008: Annex 3).

governance – has resulted in a lack of policy coherence¹⁰. Enforcement capability is lacking in many cases, as are financial resources to aid implementation and/or build capacity for sustainable development. This has led to a “policy-implementation disconnect”¹¹. In addition, monitoring, data collection and assessment are lacking on progress toward sustainable development.

When considered in the context of global governance institutions as a whole, including the UN system and International Financial Institutions (IFIs), the environmental pillar is weak in authority, priority and profile, and capacity relative to the economic pillar. Aside from funding for the Secretariat and servicing of the Governing Council, funding for UNEP activities is made on a voluntary basis. There are questions that the science-policy interface remains inadequate and suffers from a lack of means, especially at the national level. On a wide range of sustainable development priority areas and environmental concerns, progress has been lacking and/or inadequate to the task. Climate change, forestry and fisheries are among the most prominent longstanding examples. The Commission on Sustainable Development – the main UN body mandated to review progress toward sustainable development – lacks an adequate mandate to address emerging issues, mainly because its work program lacks flexibility but also because it lacks an implementation mechanism. While strides have been made to promote partnerships between government or intergovernmental authorities, business and civil society, there is a lack of cohesion.

Despite these inadequacies and in an effort to improve and reform, it is important to recall the current strengths in the system that are often overlooked. UNEP, along with other UN organisations, has been relatively successful – in norm promotion, spurring environmental awareness, and prodding UN specialized agencies to a certain extent – but overall coherence remains weak.

Several options have been proposed in terms of institutional reform through the Nairobi-Helsinki

Process, namely the reform of UNEP, an important step towards strengthening the environmental pillar and building on UNEP’s strengths. There are several areas considered for strengthening UNEP. One is on universal membership, for which the debate remains controversial, with strong concerns of trade-offs. The other is on enhancing capacity-building and a cohesive approach to meeting country needs. Other considerations include a permanent science-policy interface, the clustering of Multilateral Environmental Agreements (MEAs) and leading a system-wide environmental strategy. Overall, the enlargement of UNEP’s donor base is necessary. However, the shift towards a specialized agency is not necessarily the key solution to increase the scale of funding. Other factors, such as mandate, size and location are equally determinant¹².

Given the large scope of options, it is important to insist on three major requirements in the strengthening of UNEP. Among its core functions, UNEP must have a strategic role in providing policy advice and guidance on environmental matters, with the authority for assessment and early warning on global environment. This will allow it to build strong links between science, policy and decision-making as well as developing and disseminating scientific knowledge and information on the environment. In addition, UNEP must have a strong operational body for capacity building and science and also have the capacity for substantive coordination between MEAs. This will allow UNEP to offer capacity building and technical assistance to countries to aid in implementation of MEAs specifically, but more generally of norms, standards, and guidelines.

4.2. Filling governance gaps

Areas beyond national jurisdiction (ABNJ) or parts of the oceans which are not under the jurisdiction of any State cover around half of the planet’s surface. These biodiversity-rich areas are now subject to growing human activities (fisheries, navigation, deep-sea mining...) and anthropogenic threats and pressures (overfishing, pollution, acidification...).

Since 2004, the United Nations General Assembly has been discussing, in a dedicated working group, the adequacy of the international legal framework for ABNJ with regards to the need to protect marine biodiversity. In 2011, the discussions ended on the recommendation to initiate a process “with a view to ensuring that the legal framework

10. See Biermann, F., Pattberg P, van Asselt H, Zelli F. (2009). The fragmentation of global governance architectures: A framework for analysis. *Global Environmental Politics*. 9(4):14-40; Inomata, T. (2008) *Management Review of Environmental Governance within the United Nations System*. Geneva: UN Joint Inspection Unit, JIU/REP/2008/3.; Bernstein, Steven and Maria Ivanova. 2007. “Fragmentation and compromise in global environmental governance.” In *Global Liberalism and Political Order: Towards a New Grand Compromise?* Edited by Steven Bernstein and Louis W. Pauly. Albany, NY: State University of New York Press, 161-185.

11. Ivanova, M. (2011), “Global Governance in the 21st Century: Rethinking the Environmental Pillar.” Stakeholder Forum’s Sustainable Development Governance Programme.

12. See Ivanova, M. (2011), *Financing Institutional Environment Governance: lessons from the United Nations Environment Programme*. Governance and Sustainability Issue Briefs Series, October 2011.

for the conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction effectively addresses those issues by identifying gaps and ways forward, including through the implementation of existing instruments and the possible development of a multilateral agreement under the United Nations Convention on the Law of the Sea¹³. During this process, the following issues could be considered: access and benefit-sharing for marine genetic resources, area-based management tools including marine protected areas, environmental impact assessments, capacity building and transfer of marine technology.

As of today, there is no consensus on the need for a new multilateral agreement under the United Nations Convention on the Law of the Sea for the protection of marine biodiversity in ABNJ. Some States argue that a better implementation of existing instruments is sufficient to deliver an efficient protection, while others consider that governance and regulatory gaps do exist in the current international regime¹⁴. In this respect, Rio+20 could hopefully act as a catalyst, by helping States to secure a commitment to initiate, under the auspices of the UNGA, formal negotiations for the conclusion of a multilateral agreement¹⁵.

4.3. Improving knowledge and science/society/decision relationships

International Science-Policy Interfaces (ISPIs) are proliferating in the various regimes of international governance of sustainable development (scientific advisory bodies of various environmental conventions, IPCC, IPBES, World Water Assessment Programme, High Level Panel of Experts for Food Security and Nutrition, Assessment of Assessments [AoA] for the marine environment, foreseen panels on soils at FAO or for the UNCCD...). Their multiplication is for the moment often based on the replication of successful mechanisms or experiences, that are used as references: the IPCC has obviously been one of them, but also the Millennium Ecosystem Assessment as far as the IPBES is concerned; other main references are the role played by science in addressing long range transboundary air pollution

(LRTAP / Acid rains), stratospheric ozone depletion (Montreal Protocol), or environmental issues in the Mediterranean (Barcelona Convention).

Integrated modelling exercises and integrated assessment methods (scenario and simulation, for instance) have been co-evolving with these different exercises, playing a central role in the mechanisms that are acknowledged as successful. Influential personalities and key research institutions have also played a central role in transferring experiences from one field to another. There is therefore some genealogy underpinning the multiplication of ISPIs.

Such a proliferation comes along with an emerging consensus on the need for what some have called “a new political economy” for sustainable development, with the radical improvement of the interface between environmental science and policy¹⁶. The time seems ripe for bold global efforts, “including launching a major global scientific initiative, to strengthen the interface between science and policy” and in particular “define, through science, what scientists refer to as “planetary boundaries”, “environmental thresholds” and “tipping points” in the context of sustainable development¹⁷. Two recommendations from the United Nations Secretary-General’s High-level Panel on Global Sustainability address specifically the sciences-decision making nexus and the pressing need for better integration of science into policymaking on sustainable development at all levels.

Still, it is not just efficient but really powerful science-policy interfaces that are needed for the international governance of sustainable development: ensuring they can have power, in a legitimate and efficient way, is more than a question of institutional design. UNCSD Rio+20 should be the opportunity that the international community endorses the necessity to empower each ISPI with a strategic and political role, although this role differs depending on the issue at stake. A process should be launched to enable to specify this strategic role in each case and at the same time draw relevant lessons from other experiences without replicating one “size-fits-all models”.

4.4. Setting the stage for broader reforms

The enormity of the challenge calls for bold thinking, but it should not paralyze action just because radical change is often difficult to achieve quickly. There seems to be a need, instead, for “radical incrementalism” – recognizing and strengthening those elements within the existing institutional architecture

13. UNGA Document A/66/119 of 30 June 2011, “Letter dated 30 June 2011 from the Co-Chairs of the Ad Hoc Open-ended Informal Working Group to the President of the General Assembly”.

14. See K.M. Gjerde et al. (2008), *Regulatory and Governance Gaps in the International Regime for the Conservation and Sustainable Use of Marine Biodiversity in Areas Beyond National Jurisdiction*. IUCN, Gland, Switzerland.

15. See Billé, R., Druel, E., Rochette, J. (2011), *Advancing the Oceans agenda at Rio+20: where we must go*, IDDRI Policy Brief n° 5/11, p. 8.

16. See in particular the United Nations Secretary-General’s High-level Panel on Global Sustainability, footnote 3.

17. Idem.

that work, identifying the strategic direction of change, and implementing measured and pragmatic shifts that can begin moving the system in the appropriate direction. Progressively evaluating the implementation and progress of such measures and carefully adding to them to bring about the desired shifts is an important component of this process¹⁸.

5. UPSCALING RIO +20 OUTREACH: A ROADMAP FOR A PARADIGM SHIFT

The paradigm shift is already looming in sustainable development and globalization fora. By 2015, climate change talks will be entering a decisive and unprecedented phase of binding rule setting for all parties at the UNFCCC. At the same time, MDGs will be partly met – and partly not. Development assistance will have to reinvent itself after a decade-long cycle dedicated to the “end of poverty”. To quote a renowned World Bank specialist, “the World Bank is in crisis and its survival path is precarious”¹⁹. During this time, WTO reform will have kick-started or will be in progress, after years of deadlock even if the Doha Development Round is concluded by then. The reshuffling of power relations toward emerging economies will be further reinforced on the basis of current growth and trade prospects over the next couple of years. What should not be missed at Rio+20 to make the 2015-or-so horizon an opportunity for sustainable change is the key issue at stake.

Following a “radical incremental” approach, one feasible option seems to use ongoing negotiation items as leverage for broader and bolder reforms. On the poverty/equity front, taking stock on MDGs and world development financing institutions’ achievements seems a prerequisite for setting SDGs and clarify what would be the appropriate mandate of the financing institutions inherited from Bretton Woods. SDGs should hence be discussed from the broader perspective – and possibly as a bargaining chip – to reform the oligopolistic and fragmented structure of development financing. Issue-linking is a key to break some negotiation deadlocks: SDGs discussion should encroach on World Bank and development financing reforms. Drawing on climate change and trade governance debates, discussions should also include review processes, possibly linked to sustainable development indicators, to monitor and review progress towards these goals. Assessing global institutions performance – the International financial

institutions (IFIs) included – on sustainable development issues could be part of this agenda. Review processes should be constructive - peer review is one option even though there are other forms of review that similarly focus on helping countries meet national goals and assessing needs and opportunities for constructive engagement, learning lessons from other countries, and building capacity to help move towards desired goals. Better engaging civil society and moving towards framing an approach to think about how to ensure a growing realm of transnational initiatives with mixes of actors (public/private/governance) working towards sustainable development goals and not simply reinforcing the current system remains a prerequisite to sustain and upscale Rio+20 outreach.

Green economy and IFSD could be discussed as well from a broader perspective – namely, reforming the WTO. It is now well established that green economy is highly intensive in behind-the-border measures and non-tariff barriers and that all such measures are those for which WTO multilateral discipline is the weakest. The green race rhetoric in OECD and emerging countries raises the risk of “congestion” at the Dispute Settlement Body on issues where case-law is nil or fragile. Making green economy – and more particularly the so-called “sustainable energies” – an issue cutting across WTO and Rio+20 could help harness the inevitable reform of the world trading system toward sustainable development, while possibly easing the termination of the Doha development round.²⁰

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18. Najam, A. (ed.), Selin H., Halle, M. (2011) *Beyond Rio+20: Governance for a Green Economy*. Pardee Center Task Force Report March 2011.

19. Weaver, C. (2008), *Hypocrisy Trap: The World Bank and the Poverty of Reform*, Princeton, Princeton University Press.

20. This is the rationale of the SETA initiative – SETA for Sustainable Energy Trade Agreement. See in particular ICTSD (2011), *Fostering Low Carbon Growth: The Case for a Sustainable Energy Trade Agreement*, International Centre for Trade and Sustainable Development, Geneva, Switzerland, and Hufbauer, Gary & Kim, Jisun (2011), *Sustainable Energy Trade Agreement: A Look at the Details*, Peterson and POSCO Research Institute.