



General Assembly

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Resolution adopted by the General Assembly

[on the report of the Second Committee (A/64/420/Add.1)]

64/236. Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development

The General Assembly,

Recalling its resolutions 55/199 of 20 December 2000, 56/226 of 24 December 2001, 57/253 of 20 December 2002, 57/270 A and B of 20 December 2002 and 23 June 2003, respectively, 62/189 of 19 December 2007 and 63/212 of 19 December 2008, and all other previous resolutions on the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development,

Recalling also the Rio Declaration on Environment and Development,¹ Agenda 21,² the Programme for the Further Implementation of Agenda 21,³ the Johannesburg Declaration on Sustainable Development⁴ and the Plan of Implementation of the World Summit on Sustainable Development (“Johannesburg Plan of Implementation”),⁵ as well as the Monterrey Consensus of the International Conference on Financing for Development⁶ and the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus,⁷

¹ *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex I.

² *Ibid.*, annex II.

³ Resolution S-19/2, annex.

⁴ *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August–4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 1, annex.

⁵ *Ibid.*, resolution 2, annex.

⁶ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18–22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

⁷ Resolution 63/239, annex.



Recalling further the Programme of Action for the Sustainable Development of Small Island Developing States,⁸ the Declaration and state of progress and initiatives for the future implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,⁹ and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,¹⁰

Reaffirming the commitment to implement Agenda 21, the Programme for the Further Implementation of Agenda 21, the Johannesburg Plan of Implementation, including the time-bound goals and targets, and the other internationally agreed development goals, including the Millennium Development Goals,

Recalling the 2005 World Summit Outcome,¹¹

Reaffirming the decisions taken at the eleventh session of the Commission on Sustainable Development,¹²

Recalling the adoption by the Commission of a multi-year programme of work¹² designed to contribute to advancing the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation at all levels,

Recalling also the decision taken by the Commission at its eleventh session that in review years it should discuss the contribution of partnerships towards supporting the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation with a view to sharing lessons learned and best practices, identifying and addressing problems, gaps and constraints and providing further guidance, including on reporting, during policy years, as necessary,¹³

Reiterating that sustainable development in its economic, social and environmental aspects is a key element of the overarching framework for United Nations activities, and reaffirming the continuing need to ensure a balance among economic development, social development and environmental protection as interdependent and mutually reinforcing pillars of sustainable development,

Noting that challenges remain in achieving the goals of the three pillars of sustainable development, particularly in the context of the current global crises,

Taking note with appreciation of the offer of the Government of Brazil to host a United Nations conference on sustainable development in 2012,

Reaffirming that eradicating poverty, changing unsustainable patterns of production and consumption and protecting and managing the natural resource base of economic and social development are overarching objectives of and essential requirements for sustainable development,

⁸ *Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, Barbados, 25 April–6 May 1994* (United Nations publication, Sales No. E.94.I.18 and corrigenda), chap. I, resolution 1, annex II.

⁹ Resolution S-22/2, annex.

¹⁰ *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10–14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.

¹¹ See resolution 60/1.

¹² See *Official Records of the Economic and Social Council, 2003, Supplement No. 9* (E/2003/29), chap. I.

¹³ *Ibid.*, draft resolution I, para. 23 (e).

Recognizing that good governance within each country and at the international level is essential for sustainable development,

Recalling that the Johannesburg Plan of Implementation designated the Commission to serve as the focal point for discussion on partnerships that promote sustainable development and contribute to the implementation of intergovernmental commitments in Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation,

Recognizing that eradicating poverty is the greatest global challenge facing the world today and an indispensable requirement for sustainable development, in particular for developing countries, and that although each country has the primary responsibility for its own sustainable development and poverty eradication and the role of national policies and development strategies cannot be overemphasized, concerted and concrete measures are required at all levels to enable developing countries to achieve their sustainable development goals as related to the internationally agreed poverty-related targets and goals, including those contained in Agenda 21, the relevant outcomes of other United Nations conferences and the United Nations Millennium Declaration,¹⁴

Recalling that the Economic and Social Council should increase its role in overseeing system-wide coordination and the balanced integration of economic, social and environmental aspects of United Nations policies and programmes aimed at promoting sustainable development, and reaffirming that the Commission should continue to be the high-level commission on sustainable development within the United Nations system and serve as a forum for consideration of issues related to the integration of the three dimensions of sustainable development,

Welcoming the outcome of the seventeenth session of the Commission on the thematic issues of agriculture, rural development, land, drought, desertification and Africa,¹⁵

Recalling that the themes of the eighteenth and nineteenth sessions of the Commission, namely, transport, chemicals, waste management, mining and a ten-year framework of programmes on sustainable consumption and production patterns are interlinked and should be addressed in an integrated manner, taking into account the economic, social and environmental dimensions of sustainable development, related sectoral policies and cross-cutting issues, including means of implementation, as identified at the eleventh session of the Commission,

Reiterating that fundamental changes in the way societies produce and consume are indispensable for achieving global sustainable development and that all countries should promote sustainable consumption and production patterns, with the developed countries taking the lead and with all countries benefiting from the process, taking into account the Rio principles,¹ including the principle of common but differentiated responsibilities as set out in paragraph 7 of the Rio Declaration on Environment and Development, and also reiterating that Governments, relevant international organizations, the private sector and all major groups should play an active role in changing unsustainable consumption and production patterns,

¹⁴ See resolution 55/2.

¹⁵ See *Official Records of the Economic and Social Council, 2009, Supplement No. 9 (E/2009/29)*, chap. I, resolution 17/1.

1. *Takes note* of the report of the Secretary-General;¹⁶
2. *Reiterates* that sustainable development is a key element of the overarching framework for United Nations activities, in particular for achieving the internationally agreed development goals, including the Millennium Development Goals, and those contained in the Johannesburg Plan of Implementation;⁵
3. *Calls upon* Governments, all relevant international and regional organizations, the Economic and Social Council, the United Nations funds and programmes, the regional commissions and specialized agencies, the international financial institutions, the Global Environment Facility and other intergovernmental organizations, in accordance with their respective mandates, as well as major groups, to take action to ensure the effective implementation of and follow-up to the commitments, programmes and time-bound targets adopted at the World Summit on Sustainable Development, and encourages them to report on concrete progress in that regard;
4. *Calls for* the effective implementation of the commitments, programmes and time-bound targets adopted at the World Summit on Sustainable Development and for the fulfilment of the provisions relating to the means of implementation, as contained in the Johannesburg Plan of Implementation;
5. *Reiterates* that the Commission on Sustainable Development is the high-level body responsible for sustainable development within the United Nations system and serves as a forum for the consideration of issues related to the integration of the three dimensions of sustainable development, and underlines the need to further support the work of the Commission, taking into account its existing mandate and the decisions taken at its eleventh session;
6. *Encourages* countries to present, on a voluntary basis, in particular at the Commission's review sessions, national reports focusing on concrete progress in implementation, including achievements, constraints, challenges and opportunities;
7. *Emphasizes* the importance of a consensus outcome and action-oriented policy sessions;
8. *Encourages* Governments to participate at the appropriate level, in the eighteenth session of the Commission, with representatives, including ministers, from the relevant departments and organizations working in the areas of transport, chemicals, waste management, mining and sustainable consumption and production, as well as finance;
9. *Recalls* the decision of the Commission at its eleventh session that activities during Commission meetings should provide for the balanced involvement of participants from all regions, as well as for gender balance;¹⁷
10. *Invites* donor countries to consider supporting the participation of representatives from the developing countries in the eighteenth session of the Commission, inter alia, through contributions to the Commission's trust fund;
11. *Reaffirms* the objective of strengthening the implementation of Agenda 21,² including through the mobilization of financial and technological

¹⁶ A/64/275.

¹⁷ See *Official Records of the Economic and Social Council, 2003, Supplement No. 9 (E/2003/29)*, chap. I, sect. A, draft resolution I, para. 2 (j).

resources, as well as capacity-building programmes, in particular for developing countries;

12. *Also reaffirms* the objective of enhancing the participation and effective involvement of civil society and other relevant stakeholders, as well as promoting transparency and broad public participation, in the implementation of Agenda 21;

13. *Requests* the secretariat of the Commission to coordinate the participation of the relevant major groups in the thematic discussions at the eighteenth session of the Commission and the reporting on the fulfilment of corporate responsibility and accountability with respect to the thematic cluster of issues, in accordance with the provisions of the Johannesburg Plan of Implementation;

14. *Reaffirms* the need to promote corporate social responsibility and accountability as envisaged by the Johannesburg Plan of Implementation;

15. *Requests* the secretariat of the Commission to make arrangements to facilitate the balanced representation of major groups from developed and developing countries in the sessions of the Commission, and in this regard invites donor countries to consider supporting the participation of major groups from developing countries, inter alia, through contributions to the Commission's trust fund;

16. *Encourages* contributions by the regional implementation meetings and other regional events to the Commission at its eighteenth session;

17. *Reiterates its invitation* to the relevant United Nations funds and programmes, the regional commissions and specialized agencies, the international and regional financial and trade institutions and the Global Environment Facility, as well as the secretariats of the multilateral environmental agreements and other relevant bodies, to actively participate, within their mandates, in the work of the Commission at its eighteenth session;

18. *Encourages* Governments and organizations at all levels, as well as major groups, to undertake results-oriented initiatives and activities to support the work of the Commission and to promote and facilitate the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21³ and the Johannesburg Plan of Implementation, including through voluntary multi-stakeholder partnership initiatives;

19. *Requests* the Secretary-General, in reporting to the Commission at its eighteenth session, on the basis of appropriate inputs from all levels, to submit a thematic report on each of the five issues contained in the thematic cluster to be considered at the session, namely, transport, chemicals, waste management, mining and a ten-year framework of programmes on sustainable consumption and production patterns, taking into account their interlinkages as well as cross-cutting issues, including means of implementation identified by the Commission at its eleventh session, and takes into account the relevant provisions of paragraphs 10, 14 and 15 of draft resolution I adopted by the Commission at its eleventh session;¹²

20. *Decides* to organize, in 2012, the United Nations Conference on Sustainable Development at the highest possible level, including Heads of State and Government or other representatives, in this regard accepts with gratitude the generous offer of the Government of Brazil to host the Conference, and decides that:

(a) The objective of the Conference will be to secure renewed political commitment for sustainable development, assessing the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development and addressing new and emerging challenges. The focus of

the Conference will include the following themes to be discussed and refined during the preparatory process: a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development;

(b) The Conference will result in a focused political document;

(c) The Conference and its preparatory process should take into account the decision taken at the eleventh session of the Commission to carry out, at the conclusion of the multi-year programme of work, an overall appraisal of the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation;

(d) The Conference, including its preparatory process, should ensure the balanced integration of economic development, social development and environmental protection, as these are interdependent and mutually reinforcing components of sustainable development;

(e) It is important that there be efficient and effective preparations at the local, national, regional and international levels by Governments and the United Nations system so as to ensure high-quality inputs without placing undue strain on Member States;

(f) It must be ensured that the Conference and related preparations do not adversely affect other ongoing activities;

21. *Encourages* the active participation of all major groups, as identified in Agenda 21 and further elaborated in the Johannesburg Plan of Implementation and decisions taken at the eleventh session of the Commission, at all stages of the preparatory process, in accordance with the rules and procedures of the Commission as well as its established practices related to the participation and engagement of major groups;

22. *Invites* relevant stakeholders, including organizations and bodies of the United Nations, international financial institutions and major groups involved in the area of sustainable development, to provide ideas and proposals reflecting their experiences and lessons learned as a contribution to the preparatory process;

23. *Decides* that a preparatory committee will be established within the framework of the Commission to carry out the preparations for the United Nations Conference on Sustainable Development, which will provide for the full and effective participation of all States Members of the United Nations and members of the specialized agencies, as well as other participants in the Commission, in accordance with the rules of procedure of the functional commissions of the Economic and Social Council and the supplementary arrangements established for the Commission by the Council in its decisions 1993/215 of 12 February 1993 and 1995/201 of 8 February 1995;

24. *Invites* regional groups to nominate their candidates for the ten-member Bureau of the Preparatory Committee no later than 28 February 2010 so that they can be involved in its preparations in advance of the first session of the Preparatory Committee;

25. *Decides* that:

(a) The first meeting of the Preparatory Committee will be held in 2010 for three days, immediately after the conclusion of the eighteenth session and the first meeting of the nineteenth session of the Commission to discuss the substantive

themes of the Conference, as decided in accordance with the present resolution, and pending procedural matters, as well as to elect the Bureau;

(b) The second meeting of the Preparatory Committee will be held in 2011 for two days immediately after the conclusion of the Intergovernmental Preparatory Meeting for the nineteenth session of the Commission to discuss further the substantive themes of the Conference;

(c) The third and final meeting of the Preparatory Committee will be held in Brazil in 2012 for three days to discuss the outcome of the Conference, immediately preceding the United Nations Conference on Sustainable Development, which will also be held for three days. In this regard, the Commission will postpone its multi-year programme of work for one year;

(d) Regional implementation meetings will become regional preparatory meetings for the Conference in 2011;

26. *Requests* the Secretary-General to submit a report on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes identified above, to the Preparatory Committee at its first meeting;

27. *Also requests* the Secretary-General to provide all appropriate support to the work of the preparatory process and the Conference, ensuring inter-agency participation and coherence as well as the efficient use of resources;

28. *Encourages* international and bilateral donors and other countries in a position to do so to support the preparations for the Conference through voluntary contributions to the Commission's trust fund and to support the participation of representatives of developing countries, and invites voluntary contributions to support the participation of major groups of developing countries in the regional and international preparatory processes and the Conference itself;

29. *Decides* to include in the provisional agenda of its sixty-fifth session the sub-item entitled "Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development", and requests the Secretary-General, at that session, to submit a report on the implementation of the present resolution, including on the progress of the preparations for the United Nations Conference on Sustainable Development.

*68th plenary meeting
24 December 2009*



General Assembly

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Preparatory Committee for the United Nations Conference on Sustainable Development

First session

17-19 May 2010

Item 2 of the provisional agenda*

Adoption of the agenda and other organizational matters

Provisional agenda

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference.
4. Organizational and procedural matters.
5. Draft rules of procedure of the Conference.
6. Adoption of the report of the Preparatory Committee on its first session.

Annotations

1. Election of officers

By its resolution 64/236, the General Assembly, inter alia, decided to establish a Preparatory Committee for the United Nations Conference on Sustainable Development and to convene its first meeting immediately after the conclusion of the eighteenth session and the first meeting of the nineteenth session of the Commission on Sustainable Development. It invited regional groups to nominate their candidates for the 10-member Bureau of the Preparatory Committee, which would thus be composed of two representatives from each of the five regional groups.

The Preparatory Committee would elect a Chairperson and nine Vice-Chairpersons, one of whom would also serve as the Rapporteur.

* A/CONF.216/PC/1.



2. Adoption of the agenda and other organizational matters

In paragraph 25 (a) of its resolution 64/236, the General Assembly decided that the first session of the Preparatory Committee would discuss the substantive themes of the Conference, namely a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development, and pending procedural matters, as well as elect its Bureau.

The Preparatory Committee may wish to also decide on the specific modalities of its future sessions, taking into account the provisions of paragraph 25 (a), (b), (c) and (d) of General Assembly resolution 64/236.

3. Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference

In paragraph 26 of its resolution 64/236, the General Assembly requested the Secretary-General to submit a report on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference.

Documentation

Report of the Secretary-General on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference

4. Organizational and procedural matters

In paragraph 25 (a), (b) and (c) of its resolution 64/236, the General Assembly decided on the number and timing of the preparatory meetings and that the first meeting will discuss pending procedural matters.

Documentation

Note by the Secretariat on organizational and procedural matters

5. Draft rules of procedure of the Conference

The Preparatory Committee will have before it draft provisional rules of procedure of the Conference.

Documentation

Note by the Secretary-General containing draft provisional rules of procedure for the Conference

6. Adoption of the report of the Preparatory Committee on its first session

The report of the Preparatory Committee on its first session will be submitted to the General Assembly at its sixty-fifth session for its consideration and appropriate action.



General Assembly

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Preparatory Committee for the United Nations Conference on Sustainable Development

First session

17-19 May 2010

Item 3 of the provisional agenda*

Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference

Report of the Secretary-General

Summary

The concept of sustainable development is like a bridge. It seeks to bring together not only the three domains — economic, social and environmental — but also developed and developing countries, Governments, businesses and civil society, scientific knowledge and public policy, the city and the countryside, and present and future generations. It has also created the awareness that the environment and development are not two separate agendas, but two faces of the same agenda. Development is the midwife of sustainability, just as sustainability is the life support system for development. At its advent over two decades ago, this idea offered tremendous excitement and hope. The time has come not only to review and assess what has been achieved on the basis of this vision, but also to build upon it and revive its promise of integration, unity and aspiration: the “spirit of Rio”.

* A/CONF.216/PC/1.

This report is submitted to support the first session of the Preparatory Committee for the United Nations Conference on Sustainable Development, authorized by the General Assembly in its resolution 64/236. In accordance with that resolution, the report provides an assessment of the progress and gaps in implementation of sustainable development decisions since 1992, as well as a review of the two themes of the Conference, namely the green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development.

The assessment of progress is based on four mutually complementary yardsticks:

(a) *Separate*. Some progress has occurred in each of the three dimensions — economic development, environmental protection and social development — but there are important gaps;

(b) *Joint*. There is evidence of progress towards convergence between the economic and social pillars, but evidence of convergence between those pillars and the environmental pillar is far more limited and the overall picture is one of divergence; progress to date is also threatened by the series of crises that affected the global economy starting in 2008;

(c) *Commitments*. There are indications of progress on the fulfilment of some of the commitments made by Governments and other stakeholders at major global summits, including integrated policy and strategy development, institutional development and international cooperation in financing, technology transfer and capacity-building; however, many commitments have not been actualized in practice, and there is evidence of fragmentation of policies and actions;

(d) *Contextual*. Situating recent trends within the longer term context, the emerging crises have imbued a sense of urgency to environmental and developmental objectives.

The analysis of the two themes of the Conference is based on the existing literature and on the contributions of Member States, major groups and United Nations entities.

The green economy approach is an attempt to unite under one banner a broad suite of economic instruments relevant to sustainable development. The report sets out the history of the concept, the contributions and conceptual frameworks of various organizations, and a set of questions on which further work is needed, especially in order to make the approach relevant to sustainable development and poverty eradication.

The report also provides a broad picture of the institutions for sustainable development that have been established so far, with a special focus on the Commission on Sustainable Development and the United Nations Environment Programme in the context of the international environmental governance process. It identifies the key functions that need to be kept in mind when considering alternative proposals for the strengthening, support and reform of existing institutions or the creation of new ones.

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I. Introduction

1. In General Assembly resolution 64/236 (para. 20), Member States called for a United Nations Conference on Sustainable Development to be organized “at the highest possible level” in 2012, with three objectives, namely, securing renewed political commitment for sustainable development, assessing the progress to date and remaining gaps in implementation of the outcomes of the major summits on sustainable development, and addressing new and emerging challenges. To that end Member States decided that the Conference would “result in a focused political document”. The resolution stipulates two specific themes for the Conference:

(a) A green economy in the context of sustainable development and poverty eradication;

(b) The institutional framework for sustainable development.

2. In terms of process (see A/CONF.216/PC/3 and A/CONF.216/PC/4), the resolution calls for three Preparatory Committee meetings, lasting a total of eight days between 2010 and 2012, and requests the Secretary-General, in preparation for the first meeting, to submit a report on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the two Conference themes.

II. Overview

3. The expectations for the United Nations Conference on Sustainable Development, especially the call of the General Assembly for a renewed political commitment to sustainable development, are guided by the history of international agreements on the subject, especially the broadly shared and long-standing consensus over a vision of shared prosperity within the carrying capacity of the Earth’s ecosystems. While the conceptual framework has a longer history and pedigree, the term sustainable development — and its definition as development that meets the needs of the present without compromising the ability of future generations to meet their own needs — was fixed in public policy discourse and the popular imagination by the Brundtland report in 1987.¹ That report laid the groundwork for the promise of the Rio Declaration on Environment and Development² adopted at the United Nations Conference on Environment and Development in 1992 to provide for healthy and fulfilling lives for the current generation, while entrusting to future generations the means to do the same.

4. As the international community prepares for the twentieth anniversary of the United Nations Conference on Environment and Development and the twenty-fifth anniversary of the Brundtland report, this is a time for reflection on what has been achieved and what has been left undone by the past generation. The “interlocking crises” of the Brundtland report (energy, development and the environment) are still with us, though in more advanced forms, and a few more have been added: food

¹ Report of the World Commission on Environment and Development: “Our Common Future” (A/42/427, annex).

² *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum, resolution 1, annex I).

security, climate change, the global economic crisis, and poverty and the Millennium Development Goals. These crises are interlinked and call for a sustainable development perspective.

5. In practical terms, the consensus on sustainable development calls for international cooperation and national leadership to achieve a convergence between the three pillars of sustainable development — economic development, social development and environmental protection — in particular by accelerating the upward convergence in living standards around the globe and bringing about a swift downward convergence of environmental impacts.

6. The assessment presented in this report is situated firmly within this vision. It focuses not simply on the three individual pillars, but on the convergence between them. It examines not only outcomes, but also coherence among national and international policies and institutional structures. This focus on integration, coherence and convergence is consistent with the views of Member States in their submissions on the desirability of holding the United Nations Conference on Sustainable Development; many States used the terms “coherence” or “integration” to refer to the value added by sustainable development.

7. The report uses this assessment to review the state of the art on the issues outlined in the General Assembly resolution: the impact of emerging challenges; the potential role of the green economy for sustainable development and poverty eradication; and institutions for sustainable development.

III. State of implementation and remaining gaps

8. The assessment contained in the present report offers four yardsticks to measure progress on sustainable development since 1992: “separate”, i.e., changes in indicators of each of the three dimensions of sustainable development; “joint”, i.e., movement towards convergence between these dimensions; “commitments”, i.e., fulfilment of international and national commitments; and “contextual”, i.e., progress in comparison with the longer term challenge.

9. Traditionally, assessment of progress towards sustainable development has followed the structure of the chapters of Agenda 21,³ which corresponds broadly with the three pillars of sustainable development. The website of the Division for Sustainable Development (www.un.org/esa/dsd) of the Department of Economic and Social Affairs of the Secretariat maintains a continuously updated matrix that charts global progress in terms of key indicators under each chapter of Agenda 21. On poverty and the social pillar in particular, information on Millennium Development Goals indicators has been tracked since 1990 and is described in detail in the report of the Secretary-General for the high-level plenary meeting of the General Assembly on the Millennium Development Goals in September 2010 (A/64/665).

A. Progress on the three pillars

10. Overall, the trends are mixed. While progress has been made on the economic front and in the amelioration of poverty in some regions, the dividends have been

³ Ibid., annex II.

unequally shared between and within countries, many countries are not on track for achieving key Millennium Development Goals, and most of the environmental indicators have continued to deteriorate.

Economic

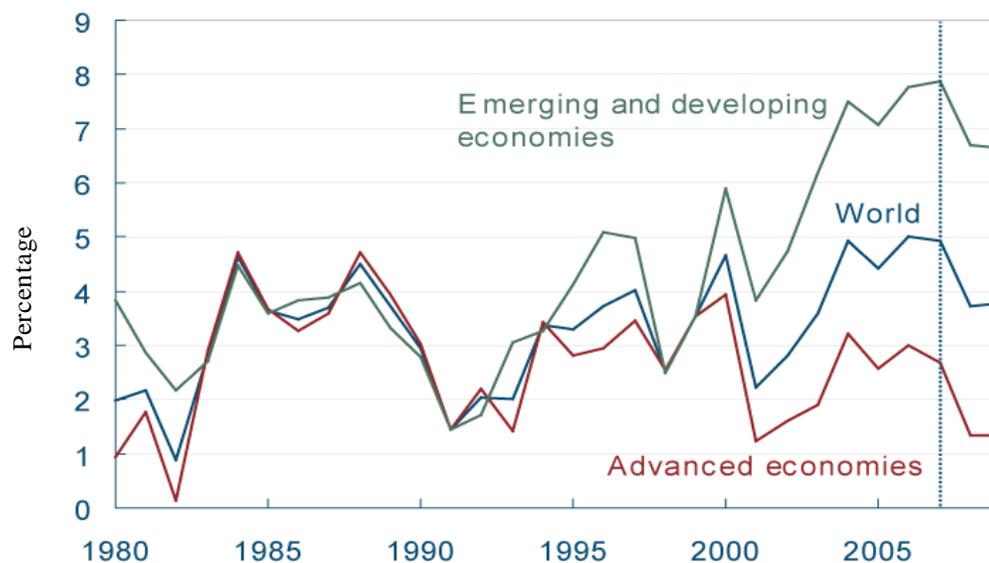
11. On the positive side is the acceleration of economic growth in developing and emerging economies since the mid-1990s (see figure), especially in several large developing countries that cover the majority of the world's population. But this pattern is far from universal. Sub-Saharan Africa has fallen further behind the other regions in terms of per capita income, and the growth momentum also remains slow in other least developed countries, landlocked countries and small island developing States. The ongoing global economic crisis has substantially slowed growth in many developing countries, although the robust growth of key emerging economies has prevented an even deeper global recession.

12. The growth momentum has been especially notable in East Asian countries, and its contributory factors have been debated extensively in the professional literature. A recent review⁴ traces this success to strong and competent State institutions that were able to channel investment into critical infrastructure and research and development, create a conducive policy environment for entrepreneurship, promote high savings and investment, including in education, and stimulate exports, as well as integrate into international markets.

Figure

World economic growth

Annual change (per cent)



Source: International Monetary Fund, World Economic Outlook Database, April 2008.

⁴ See, for example, Joseph E. Stiglitz and Shahid Yusuf, eds., *Rethinking the East Asian Miracle* (Washington, D.C., World Bank; New York, Oxford University Press, 2001).

13. Notwithstanding the recent increase in the growth rate, the remaining challenge continues to be significant. Per capita income levels, which are closely correlated with the achievement of human development goals, reveal a huge disparity around the world. Countries with high human development, mainly industrialized countries, have per capita incomes of \$40,000 or more. The least developed countries, especially in sub-Saharan Africa, have less than \$1,000 per capita. In between, there is growing disparity. Some of the faster developing countries (mainly in Latin America, but including, for example, Malaysia, South Africa and Turkey) and countries with economies in transition have reached levels of per capita income of between \$5,000 and \$10,000. The two most populous economies, China and India, are one step behind, at \$3,000 and \$1,000 respectively. A unique situation is the Republic of Korea, which with a per capita income level of \$20,000 is rapidly moving into the league of developed economies. Even at conservative estimates, income levels in the poorest nations will need to increase by a factor of 20 or more in order to achieve adequate human development, while those of the broad range of countries in between may need to increase five or tenfold. Even at the heady growth rates experienced by China and some other emerging economies in recent years, it will take at least a generation for the middle-income countries to accomplish this task, and much more for the poorest countries.

14. In the meantime, questions have begun to emerge as to whether the recent economic crisis heralds an end to the period of rapid growth in emerging economies, whether resource constraints will become binding too fast to be able to complete the development transition, whether the international commitment to development goals will be sustained despite the pressures of the economic crisis or the resource crisis, and whether the benefits of faster growth can be distributed more equitably within countries. All these questions constitute, in brief, the challenge of sustainable development, and therefore the challenge for the United Nations Conference on Sustainable Development.

Social

15. The acceleration of growth has contributed positively to social indicators and Millennium Development Goals in the faster growing economies. However, progress is uneven across countries, regions and key indicators; and even the limited progress has been set back in many places by the recent multiple and interlocking crises. Of the 84 countries (out of 144) with available data on Millennium Development Goals, only 45 are on track to meet the poverty reduction target. The rest, including 75 per cent of African countries and 10 out of 12 fragile States, are not.⁵ On the remaining targets as well, sub-Saharan Africa shows, progress that is too slow, no progress or deterioration across the range of Millennium Development Goal targets. Limited progress or deterioration is also commonplace in Oceania and Western Asia, though on many indicators the starting point was more favourable than it was for sub-Saharan Africa.

16. In the *Report on the World Social Situation 2010: Rethinking Poverty*,⁶ the Department of Economic and Social Affairs describes the situation regarding

⁵ World Bank, *Global Monitoring Report 2009: A Developing Emergency* (Washington, D.C., 2009), see annex, Monitoring the MDGs: selected indicators, Eradicate extreme poverty and hunger, figure 2.

⁶ United Nations publication, Sales No. E.09.IV.10.

income poverty in 2005 (below \$1.25 per day per person) and the differences between countries in reducing it. Poverty remains an enormous problem in sub-Saharan Africa and South Asia, where 50.9 and 40.3 per cent of the population respectively were poor by this measure. In 1990, East Asia and the Pacific had similar poverty rates as these regions, but had reduced it to 16.8 by 2005, far exceeding the Millennium Development Goal target. Similar disparity between regions is also evident on other key indicators. For example, although there is some convergence in primary school enrolment, progress has been slow in sub-Saharan Africa and South Asia on secondary enrolment and removal of genders disparities.⁷ Similarly, while there have been significant achievements in some health indicators (especially in measles vaccination and improvement in the fight against malaria),⁸ other indicators show uneven and unacceptable trends. Maternal and child health care has deteriorated in HIV/AIDS afflicted areas, under-5 mortality rates remain unacceptably high, life expectancy has declined by a year or more since 1990 in 15 countries (11 in sub-Saharan Africa) overwhelmingly because of HIV/AIDS, and the maternal mortality indicator continues to show the largest gap between rich and poor, both between and within countries.⁹

17. The magnitude of the remaining challenges cannot be overemphasized. Deep poverty and malnutrition not only are still widespread, they have increased with the recent crises, highlighting the fragility of the successes achieved so far. One billion persons are still undernourished. Unemployment and underemployment remain the reality for a large fraction, sometimes the majority, of the population in developing countries. In many countries, social safety nets remain elusive for workers in the informal sector and for poor families. In times of crises, developing countries have been hard pressed to develop or maintain social protection systems because of the lack of fiscal space, which has prevented them from adopting stimulus packages like those in developed countries.¹⁰

18. The critical role of modern energy services in advancing progress towards sustainable development and the Millennium Development Goals is becoming more widely appreciated. There is an opportunity for the international community to support developing countries in a swift modern energy transition centred on low-carbon energy sources. Renewable energy technologies have a large untapped potential and provide an effective means to satisfy decentralized and remote electricity demand. Effective deployment and transfer of renewable technologies, however, will require global private and public cooperation to scale up investments and drive down costs. As renewable electricity is still too expensive for most consumers in developing countries, international financial support will be crucial during the transition to cost parity.

Environmental

19. The environmental pillar is perhaps where progress has been the slowest, though the picture here too is mixed. Per capita use of resources as well as fossil

⁷ World Bank, *World Development Indicators 2009*.

⁸ World Health Organization, *World Malaria Report 2008*.

⁹ Anne Case and Christina Paxson, "The impact of the AIDS pandemic on health services in Africa: evidence from demographic health surveys", Research Program in Development Studies and Center for Health and Wellbeing, Princeton University, March 2009.

¹⁰ See United Nations, Department of Economic and Social Affairs, "A global green new deal for sustainable development", Policy Brief No. 12 (March 2009).

energy, and consequently greenhouse gas emissions, remain stubbornly high in developed countries, at several multiples of those in developing countries. In the fast growing developing countries, while per capita use is still low, rapid industrial development, urbanization and expansion of the middle class has exacerbated local environmental problems of pollution, waste and congestion. At the same time, these countries have seen improvement in other local environmental indicators such as access to clean water and sanitation; even in these, progress is still too slow in rural South Asia and sub-Saharan Africa. Globally, the pressure on ecosystems continues to increase, and loss of forests and biodiversity has continued, albeit at a decelerating rate. A recent scientific study suggests that the safe boundary may already have been exceeded in three areas: ecosystems, climate change and the nitrogen cycle.¹¹

20. Although it is widely accepted that a rich mix of species underpins the resilience of ecosystems, little is known quantitatively about how much and what kinds of biodiversity can be lost before this resilience is eroded. In the absence of this information, scientific advice focuses on the rate of extinction and impact on poverty. The rate of species loss is estimated to be between 100 and 1,000 times what is considered to be natural, which may be between 10 and 100 times above the safe threshold. The International Union for the Conservation of Nature Red List indicates that 17,291 species out of 47,677 evaluated species are under threat, including 21 per cent of mammals and 70 per cent of plants.¹² Up to 30 per cent of mammal, bird and amphibian species will be threatened with extinction this century. Marine species are under pressure from global warming, ocean acidification, pollution and overexploitation.¹³ Targets set by the Convention on Biological Diversity for a significant reduction in the rate of biodiversity loss by 2010 and to protect 10 per cent of the world's forests will not be met. Since the majority of the world's poor live in rural areas and rely on local biological resources for their lives and livelihoods, the rate of biodiversity loss has a direct impact on the most vulnerable populations.

21. While there is a scientific and political consensus over the threat posed by climate change, remedial and mitigation efforts have been slow and inadequate. As at 31 March 2010, 114 countries had communicated their support of the Copenhagen Accord,¹⁴ which includes a commitment to limit temperature rise to 2° C, national commitments by annex I parties to the United Nations Framework Convention on Climate Change on emissions reductions, a range of nationally appropriate mitigation actions by developing countries, establishment of a technology mechanism and reduction of emissions from deforestation and forest degradation (REDD-plus), and an immediate financial commitment by developed countries approaching \$30 billion between 2010 and 2012, rising to \$100 billion by 2020.

¹¹ Johan Rockstrom and others, "A safe operating space for humanity" *Nature*, vol. 461, No. 7263, pp. 472-475 (September 2009).

¹² International Union for the Conservation of Nature, "Extinction crisis continues apace", press release, 3 November 2009, available from www.iucn.org.

¹³ *United Nations Environment Programme Yearbook 2010: New Science and Developments in our Changing Environment*.

¹⁴ Report of the Conference of the Parties to the United Nations Framework Convention on Climate Change, fifteenth session, Copenhagen, 7-19 December 2009, decision 2/CP.15.

B. Progress in convergence of the three pillars

22. The core message of sustainable development is that the three pillars represent not three separate targets, but a single one, and that development is the midwife of sustainability, just as much as sustainability is the life support system for development. The goal, and indeed the ultimate test, of sustainable development is the convergence among the three trajectories of economic growth, social improvement and environmental protection.

23. Notwithstanding a few promising trends, the overall record fails to meet this test. The most promising trend is the improved convergence between the economic and social dimensions, and although this too is partially compromised by rising income inequality, the growth rate remains the strongest predictor of timely achievement of key social targets. Beyond this, most indicators of environmental improvement have not demonstrated appreciable convergence with those of economic and social progress; indeed, the overall picture is one of increased divergence, although a few positive developments can be applauded.

24. The slow progress can be attributed in part to the overall low consumption in developing countries, which will require increases in material consumption before reaching a stable level. Furthermore, while developed countries have succeeded in ameliorating some of the adverse impacts on the environment through higher application of chemical, mechanical or electrical energy (e.g., in treating polluted water bodies, expanding the use of recycling and reclaiming metals from waste), developing countries are handicapped in this regard because of the high costs and low availability of modern energy services.

25. Furthermore, these handicaps are situated within a number of persistent structural trends, which respond very gradually to policy intervention (demographics, urbanization, globalization, technological change and changes in national economic structures). Thus, while globalization has contributed to the rapid income growth and poverty reduction in emerging economies, it has also made it possible to shift environmental impacts across borders, thus rendering them resistant to national policy instruments. The de-coupling of production activity from environmental degradation in one country has often been produced by a shift of resource-intensive production to another country.

26. Finally, there is also a slippage in terms of the commitments to adopt integrated national policies, establish necessary coordinating institutions and provide international financial and technical support. These are covered in the following section.

C. Progress in fulfilling commitments

27. There are several critical gaps with regard to the fulfilment of national and international commitments, although a number of achievements have been made. While countries have expanded their menu of policy options, this has not led towards greater policy coherence. While integrated planning and policies and national sustainable development strategies have become acceptable, their impact remains limited because of ad hoc and inconsistent application. While important institutions have been established to promote or monitor the integrated pursuit of sustainable development, many have not received adequate support, some have

languished, and most have not been able to synergize well with complementary processes or institutions. While financial and other commitments of international support have been made, they have neither achieved greater coherence nor always been fully realized in practice. While the participation of major groups has become the norm, there is limited success in scaling up or replicating promising multi-stakeholder initiatives. Finally, while political commitment to addressing climate change has risen dramatically, it has not yet translated into concrete actions and results; this is in part because climate change has not been approached as an integrated sustainable development challenge.

28. The international consensus on sustainable development envisaged integrated decision-making at the national and local levels, in the form of national or local Agenda 21 processes and sustainable development strategies. While some of this has happened in practice, it has not yet taken a form that could promote convergence on a sustained basis. For example, as at 2009, 106 countries had reported that they were currently implementing a national sustainable development strategy, but these are rarely viewed as the principal vehicle for policy coordination. In practice, a number of coordinating and planning mechanisms have been used in developing countries, often in parallel, and with similar or overlapping tasks, including conventional development planning, poverty reduction strategy papers, United Nations Development Assistance Frameworks, national conservation strategies, national environmental action plans and others. These reflect not only the diversity of institutional arrangements but also differences in the understanding of what sustainable development means. The resulting proliferation undermines the very purpose of these mechanisms by weakening and fragmenting the efforts to introduce coherence. Thus, while it cannot be said that the commitment to prepare a national sustainable development strategy has been ignored, the action has not had the desired impact.

29. This is also true at local levels. In the immediate aftermath of the United Nations Conference on Environment and Development, there was considerable interest in local Agenda 21 processes. A report prepared by the International Council for Local Environmental Initiatives¹⁵ in preparation for the Johannesburg World Summit on Sustainable Development in 2002, showed that 6,416 local governments in 113 countries had committed to the local Agenda 21 process by 2001, and of these 61 per cent had advanced to an action planning phase; almost all (89 per cent) had been developed with stakeholder involvement. No comparable survey has been undertaken recently, although anecdotal evidence does not indicate an equivalent level of activity or enthusiasm. The preparatory process for the United Nations Conference on Sustainable Development could reignite this enthusiasm, especially given that information and communications technologies have made possible global networking among local authorities, civil society organizations and other actors in a manner that would have been inconceivable 20 years ago.

30. Besides the formal Agenda 21 process, a number of cities and local governments have institutionalized integrated approaches to key issues (transport,

¹⁵ International Council for Local Environmental Initiatives, "Second local Agenda 21 survey", background paper No. 15 submitted to the Commission on Sustainable Development acting as the preparatory committee for the World Summit on Sustainable Development, second preparatory session (DESA/DSD/PC2/BP15), available from www.iclei.org/documents/Global/final_document.pdf.

waste management, water and energy), with the support of the United Nations Human Settlements Programme and the regional commissions. In addition, several pro-poor initiatives have supported integrated sustainable livelihood approaches, and have received support from United Nations programmes and agencies (the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development and the regional commissions) as well as bilateral donors. Several pro-poor programmes (for example, the Rural Support Programme Network in Pakistan, the Bangladesh Rural Advancement Committee and Grameen in Bangladesh, Bolsa Familia in Brazil, Programa de Educación, Salud y Alimentación in Mexico, and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in India) have adopted an integrated sustainable development perspective in their operations. All these have reached national scales in their home countries, but the key challenge remains wider replication and adaptation of such successful experiences. More importantly, there is a lack of a proper framework for vertical integration between local and national processes. Even the prominent local Agenda 21 processes are barely reflected in national processes.

31. There has also been a lag in the actualization of the international support needed for such initiatives. The United Nations Conference on Environment and Development was not only a significant milestone in setting the agenda for sustainable development; it also established a new framework for international cooperation, which received a further impetus from the emphasis placed by the World Summit on Sustainable Development on implementation and partnerships, and which has extensive symbioses with other global events, including the Millennium Summit (2000), the International Conference on Financing for Development (2002), the Global Conference on the Sustainable Development of Small Island Developing States (Barbados, 1995) and the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (Mauritius, 2005).

32. As vulnerable developing countries grapple with the effects of multiple crises, and as the threat of climate change looms on the horizon, the international community's commitment to international cooperation needs to be reinforced. The donor community needs to meet its commitments in respect of financing and investment support for development by ensuring that already agreed official development assistance (ODA) commitments are met, and the support is adequate, sustained, focused and predictable in order to be able to make a difference.¹⁶

33. Recent literature and policy discussions within some donor countries have also begun to focus on the question of coherence between development cooperation policies and other international policies, especially those pertaining to trade, investment, debt, environment, security and migration. Failure to reach agreement in the Doha Development Round of multilateral trade negotiations represents a continuing challenge to international cooperation, as does the inability to deliver on the Heavily Indebted Poor Countries initiative in support of heavily indebted poor countries, and on support for climate change adaptation and mitigation actions in developing countries.

¹⁶ See *Millennium Development Goal 8: Strengthening the Global Partnership for Development in a Time of Crisis*, MDG Gap Task Force Report 2009 (United Nations publication, Sales No. E.09.I.8).

34. Moving the global development agenda forward requires strong and innovative partnerships. Development cooperation these days is multifaceted. It incorporates North-South flows of ODA, South-South cooperation, and the role of very large scale philanthropic initiatives, vigorous civil society involvement and the role of the private sector. It is equally important to build strong partnerships within the United Nations development system, because each United Nations organization has something special to offer to advance the implementation of the global development agenda.

D. Progress in a longer-term context

35. Every small step towards sustainable development is of value, but each step needs to be assessed in relation to the scale of the longer-term challenge, especially in the light of emerging challenges. The ultimate goal of sustainable development is steady progress towards a future of universally shared human well-being and prosperity within the finite resources of the planet. Sustainable development is based on the knowledge that there is an ultimate limit to the growth of material consumption, but no limits to improvements in quality of life, prosperity or social well-being. The urgent goal is to achieve the development transition — to raise the living standards of poor countries and households, which will need an increase in material consumption to meet their basic needs — before critical planetary boundaries are crossed. This means, in effect, accelerating the growth in living standards of the poor, while decelerating or reversing the impact — in particular of high-income consumers — on the natural resources of the planet.

36. In order to assess the progress thus far in the context of this long-term challenge, it is useful to think of sustainable development as three intertwined “transitions”:

(a) *Demographic*. The ultimate goal is to stabilize the global population. This transition is roughly at the two-thirds mark. The global population will increase from its current level of 6.5 billion to stabilize between 8 and 10 billion during this century;

(b) *Developmental*. The ultimate goal is to extend the benefits of development equitably to all segments of the global society. This transition has picked up speed since the United Nations Conference on Environment and Development, but it is at best at the one-third mark of the ultimate target, given that the share of the global population with a high human development index is between only 25 and 30 per cent. Some uncertainty has been created by the recent crises, as well as by the threat of climate change;

(c) *De-coupling*. The ultimate goal is to ensure that the use of materials and the generation of wastes is within the regenerative and absorptive capacities of the planet. While it is difficult to predict the planetary boundaries precisely, the goal is to ensure that the peak in human consumption is reached before such boundaries become binding. The recent crises and fresh scientific analysis suggest that the boundaries might have moved closer; this implies additional efforts both to accelerate the development transition and to de-couple resource use from consumption and production.

E. Addressing new and emerging challenges

37. In 2008 a series of crises hit the global economy, including a rapid escalation of food prices, unprecedented volatility in energy prices, the unfolding of the financial crisis in some developed countries, and the ensuing global recession. In addition, new evidence emerged to suggest that climate change was a more imminent danger, and also that a number of other environmental trends had worsened far more rapidly than anticipated and that some planetary boundaries might even have been exceeded. All countries are vulnerable to these crises, but they differ widely in their ability to cope with the risks and shocks inherent in them. Challenges have been exacerbated in developing countries by poverty, competition for scarce resources, the rapid pace of rural/urban migration, and the concomitant challenges to provide food, infrastructure and access to basic health, water and energy services. This vulnerability was exposed most tragically in the recent earthquakes. Besides the loss of human lives, the development agenda was set back by many years, additional pressures on the environment were generated, and the potential for other unanticipated consequences (such as involuntary migration) was enhanced.

38. To use a cliché, these challenges have created threats as well as opportunities. On the one hand, they lend urgency to the pursuit of all three dimensions of sustainable development — not only to the environmental dimension. On the other hand, the challenges have created a more prominent role for global and national public policies.

39. Billions of people remain poor and their living standards must rise. The question is whether the development transition can be completed (as indicated, for example, by near universal attainment of a threshold level of human development and well-being) before resource depletion and environmental degradation short circuit the process. That depends in part on developed countries blazing the trail towards a de-coupling (or sustainable consumption and production) transition, and in part on developing countries pursuing a sustainable development transition.

40. The practical importance of sustainable development thinking for development policy has been diluted by the still common perception that, even if, in theory, limits are real, in practice they are sufficiently remote in time and malleable as to be ignored in practice. More than anything else, climate change has begun to challenge such complacency.

41. The sustainable development challenge posed by climate change illustrates well the importance of a holistic response from the international community. As argued in a report to the General Assembly at its sixty-fourth session (A/64/350), the response to the climate change threat must have multiple prongs: strongly addressing the mitigation challenge head on in ways that are supportive of sustainable development; promoting inclusive economic growth in developing countries as a key means of building resilience and adaptive capacities; urgently increasing international financial and technical support for the adaptation of developing countries, especially vulnerable countries; strengthening institutions at the local level to manage resource scarcities and environmental stresses peacefully; and strengthening the United Nations and other international institutions to be able to provide effective humanitarian, reconstruction and development support to countries faced with climate-related disasters and longer-term impacts.

42. Inclusive economic growth remains the only known route out of poverty for developing countries — as it was for developed countries — and continues as a centrepiece of development thinking and practice. What sustainable development thinking has added is the appreciation that this growth should be situated within the overall capacity of the Earth's ecosystems and life-support systems. This suggests two corollaries: firstly, that necessary growth in material consumption (e.g., that which is needed to eradicate poverty, achieve and exceed the quality of life targets and extend the benefits of development universally) be completed within the available resource window; and secondly, that further growth in economic well-being be oriented in such a way as to remain within the regenerative and absorptive capacity of the planet.

IV. The green economy in the context of sustainable development and poverty eradication

43. The concept of the green economy is one of the several mutually complementary constructions that have emerged in recent years to enhance convergence between the different dimensions of sustainable development. Other constructions include national sustainable development strategies, the Millennium Development Goals, integrated policy and planning (especially in key sectors), sustainable livelihood and pro-poor approaches, sustainable urban management, and sustainable consumption and production.

44. The green economy approach seeks, in principle, to unite under a single banner the entire suite of economic policies and modes of economic analyses of relevance to sustainable development. In practice, this covers a rather broad range of literature and analysis, often with somewhat different starting points. In terms of starting point, four different strands can be identified, representing slightly different modes of economic analysis. One strand approaches the question through the analysis of market failure and the internalization of externalities. Another takes a systemic view of the economic structure and its impact on relevant aspects of sustainable development. A third focuses on social goals (jobs, for example) and examines ancillary policies needed to reconcile social goals with the other objectives of economic policy. Finally, a fourth strand focuses on the macroeconomic framework and development strategy with the goal of identifying dynamic pathways towards sustainable development. While each of these is partial to particular sets of policy instruments, they can basically be grouped into a few categories:

(a) Getting prices right, including removing subsidies, valuing natural resources and imposing taxes on things that harm the environment (environmental “bads”) in order to internalize externalities, support sustainable consumption and incentivize business choices. It builds upon some of the earliest writings in environmental economics;¹⁷

(b) Public procurement policies to promote greening of business and markets;

¹⁷ Especially David Pearce, Anil Markandya and Edward B. Barbier, *Blueprint for a Green Economy* (London, Earthscan, 1989).

(c) Ecological tax reforms,¹⁸ based mainly on the experience of European countries. The basic idea is that shifting the tax base away from “good” factors of production such as labour to “bad” factors such as pollution will allow for a double dividend: correcting environmental externalities while boosting employment;¹⁹

(d) Public investment in sustainable infrastructure (including public transport, renewable energy and retrofitting of existing infrastructure and buildings for improved energy efficiency) and natural capital, to restore, maintain and, where possible, enhance the stock of natural capital. This has particular salience within the current recessionary context, given the need for public expenditure on stimulus packages;

(e) Targeted public support for research and development on environmentally sound technologies, partly in order to compensate for private underinvestment in pre-commercial research and development, and partly to stimulate investments in critical areas (such as renewable energy) with potentially high dynamic scale economies, and partly to offset the bias of current research and development towards dirty and hazardous technologies;

(f) Strategic investment through public sector development outlays, incentive programmes and partnerships, in order to lay the foundation of a self-sustaining process of socially and environmentally sustainable economic growth;

(g) Social policies to reconcile social goals with existing or proposed economic policies.

45. Broadening the concept of the green economy to make it applicable to sustainable development and poverty eradication will need to address the concerns that imposing a green economy model could actually slow the development process. This could require the identification of ancillary policies and instruments, including safeguards, safety nets, targeting, capacity-building and requisite international support. Put simply, the question is how would a “green economy” or “green growth” contribute to accelerating the development transition.

46. In order to provide a background for the next phase, it is useful to describe the four major strands of analysis undertaken by the United Nations system on the green economy. Firstly, there is the pioneering contribution from the Economic and Social Commission for Asia and the Pacific (ESCAP), which resulted in the adoption of a green growth strategy in 2005. The strategy included four tracks: sustainable consumption and production; greening business and markets; sustainable infrastructure; and green tax and budget reform. Two additional tracks were inserted later, investment in natural capital, and eco-efficiency indicators. All these tracks were based on practical experiences or ongoing global processes. Some of the recommendations have been systematically taken up by the Republic of Korea in its green growth strategy.

¹⁸ Also called green tax and budget reform.

¹⁹ In theory though, higher growth and employment are not automatic compared with the baseline situation, even for a revenue-neutral tax change. Indeed, in a dynamic framework the changes in the amount and type of capital that is accumulated owing to the tax shift can result in changes in productivity improvements over time that might dampen growth. In practice, the result of the tax reform on growth rates has to be assessed empirically.

47. The Republic of Korea was the first country to embrace green growth as a national strategy. Its green growth strategy focuses on three elements: industry, energy and investment. Specifically, it aims to (a) maintain productive economic activities while minimizing the use of energy and resources; (b) minimize environmental pressure in all uses of energy and resources; and (c) make investments in the environment a driver for economic growth. While the first two comprise the conventional notion of de-linking economic growth from resource extraction and environmental degradation, the third is a more strategic objective — one that is shared by other forward-looking Governments and corporations — that is, to be early movers in emerging global “green” industries and technologies.

48. A major recommendation of the green growth strategy relates to ecological tax reform. Like the remaining recommendations, this was based upon a review of experience, particularly in European countries (especially in the Scandinavian countries and Germany), where a gradual introduction of ecological taxes did not significantly dampen growth in gross domestic product (GDP), had positive but small impacts on employment, and was highly beneficial in terms of pollution reduction.²⁰ However, the application to developing countries and the incorporation of distributional concerns requires further study in country specific contexts. The net impact depends on such ancillary policies as the use of revenues from the tax,²¹ or the targeting of taxes or subsidies. In Costa Rica, for example, a study finds a 10 per cent tax on gasoline to be progressive, but an equivalent tax on diesel to be regressive (since diesel is used heavily in public transport).²²

49. The second strand was initiated by the United Nations Environment Programme (UNEP) in October 2008 under the title of the Green Economy Initiative.²³ Its aim is to assist Governments in reshaping and refocusing policies, investments and spending towards a range of sectors, such as clean technologies, renewable energies, water services, green transportation, waste management, green buildings and sustainable agriculture and forests. The initiative includes two major projects, namely the economics of ecosystems and biodiversity study (known as TEEB), and the global green new deal, which were a response to the global financial and economic crisis. The green economy report currently under preparation builds upon both these projects.

50. The economics of ecosystems and biodiversity study computed the (unpaid) environmental costs of the economic activities undertaken by the world’s major firms and compared them with the profits of those firms at an aggregate level. The results suggest that a significant proportion of the world’s biggest firms would be rendered unprofitable were they required to pay those environmental costs, and therefore that the structure of the economy with a price system that better reflected environmental and social costs would look very different from the existing one. However, in order to refine the intuition provided by the study results, new studies would be needed, on the one hand to incorporate developmental, social- and

²⁰ Roberto Patuelli, Peter Nijkamp and Eric Pels, “Environmental tax reform and the double dividend: a meta-analytical performance assessment”, *Ecological Economics*, vol. 55, No. 4 (December 2005), pp. 564-583.

²¹ Tim Callan and others, “The distributional implications of a carbon tax in Ireland”, *Energy Policy*, vol. 37, No. 2 (February 2009), pp. 407-412.

²² Allen Blackman, Rebecca Osakwe and Francisco Alpizar, “Fuel tax incidence in developing countries: the case of Costa Rica”, Resources for the Future, discussion paper dp-09-37.

²³ www.unep.org/greeneconomy.

poverty-related goals explicitly, and on the other hand to assess general equilibrium outcomes of the price changes, by factoring in consumer responsiveness to price changes, scope for substitution and technological change.

51. UNEP's global green new deal made a case for directing economic stimulus spending of Governments towards green sectors and activities. The idea quickly emerged in multiple forums that "greening" stimulus packages could yield an additional dividend in the form of facilitating the transition of national economies to a greener path. It is too early to assess the impact of green stimulus packages on the structure of economies, jobs, productivity, resource use and pollution. While the proposals were meant to create jobs and pump spending into the economy quickly, green infrastructure investments tend to have long gestation periods. Much depends on the scale of interventions, absolutely and in relation to not-so-green stimulus spending like new and improved highways, and the presence or absence of economic linkages.

52. These considerations are also relevant to the third strand of the green economy analysis, which is represented in the contributions to the present report by the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development and ESCAP. The logic of this approach derives not from the microeconomic analysis of internalizing externalities, but from a macroeconomic analysis of using public policies strategically to orient the process of economic growth towards sustainable pathways. For example, the work of the Department of Economic and Social Affairs on climate change and sustainable development²⁴ shows how infrastructure investment, especially in renewable energy, can bridge the current chasm between climate and development agendas. A big push on renewable energy can help not only by increasing energy access for the poor, but by helping to bring down the costs of renewable energy, thus making it affordable at market prices for poor countries and competitive with fossil energy. This follows a long line of development analysis, which assesses the role of investment in terms not only of its internal productivity but also of its backward and forward linkages and capacity to incentivize complementary investments. The Department of Economic and Social Affairs applies the same logic to the global response to the economic crisis, and stresses international cooperation to enable developing countries to create fiscal space to respond to the financial and economic crisis and to foster the transfer and scaling up of environmentally sound technologies.²⁵

53. Another argument for targeted public investment is that the shift to a green economy or onto a green growth path requires major structural changes in energy and transport systems, which are infrastructure-dependent. Thus, the switch will need to involve close coordination between private investment in new industries and activities and public-supported investment in new infrastructure — for example for public transport, battery replacement of electric vehicles, smart grids and grid extension and upgrades to accommodate renewable sources, etc. Another area where public investment will be critical to green growth is in providing decent, affordable and environmentally friendly housing to accommodate rapidly growing populations of low-income households in the cities of the developing world.

²⁴ *World Economic and Social Survey 2009: Promoting Development, Saving the Planet* (United Nations publication, Sales No. E.09.II.C.1), and the Department of Economic and Social Affairs "A global green new deal for climate, energy and development", technical note, December 2009.

²⁵ Department of Economic and Social Affairs Policy Brief, No. 12 (see footnote 10).

54. A fourth strand has been developed in the collaborative work of the International Labour Organization (ILO) and UNEP on “green jobs”,²⁶ and the subsequent initiative by ILO to organize training courses and technical assistance on the issue. This strand is consistent with a longer history of economic analysis that focuses on the reconciliation of social and economic objectives. A classic reference in this regard is the United Nations Children’s Fund (UNICEF) publication *Adjustment with a Human Face*,²⁷ which provided concrete examples of structural adjustment policies that were able to incorporate social concerns effectively. Other initiatives in this regard reverse the causality and examine how social initiatives could incorporate environmental objectives. These include, for example, the examination of the green jobs potential of government employment programmes (such as the Indian MGNREGA scheme) or stimulus programmes (such as the United States Recovery and Reinvestment Act).²⁸ While this work is promising, it is very preliminary and based on limited empirical evidence. Further work will be needed in the future.

55. More broadly, the fact remains that developmental and social dimensions, in particular poverty eradication, are not covered adequately in some of the policy prescriptions on the green economy. Although the prescriptions on internalizing externalities are consistent with economic theory, they can have adverse social impacts if they are not carefully designed; they will need to be complemented in most cases by additional demand and supply side policies, and could be difficult to implement without external support for capacity-building and establishing compensatory facilities.

56. Similarly, the recommendations of the economics of ecosystems and biodiversity study on valuation could, in principle, be tailored in such a way as to support poverty eradication, for instance by linking valuation of and payment for ecosystem services to community empowerment and protection of the poverty rights of poor communities. In practice, this is an additional component, which will have to be undertaken in earnest before some of the recommendations could be adopted. The REDD-plus approach in the context of climate change follows this logic.

57. In summary, “green economy” is an omnibus term, like sustainable development itself, which comprises a suite of economic instruments that could harness economic activity in support of one or more sustainable development goals. Like all economic instruments, the application of these instruments requires a careful understanding of the social, institutional and political context of the country, the availability or absence of international support, and a commitment to learning and adaptation. The foregoing discussion of the green economy and green growth points to some topics for consideration in the period leading up to the United Nations Conference on Sustainable Development, as follows:

²⁶ UNEP, “Green jobs: towards decent work in a sustainable, low-carbon world” (September 2008).

²⁷ Giovanni Andrea Cornia, Richard Jolly and Frances Stewart, eds., *Adjustment with a Human Face: Protecting the Vulnerable and Promoting Growth* (New York, Oxford University Press, 2001).

²⁸ Robert Pollin, James Heintz and Heidi Garrett-Peltier, “The economic benefits of investing in clean energy: how the economic stimulus program and new legislation can boost U.S. economic growth and employment”, study for the Green Economics Program, Political Economy Research Institute, University of Massachusetts, Amherst (June 2009).

(a) Firstly, greater conceptual clarity is needed with regard to the links between a green economy and sustainable development. In particular, there is a need to be explicit on the practical implications of the approach, namely the menu of policies and actions proposed under the banner of the green economy. This could be compiled in the form of a global online database of green economy and green growth policies, policy mixes, and analyses;

(b) Secondly, more analysis is needed on the developmental, social and distributional implications of each policy prescription, and on additional actions or interventions, including international cooperation, that would be needed to reconcile economic, social and environmental goals. Such analysis will need to be undertaken in specific national contexts, and could include scenario simulations for the transition to equitable, green, rapid and sustainable growth paths. Of particular importance is to explicitly include institutional conditions in the analysis, and to incorporate recommendations on institutional strengthening in the overall mix;

(c) Thirdly, besides national studies, some global modelling and scenario work would also be needed to assess national green economy and green growth policies in a global context, including interactions, for example through international trade, investment and technology transfer.

V. Institutional framework for sustainable development

58. A number of Member States have expressed their views on sustainable development governance in connection with the United Nations Conference on Sustainable Development, with one submission stating, for example: “The 2012 conference could aim at debating on governance through a reform of the institutions currently involved in the implementation of the sustainable development agenda in the United Nations system, with an emphasis on the Commission on Sustainable Development and UNEP. It can offer an important point of convergence for deliberation on the reform of the international institutions for sustainable development, while also catalysing high-level political commitment for the outcome”.²⁹ Another submission placed emphasis on “achieving international agreements on sustainable development taking into account different international instruments”.³⁰

59. The present section provides an overview of the institutional architecture pertaining to sustainable development, its evolution over time, and the main lessons from this evolution, including areas of promise as well as challenge. The principal focus is at the international level, mainly on the mandates and objectives of the key entities of the United Nations with responsibility for sustainable development and its component economic, social and environmental pillars.

60. The United Nations Conference on Environment and Development energized the international community. The international community, in preparing for the United Nations Conference on Sustainable Development, now needs to re-energize.

²⁹ Submissions by Member States for the report of the Secretary-General on the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/64/275) available from www.un.org/esa/dsd/resources/res_docugaecos_64.shtml, Brazil.

³⁰ *Ibid.*, Colombia.

A key question is how to strengthen the institutional framework for sustainable development at all levels.

61. Over the years, a number of institutions have been formally established to enhance the convergence between economic, social and environmental goals. At the global level, the principal policymaking institution is the Commission on Sustainable Development. Among other contributions, the Commission has actively solicited the participation of major groups in policymaking and promoted a particular institutional form, multi-stakeholder partnerships, to implement sustainable development. Within the United Nations, the Executive Committee on Economic and Social Affairs has played a role in enhancing system-wide coherence over economic and social goals. Besides this, UN-Water, UN-Energy and UN-Oceans have been established to promote system-wide coherence in the areas of their competence. At the regional level, the regional commissions have organized ministerial conferences and implementation meetings. At the national level, a number of institutional formats have emerged, including national sustainable development councils, the process for national sustainable development strategies, and incorporation of sustainable development goals in other processes or institutions, including development plans, poverty reduction strategy papers and others. At local levels, local Agenda 21 processes were developed by local institutions and urban municipalities.

62. A major component of the discussion on institutional development has focused on the environmental pillar. The past four decades have seen significant changes in the nature and reach of environmental institutions, including the establishment of UNEP in 1972 and secretariats of a growing list of environmental conventions in the years thereafter. At the national level, the number of countries with environmental ministries and protection agencies increased rapidly after 1972. Many urban municipalities and local governments also established departments or agencies to look after environmental concerns. Finally, national and international environmental non-governmental organizations have grown dramatically in strength and size, many business entities have created environmental departments, and many new research and educational institutions have been established. This rate of institutional growth is faster than in the other pillars of sustainable development, namely economic development (in which much of the expansion and consolidation took place in the 1950s and 1960s), and the social pillar.

63. Yet, the proof of the pudding is in the eating. The test of institutional efficacy and relevance lies in the ability to demonstrate results. On this count, as indicated in the previous sections, there are several areas of concern. In particular, the evidence on environmental indicators continues to be below par, as does that on the convergence between the three dimensions of sustainable development. As mentioned, some of this inadequacy could be attributed to the inertia of the system or the urgency of other problems, especially poverty eradication and Millennium Development Goals. Yet, the key question is whether institutional or structural changes could help to accelerate the achievement of the sustainable development agenda in all three of its dimensions.

A. Commission on Sustainable Development

64. The Commission on Sustainable Development was created in December 1992 to ensure effective follow-up to the United Nations Conference on Environment and Development through monitoring and reporting on the implementation of the agreements reached at the Conference at the local, national, regional and international levels. Following the World Summit on Sustainable Development in 2002, the Commission was also charged with providing policy guidance to follow up on the Johannesburg Plan of Implementation.³¹ The Commission is a functional commission of the Economic and Social Council, with 53 members.

65. The General Assembly has repeatedly emphasized (most recently in resolution 64/236) that the Commission on Sustainable Development should continue to be the high-level commission on sustainable development within the United Nations system and serve as a forum for consideration of issues related to the integration of the three dimensions of sustainable development.

66. In 2002, the World Summit on Sustainable Development called for a strengthened Commission on Sustainable Development to play a larger role in accelerating action at all levels in the implementation of Agenda 21 and the Johannesburg Plan of Implementation. Accordingly, at its eleventh session the Commission decided to function on the basis of two-year implementation cycles until 2016/17, including review and policy years. The review year was to evaluate progress made in implementing sustainable development goals and identifying obstacles and constraints, while in the policy year decisions would be made to speed up implementation and mobilize action to overcome obstacles and constraints. Moreover, a number of cross-cutting issues was agreed to be discussed together with the main themes identified for each cycle.

67. An important innovation that received recognition and impetus at the World Summit on Sustainable Development as an implementation tool and action-oriented outcome was the concept of partnerships for sustainable development. Since the Summit, over 360 such public-private partnerships have been registered with the secretariat of the Commission on Sustainable Development. At the request of Member States, partnership fairs have been organized during sessions of the Commission to allow the opportunity to discuss, review and monitor the contributions of registered partnerships to the implementation of sustainable development. The time has come to take this idea to a higher level by assessing achievements, identifying lessons and best practices as well as obstacles and constraints, and exploring views on replicability, scaling up and adaptation.

68. Since the adoption of the multi-year programme of work, the Commission on Sustainable Development has embraced several innovations. These include an enhanced role for regional and subregional institutions; sharing of best practices and lessons learned (e.g., through partnership fairs and learning centres); promoting greater collaboration between the United Nations system and other institutions and networks; strengthening engagement with the major groups; promoting partnership initiatives between Governments, major groups and other stakeholders; and the

³¹ *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

introduction of multi-stakeholder dialogues to generate action in support of implementation.

69. Despite these reforms and their positive outcomes, there is an interest in seeking to find out whether explicit changes to the institutional framework for sustainable development would help in bringing about greater coherence between the different goals. A number of suggestions along these lines have been made³² by Governments and stakeholders for an overhaul of the international sustainable development architecture, including such proposals as transforming the Commission on Sustainable Development into a sustainable development council under the General Assembly; converting the Trusteeship Council into a sustainable development council; and initiating a sustainable development segment as part of the annual sessions of the Economic and Social Council.

70. Since several different proposals are already in the public domain, the present report will not go into details of their advantages and disadvantages. Instead, the following points attempt to bring the discussion back to the underlying issues. One major goal is to clarify that sustainable development is not restricted to the environmental pillar, and therefore that the test for sustainable development lies in the extent to which its three components are brought together. The global community should avail itself of the opportunity offered by the United Nations Conference on Sustainable Development to examine thoroughly how the different functions involved in the integration of the different components of sustainable development can be performed most effectively. Some of these will indeed require institutional changes, but others could be addressed through interventions within existing institutional formats.

71. *Strengthening coherence at national levels.* A significant component of the challenge of integrating economic, social and environmental goals pertains to the national level. This can be encouraged, for example, through the revival of national sustainable development councils, which would help to engage a broader range of ministries and stakeholders from each country. This would require dedicated financial support and capacity-building for developing countries, which could be advanced through existing United Nations channels, by the United Nations Development Group, for example, which could provide guidance at the country level not only on sectoral issues (as at present) but on the integrated agenda of sustainable development.

72. *System-wide ownership.* Another major component is taken up by international organizations. Their effective participation in the Commission on Sustainable Development process is required to ensure that decisions taken by the Commission are reflected in the work programmes of their organizations. A number of actions could help to promote such active engagement. Some initiatives are already under way and could be assessed over the next two years (for example, inviting Chairs of governing bodies of United Nations entities to Commission on Sustainable Development meetings). Besides this, there may be a justification for an ongoing process linking the decisions of the Commission to the work programmes of the United Nations entities.

³² Stakeholder Forum for a Sustainable Future “International governance for sustainable development and Rio+20: initial perspectives”, discussion paper 1, February 2010.

73. *From policy to implementation.* Ideally, the integrative role of the Commission on Sustainable Development with regard to the three dimensions of sustainable development should not end with the adoption of a decision, but should result in actions by implementing partners, especially Governments, reflected in their national or institutional plans. A number of options have been floated on this question, including dedicating one day during the high-level segment of the Commission's policy year as implementation day, for sharing and reporting information on how decisions made during the previous cycle have been included in national development plans.

74. *Mobilizing major groups.* The Commission on Sustainable Development process is still recognized as the most interactive and inclusive process within the United Nations system, allowing for active civil society engagement. In recent years, close to 1,000 representatives of 9 major groups have pre-registered for Commission on Sustainable Development sessions, and several hundred participate actively in the process. Accelerating implementation at the country level, however, requires, in addition to current efforts, engaging with many international intergovernmental and non-governmental organizations that are managing large-scale implementation of sustainable development projects. Thus, broadening the base of participation by major groups in the Commission on Sustainable Development process is considered important.

75. *Partnerships.* Since the World Summit on Sustainable Development, the Commission on Sustainable Development has played an important role in facilitating partnerships among Governments, major groups and other national and international institutions with the objective to implement decisions of the Commission on the ground. This experience needs to be taken to the next stage, for which several options are being floated, including dedicated partnerships (or partnerships of partnerships) for each set of policy decisions.

B. Broader sustainable development processes

76. The apex of the global institutional architecture for all three United Nations goals (peace, development and human rights, which together bear a strong overlap with the three dimensions of sustainable development) remains the General Assembly. The Assembly, with its universal membership of 192 States, one-nation-one-vote governance structure and broad mandate, enjoys a unique representativeness and legitimacy. The Assembly has consistently taken a forward-looking position on the sustainable development agenda; it mandated the United Nations Conference on the Human Environment (1972), the United Nations Conference on Environment and Development (1992), the special session of the General Assembly to review and appraise the implementation of Agenda 21 (1997), the World Summit on Sustainable Development (2002) and the United Nations Conference on Sustainable Development (2012). It established the World Commission on Environment and Development in 1983, and enshrined the concept of sustainable development as internationally agreed language. The outcomes of the United Nations Conference on Sustainable Development will be endorsed by the General Assembly at its sixty-seventh session, and through the Assembly the outcomes should set a global standard for national legislation on sustainable development.

77. The General Assembly is the ultimate convergence point for legislative outcomes from the three individual pillars of sustainable development. Under the Johannesburg Plan of Implementation (para. 143), the Assembly was tasked with giving “overall political direction to the implementation of Agenda 21 and its review”. One question for consideration is whether further action may be needed to ensure that matters related to the three pillars of sustainable development come before the Assembly in an integrated form, instead of (or in addition to) as isolated strands.³¹

78. Similarly, the Economic and Social Council has a mandate to integrate the three strands of sustainable development. Special integrative sessions of the Council have been held, such as the 2007 substantive session devoted to the theme of sustainable development. However, the main theme of the Council varies greatly from year to year and sustainable development in its broad sense as defined in Agenda 21 is not taken up every year. Once again, a question has been raised whether the Council should institute an integrative debate on sustainable development during its general segment or limit its review to separate reports from the three pillars.

C. International environmental governance and governance of the economic and social pillars of sustainable development

79. The motivation for the discussion on international environmental governance and on institutions for sustainable development is the same, namely the need for a more effective deployment of resources to address unprecedented environmental change at all levels and its potentially negative implications for economic and social development, especially for the poor and vulnerable groups in society. There has also been a call for greater coherence in the work of the United Nations on sustainable development. The international environmental governance discussion has been pursued at a number of intergovernmental platforms convened by UNEP, which is mandated by the General Assembly to oversee the implementation of the environmental agenda of the United Nations system. In February 2010, a consultative group of ministers and high-level representatives presented to the UNEP Governing Council, at its eleventh special session, a set of options for improving international environmental governance (UNEP/GCSS.XI/4, annex).

80. The consultative group identified five objectives for strengthening international environmental governance: creating a strong, credible and accessible science base and policy interface; developing a global authoritative voice for environmental sustainability; achieving effectiveness, efficiency and coherence within the United Nations system; securing sufficient and predictable funding; and ensuring a responsive and cohesive approach to meeting the needs of countries. The options for incremental reform are outlined in paragraph 12 of the Group’s report (UNEP/GCSS.XI/4, annex), and the options for broader reform are given in paragraph 13.

81. A number of Member States expressing views on the United Nations Conference on Sustainable Development have also referred to international environmental governance, saying that 40 years after the United Nations Conference on the Human Environment in Stockholm, when UNEP was created, “there is an opportunity to seek political impetus from the highest level for a strengthened

international institutional structure for environmental governance”.³³ Some emphasized the need to integrate international environmental governance with two other pillars of sustainable development.³⁴

82. A particular question in the international environmental governance process, namely cooperation with other intergovernmental bodies, has been a standing topic in both the Commission on Sustainable Development and the UNEP Governing Council. The recent developments in the area of international cooperation have centred on the further development of international law, in particular for addressing climate change, biodiversity and chemicals. The Joint Liaison Group of the Convention on Biological Diversity, the United Nations Convention to Combat Desertification and the United Nations Framework Convention on Climate Change is intended to ensure inter-secretariat and programme coordination, as well as coordination of legislative processes and coordinated follow-up of legislative outcomes. Some lessons from the positive synergies achieved in the work under the three chemical conventions (the Stockholm Convention on Persistent Organic Pollutants, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade) could be useful.

83. Such questions of cooperation extend beyond formal convention processes. The United Nations system has established a number of soft law instruments of a non-binding nature, which sometimes evolve into binding agreements. Examples include the International Undertaking on Plant Genetic Resources and the Global Plan of Action for Animal Genetic Resources, both under FAO, and the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities, managed by UNEP.

84. An example of a non-binding instrument that has laid the groundwork for a comprehensive approach in a critical sector emerged from Economic and Social Council resolution 2000/35 establishing the United Nations Forum on Forests, a subsidiary body with the main objective to promote “... the management, conservation and sustainable development of all types of forests and to strengthen long-term political commitment to this end”, based on the Rio Declaration on Environment and Development,³⁵ the Non-Legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests (Forest Principles),³⁶ and chapter 11 of Agenda 21.³⁷ The resolution led to the establishment of the Collaborative Partnership on Forests, an innovative partnership of 14 major forest-related international entities to support the Forum and its member States; and in 2007 the landmark non-legally binding instrument on all types of forests was adopted by the Forum at its seventh session and by the General Assembly (resolution 62/98). Recent developments have created significant opportunities for cooperation. One possibility is a joint work programme around REDD-plus with the

³³ Submissions by Member States (see footnote 28), Indonesia.

³⁴ *Ibid.*, especially mentioned by South Africa and Switzerland.

³⁵ *Report of the United Nations Conference on Environment and Development*, resolution 1, annex I.

³⁶ *Ibid.*, annex III.

³⁷ *Ibid.*, annex II.

United Nations Framework Convention on Climate Change secretariat, UNEP and the Global Environment Facility.

D. Sectoral coordination and consultation mechanisms

85. Sectoral coordination and consultation mechanisms in the economic, social and environmental areas have existed in the United Nations system since the 1950s under the principal inter-agency coordination mechanism at the level of executive heads, the Administrative Committee on Coordination, renamed the United Nations System Chief Executives Board for Coordination in 2000. Under the Chief Executives Board, cross-sectoral coordination is undertaken by the High-level Committee on Programmes, comprising senior programme managers below the level of executive head. In the wake of the 2000 reform of the Administrative Committee on Coordination, designed to create a lighter standing structure with more time-bound ad hoc task forces on specific issues, only three standing sectoral bodies emerged, taking over the mantle of earlier subcommittees of the Committee with similar sectoral mandates: UN-Water, UN-Energy and UN-Oceans, which deal with specific aspects of sustainable development.

86. Other system-wide coordination mechanisms of note include the Executive Committee on Economic and Social Affairs, headed by the Under-Secretary-General for Economic and Social Affairs, the United Nations Development Group, headed by UNDP, and the Environmental Management Group, headed by UNEP.

87. For a wide range of sectors under Agenda 21, no sectoral mechanisms exist and the specific multisectoral Administrative Committee on Coordination mechanism on sustainable development, with its task manager system, was disbanded as part of the 2000 reform, purportedly in the interests of streamlining and simplification. Inter-agency cross-sectoral coordination on sustainable development, beyond water, energy and oceans, has clearly suffered as a result. The United Nations Conference on Sustainable Development should consider the utility of creating a new inter-agency mechanism to ensure future coordination on sustainable development.

E. National and local processes and institutions

88. Progress towards sustainable development needs to be supported by institutional reform not only at the global level but also at the national level. As a result of large variations in history, overall institutional capacity and sustainable development challenges and priorities, a common blueprint for an institutional foundation of sustainable development at the national level is neither beneficial nor feasible. Appropriate institutional structures will need to take shape based on local realities, though there is certainly scope for sharing experiences across countries and localities with similar characteristics and challenges.

89. National councils for sustainable development have been a major institutional innovation, bringing non-governmental stakeholders directly into policy consultations and decision-making processes. For a number of reasons that would be worthwhile exploring, however, many national councils have ceased to function. Revitalizing them could be part of the efforts aimed at strengthening institutional development at the national level. In doing so, establishing clear mandates and

effective coordination with traditional decision-making processes is important. Having them co-chaired by lead economic or development ministries could help bring them into the mainstream of decision-making. The selection of stakeholders and their representatives is a key element for the national councils for sustainable development, as it is important to ensure that the views and interests of stakeholders that cannot easily organize themselves are adequately reflected. Revitalized councils could be tasked with following up on the implementation of decisions of the Commission on Sustainable Development, and reporting back to the Commission on the progress made.

90. National sustainable development strategies are another key institutional issue for sustainable development. In many countries, they are the result of gradual reform of existing institutions. In the absence of planning processes or in cases where these were ineffective, the establishment of new processes for sustainable development strategies was helpful. It should be underscored that a national sustainable development strategy is a process requiring continuous learning. Within the context of these strategies, establishing effective coordination mechanisms within the Government is an important institutional aspect. The establishment of inter-ministerial councils and working groups led by a central agency (the offices of the prime minister or president or the ministries of finance or planning) has often been found effective. Finding institutions for increasing vertical coherence between national and subnational levels, however, is generally less developed. Another institutional aspect of national sustainable development strategies is the need to find mechanisms for reviewing existing strategies, such as internal and external expert reviews, international peer or shared learning processes and reviews by established official institutions.

91. Another institutional challenge for a national sustainable development strategy relates to the fact that sustainable development reflects many different scales. National strategies and policies may have impacts on other countries and on regional and global commons. These need to be adequately considered and addressed in national processes, including through external peer review. The participation of representatives of developing countries in the process of reviewing national sustainable development strategies in developed countries over the past years could be seen as a step in this direction. Further strengthening participatory processes for sustainable development also requires that improving transparency and access to information be continued. In this regard, harnessing advances in information and communications technologies could be instrumental.

F. Knowledge-creating and knowledge-sharing institutions

92. The spread of the Internet has made available to people around the world an abundance — if not always a wealth — of information on a virtually unlimited variety of topics, including sustainable development. The proliferation of information sources and the ease of information access have rendered the task of organizing and consolidating useful information and knowledge on sustainable development both difficult and urgent.

93. While a significant body of knowledge has emerged on the concept and practice of sustainable development, much of this information is fragmented and it is often not available in a form that is convenient for policymakers and practitioners.

For example, while analytical tools and methods relevant to addressing sustainable development issues such as life-cycle thinking, environmental valuation, ecosystem services and other matters have been developed, they tend not to have reached the policy level, although there are noteworthy exceptions.³⁸

94. Similarly, the practical knowledge that has accumulated since the United Nations Conference on Environment and Development in Rio de Janeiro in terms of policies and institutions that work has not been used as systematically as it could have been for the benefit of policymaking. This is in part due to the absence of sustainable development as a recognized knowledge category, which has made knowledge relevant to sustainable development fragmented and hard to find.³⁹ A visit to leading knowledge sites (such as Wikipedia) demonstrates such fragmentation. The entries on sustainable development are not connected to others and do not give the impression of a framework for integration. Journals and books on sustainable development are mostly about one of its pillars, the environment.

95. Overcoming these barriers would require, in addition to addressing institutional issues, advances in several directions. Firstly, the web-based information on sustainable development needs to be organized and made available to the policymaking and other communities in coherent and user-friendly forms. Secondly, it is necessary to build relations among existing networks working on sustainable development and make their activities more visible to policymakers. Those could contribute to a third undertaking: documenting success stories, best practices and evaluations of policies and programmes in the sustainable development domain and making them available in web-based, user-friendly form. Most importantly, a synthesis of the accumulated knowledge on sustainable development over the past two decades, in the form of a dynamic stocktaking exercise, could be undertaken with the objective of providing a sound basis for thinking ahead on how to address sustainable development challenges in the twenty-first century.

96. At the level of the United Nations, it would be important to encourage and support stronger links of the sustainable development science and policy research communities both with the Commission on Sustainable Development and with other institutions and processes (the Economic and Social Council for example). The Sustainable Development Knowledge Partnership, which includes a wide range of policy research institutions, is a notable example of a concrete initiative to enable the Commission to inform and be informed by the knowledge of major groups. The United Nations Conference on Sustainable Development will provide an opportunity to seek ways to strengthen knowledge creation and sharing with all major groups with a view to ensuring wise sustainable development decision-making and governance at the local, national, regional and global levels.

³⁸ David Glover, *Valuing the Environment: Economics for a Sustainable Future* (Ottawa, International Development Research Centre, 2010).

³⁹ On the other hand, a growing number of institutions of higher learning are establishing degree programmes or schools devoted to the study of sustainability or sustainable development.

VI. The way forward

97. Sustainable development is a bridge between different goals, countries, stakeholder groups, knowledge systems and generations. It promises not only harmonization between the economic, social and environmental dimensions, but also a reasoned basis for international cooperation, a mechanism to engage the private sector and civil society, a means of placing scientific knowledge in the hands of policymakers and local communities, and a way of expressing our responsibility towards future generations. At its advent, it created tremendous excitement and mobilized the energies of a vast range of stakeholders. The present report offers a balanced assessment of the history since 1992, which provides important pointers to issues that may need attention. Today, as the challenges have become more urgent, the world is again in need of the “spirit of Rio”. The United Nations Conference on Sustainable Development offers a chance to revive the enthusiasm and the energy by showing how to build upon the foundation that was laid in Rio de Janeiro in 1992.



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Item 4 of the provisional agenda*

Organizational and procedural matters

Organizational and procedural matters

Note by the Secretariat

1. The proposals set out in the present note have been prepared on the basis of General Assembly resolution A/64/236, entitled “Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development”.

I. Organizational and procedural matters

Draft provisional rules of procedure of the United Nations Conference on Sustainable Development

2. The draft provisional rules of procedure of the United Nations Conference on Sustainable Development are contained in a note by the Secretariat (A/CONF.216/PC/4).

II. Logistics and support

3. Four concrete types of supporting activities are envisaged under resolution 64/236: documentation; inter-agency coordination; organization of work of the Preparatory Committee and fund-raising.

Documentation

4. Documentation required for the meetings of the Preparatory Committee and other related events, including the Conference itself, will be prepared in accordance with the decisions made during the first meeting of the Committee. Therefore, the

* A/CONF.216/PC/1.

Committee may take this opportunity to identify various reports, together with their timelines, which are needed to support the deliberations of the Committee at its future meetings and other related events.

5. The list of documents may include the reports requested of the Secretary-General on comprehensive analysis of the issues, as identified in resolution 64/236, and updates concerning preparations for the Conference. It may also include the reports requested of the regional commissions and other relevant regional bodies, Governments, major groups and other stakeholders. In addition, the Preparatory Committee may request the Secretary-General to include in his report to the General Assembly at its sixty-fifth session the decisions reached at the first meeting of the Committee, including analysis of additional issues, as identified during the meeting.

6. In preparing the documentation, the Secretariat will draw upon the expertise and analytical capacities available within the United Nations system and will seek contributions from Governments and other stakeholders, such as the major groups, policy research institutions and global networks that work on sustainable development issues.

Inter-agency coordination

7. The Secretariat, as requested by the General Assembly in resolution 64/236, will use the existing inter-agency coordination mechanisms within the United Nations system and those with other relevant international and regional organizations to seek their input and contributions to the preparatory process based on their respective mandates and comparative advantage. In addition, the Secretariat will actively seek the engagement of other relevant stakeholders, especially major groups, to secure their coordinated contributions to the preparatory process, while avoiding duplication and creating complementarities.

Meetings of the Preparatory Committee

8. Three meetings of the Preparatory Committee are envisaged under resolution 64/236. The Committee may consider taking up the following tasks/activities at its first meeting:

(a) Elect the 10-member Bureau to steer the preparatory process that leads up to the Conference;

(b) Discuss the report of the Secretary-General on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, together with an analysis of the proposed themes. The analysis presented in the report encompasses input from the United Nations system and benefits from the valuable contributions made by other stakeholders;

(c) Undertake in-depth discussions on substantive, technical and procedural issues to refine and streamline the focus of the preparatory process, taking into account all ongoing intergovernmental processes and major events, such as the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in September 2010, the International Year of Biodiversity, 2010, the International Year of Forests, 2011, as well as the Five-Year Review of the Mauritius Strategy for the Further Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States in September 2010, together with meetings of the Governing Council of the United

Nations Environment Programme (UNEP) and the Conference of the Parties to the three Rio conventions.

(d) Review the rules of procedure of the Conference and recommend their adoption by the General Assembly;

(e) Encourage the Bureau of the Preparatory Committee to play an active role in the intergovernmental preparations for the Conference and to mobilize political support at the highest possible level in both developed and developing countries;

(f) Agree on (i) the exact dates and venue of the conference, (ii) a schedule of Bureau meetings, at least between the first and the second meetings of the Preparatory Committee and (iii) technical and organizational tasks to be completed prior to the second meeting of the Preparatory Committee;

(g) Other matters, as called for by the Committee and the Bureau.

9. The second meeting of the Preparatory Committee is scheduled to be held for two days in March 2011 immediately after the conclusion of the Intergovernmental Preparatory Meeting of the nineteenth session of the Conference on Sustainable Development. In addition to discussing further the substantive themes of the Conference, it is expected that decisions on the following matters will be made at the second meeting:

(a) Modalities and schedule of negotiations as well as the introduction of the Chair's text that will form the basis for the outcome document of the Conference;

(b) Organization of work of the Conference, including the high-level segment, round tables and multi-stakeholder dialogues;

(c) Structure and scope of input and documentation to be sought from international, regional and national preparatory processes;

(d) Themes and hosts of global and regional high-level round tables and intersessional meetings to be organized in support of the preparations for the Conference;

(e) Activities to be completed prior to the third meeting of the Preparatory Committee, including the schedule of Bureau meetings between the second and third meetings of the Committee.

10. Given that the General Assembly, in resolution 64/236, envisages the final meeting of the Preparatory Committee to be held in 2012 immediately preceding the Conference, the Committee may consider examining arrangements for finalizing the Chair's text (completing negotiations) between the two meetings. The Committee may also discuss the contents and structure of the focused political document to be produced as an outcome of the Conference.

11. Most likely, the third meeting of the Preparatory Committee will be devoted mainly to negotiations on the Chair's text in order to reach consensus on the focused political document. There may also be some pending procedural and organizational issues which would require the Committee's attention. Bearing this in mind, the Committee may wish to discuss whether the time allocated for the third meeting will suffice.

Fund-raising

12. The General Assembly, in resolution 64/236, recognizes that availability of adequate financing would be critical to ensure the effective participation and involvement of developing countries as well as of major groups in the preparatory process, including the organization of national and regional meetings, and the Conference itself. Predictable funding, among other things, will certainly be an important factor in ensuring the success of the preparatory process and the Conference. Therefore, international and bilateral donors, including other countries, are encouraged to support the preparations for the Conference through voluntary contributions to the trust fund of the Conference on Sustainable Development.

III. Preparatory activities

13. A successful Conference will require the active participation of all stakeholders involved in implementing sustainable development at all levels. The Preparatory Process therefore needs to take into account all intergovernmental and other relevant processes as well as trends and gaps in the implementation of the commitments undertaken in the area of sustainable development.

National processes

14. Countries are encouraged to consider forming national preparatory committees, with the participation of all relevant parts of Government and stakeholders, including local communities and major groups, to undertake assessments of critical challenges to the implementation of sustainable development, especially with regard to the themes identified in resolution 64/236. The assessments need to cover the remaining gaps in the implementation of the outcomes of the major summits on sustainable development and to identify new and emerging challenges. This process will enable the Secretariat to produce updated country profiles, thus contributing to a better understanding of what works and does not in implementing policies and programmes related to sustainable development. Such an analysis will also be very useful in the preparation of the final outcome document. The national preparatory committees may also be tasked with launching the public awareness campaigns to mobilize technical input and political support for the Conference by organizing multi-stakeholder dialogues on the future of sustainable development. In implementing such activities, the countries may wish to draw upon the expertise and assistance of the United Nations system through the United Nations Resident Coordinator system.

Regional processes

15. Regional preparations will take place during 2011 and 2012. The Department of Economic and Social Affairs is initiating discussions with the regional commissions, the UNEP regional offices, the United Nations Development Programme and other institutions at the regional level about their taking the lead in organizing the preparatory activities at the regional level.

16. Resolution 64/236 lays down that regional implementation meetings scheduled to be organized under the auspices of the Conference on Sustainable Development will become regional preparatory meetings for the Conference. In this regard, the Preparatory Committee may reiterate the importance of high-level participation at

the regional meetings which will be devoted to undertaking regional reviews and assessments of progress made in sustainable development, and identifying regional trends as well as key policy issues, priorities and follow-up actions. Consideration should be given, where appropriate, to the organization of subregional preparatory meetings, as well as the organization of high-level round tables and multi-stakeholder dialogues on thematic areas to be covered by the Conference. The Secretariat will work closely with the regional commissions in developing a common format for the regional preparations to promote greater comparability of reviews and assessments undertaken, while at the same time allowing originality and specificity of regional contributions.

Major groups

17. A transparent, dynamic and interactive preparatory process calls for notable contributions from and active participation of major groups. Accordingly, major groups are encouraged to contribute actively to the proceedings of the multi-stakeholder dialogues and related events that will be organized as part of the preparatory process. The Secretariat will work closely with the major groups to ensure their participation in the events planned for the Conference. To this end, the Preparatory Committee may invite donors and international organizations to support, either directly or through the Commission's trust fund, the participation of major groups in the events.

Expert inputs

18. The conventional approach to mobilizing expert input is through workshops, expert meetings and technical briefings, which will be organized jointly or separately by different United Nations entities within the context of Conference themes and their respective mandates. To complement this process, the Secretariat will mobilize a number of expert teams to provide comprehensive analysis of (i) progress made in achieving sustainable development and remaining gaps, (ii) new and emerging challenges, (iii) green economy in the context of sustainable development and poverty eradication, and (iv) the institutional framework for sustainable development. The Secretariat will further complement this process by setting up thematic blogs to seek the input and contributions of experts, major groups and other stakeholders who may wish to contribute to the preparatory process. It will also solicit video recordings of talks by and interviews with leading experts on various themes or topics in sustainable development for broadcasting on its website.

Outreach and dissemination

19. To increase and maintain the awareness of stakeholders about the Conference and its preparatory process, a dynamic and flexible advocacy campaign will be launched. It will incorporate multiple media and forms of communication, and will tailor communications to key target constituencies so as to meet their information requirements. Work on the establishment of a Conference website has been initiated. The website will be used to keep the world informed about the preparatory process, to raise awareness about different aspects of the Conference, including its expected outcomes, to promote the events that will take place as part of the preparatory process and to seek input from stakeholders to the preparatory process, including substantive issues to be addressed at the Conference. The United Nations system

will mobilize its communications offices around the world to reach out to all stakeholders in order to mobilize support for the Conference.

IV. Coordination with the host country

20. Immediately after the first meeting of the Preparatory Committee, the United Nations will start preparing a host country agreement which will serve as the basis for discussions with the Government of Brazil. The agreement will specify the place and date of the Conference, participation, premises, equipment, utilities and supplies, medical facilities, accommodation, transport, police protection, local personnel, financial arrangements, liability, privileges and immunities, import duties and taxes, and settlement of disputes.

21. The United Nations will encourage the Government of Brazil to designate a counterpart team that would be vested with the responsibility of ensuring that the obligations of the Government, as agreed in the host country agreement, are met in a timely and efficient manner. The Secretariat would regularly consult with the team and share necessary information about the state of preparatory arrangements.



General Assembly

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Preparatory Committee for the United Nations Conference on Sustainable Development

First session

17-19 May 2010

Item 5 of the provisional agenda*

Draft rules of procedure for the Conference

Draft provisional rules of procedure of the United Nations Conference on Sustainable Development

Note by the Secretariat

1. The General Assembly, in its resolution 64/236 of 24 December 2009, decided to hold the United Nations Conference on Sustainable Development in Brazil in 2012. The Assembly also decided that a preparatory committee would be established within the framework of the Commission on Sustainable Development.
2. The draft provisional rules of procedure for the Conference are contained in the annex to the present note. The draft provisional rules of procedure have been prepared on the basis of the rules of procedure of the World Summit on Sustainable Development (A/CONF.199/2 and Corr.1) and the provisional rules of procedure of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (A/CONF.212/2).
3. The attention of the Commission on Sustainable Development is also brought to draft rule 6 and, specifically, the number of Vice-Presidents of the Conference. It is recalled that the number of Vice-Presidents of the World Summit on Sustainable Development was 25. At its first meeting, the Preparatory Committee will elect, from among all States, a Bureau composed of 10 members, with 2 representatives from each of the geographical groups, one of whom would be elected Chair and the others Vice-Chairs, one of whom would also act as the Rapporteur. A representative of the host country of the Conference will serve on the Bureau as an ex-officio member. It is also recalled that the Assembly, at each session, elects a President and 21 Vice-Presidents pursuant to rule 31 of its rules of procedure, and the Preparatory Committee may wish to consider following this practice.
4. The Preparatory Committee for the Conference is invited to consider the draft provisional rules of procedure contained in the annex, taking into account the considerations outlined above, and to submit them for approval to the General Assembly at its sixty-fifth session.

* A/CONF.216/PC/1.



Annex

Draft provisional rules of procedure of the United Nations Conference on Sustainable Development

I. Representation and credentials

Rule 1

Composition of delegations

The delegation of each State participating in the Conference and that of the European Union shall consist of a head of delegation and such other representatives, alternate representatives and advisers as may be required.

Rule 2

Alternates and advisers

The head of delegation may designate an alternate representative or an adviser to act as a representative.

Rule 3

Submission of credentials

The credentials of representatives and the names of alternate representatives and advisers shall be submitted to the Secretary-General of the United Nations, if possible not less than one week before the date fixed for the opening of the Conference. The credentials shall be issued either by the Head of the State or Government or by the Minister for Foreign Affairs or, in the case of the European Union, by the High Representative for Foreign Affairs and Security Policy of the European Union.

Rule 4

Credentials Committee

A Credentials Committee of nine members shall be appointed at the beginning of the Conference. Its composition shall be based on that of the Credentials Committee of the General Assembly of the United Nations at its sixty-sixth session. It shall examine the credentials of representatives and report to the Conference without delay.

Rule 5

Provisional participation in the Summit

Pending a decision of the Conference upon their credentials, representatives shall be entitled to participate provisionally in the Conference.

II. Officers

Rule 6 Elections

The Conference shall elect from among the representatives of participating States the following officers: a President, [] Vice-Presidents and an ex officio Vice-President from the host country and a Rapporteur-General, as well as a Chair for the Main Committee established in accordance with rule 46. These officials shall be elected on the basis of ensuring the representative character of the General Committee. The Conference may also elect such other officers as it deems necessary for the performance of its functions.

Rule 7 General powers of the President

1. In addition to exercising the powers conferred upon him elsewhere by these rules, the President shall preside at the plenary meetings of the Conference, declare the opening and closing of each meeting, put questions to the vote and announce decisions. The President shall rule on points of order and, subject to these rules, shall have complete control of the proceedings and over the maintenance of order thereat. The President may propose to the Conference, the closure of the list of speakers, a limitation on the time to be allowed to speakers and on the number of times each representative may speak on a question, the adjournment or closure of the debate and the suspension or the adjournment of a meeting.

2. The President, in the exercise of his functions, remains under the authority of the Conference.

Rule 8 Acting President

1. If the President is absent from a meeting or any part thereof, he/she shall designate one of the Vice-Presidents to take his/her place.

2. A Vice-President acting as President shall have the same powers and duties as the President.

Rule 9 Replacement of the President

If the President is unable to perform his/her functions, a new President shall be elected.

Rule 10 Voting rights of the President

The President, or a Vice-President acting as President, shall not vote in the Conference, but may appoint another member of his/her delegation to vote in his/her place.

III. General Committee

Rule 11 Composition

The President, the Vice-Presidents, the Rapporteur-General and the Chair of the Main Committee shall constitute the General Committee. The President, or in his/her absence one of the Vice-Presidents designated by him/her, shall serve as Chair of the General Committee. The Chair of the Credentials Committee and other committees established by the Conference in accordance with rule 48 may participate, without the right to vote, in the General Committee.

Rule 12 Substitute members

If the President or a Vice-President of the Conference is to be absent during a meeting of the General Committee, he/she may designate a member of his/her delegation to sit and vote in the Committee. In case of absence, the Chair of the Main Committee shall designate the Vice-Chair of that Committee as his/her substitute. When serving on the General Committee, a Vice-Chair of the Main Committee shall not have the right to vote if he/she is of the same delegation as another member of the General Committee.

Rule 13 Functions

The General Committee shall assist the President in the general conduct of the business of the Conference and, subject to the decisions of the Conference, shall ensure the coordination of its work.

IV. Secretariat of the Summit

Rule 14 Duties of the Secretary-General of the United Nations

1. The Secretary-General of the United Nations or his designated representative shall act in that capacity in all meetings of the Conference and its subsidiary organs.
2. The Secretary-General of the United Nations may designate a member of the secretariat to act in his place at these meetings.
3. The Secretary-General of the United Nations or his designated representative shall direct the staff required by the Conference.

Rule 15 Duties of the secretariat

The secretariat of the Conference shall, in accordance with these rules:

- (a) Interpret speeches made at meetings;
- (b) Receive, translate, reproduce and circulate the documents of the Conference;
- (c) Publish and circulate the official documents of the Conference;

- (d) Prepare and circulate records of public meetings;
- (e) Make and arrange for the keeping of sound recordings;
- (f) Arrange for the custody and preservation of the documents of the Conference in the archives of the United Nations;
- (g) Generally perform all other work that the Conference may require.

Rule 16**Statements by the secretariat**

The Secretary-General of the United Nations, or any member of the secretariat designated for that purpose, may, at any time, make either oral or written statements concerning any question under consideration.

V. Opening of the Conference**Rule 17****Temporary President**

The Secretary-General of the United Nations or, in his absence, any member of the secretariat designated by him for that purpose, shall open the first meeting of the Conference and preside until the Conference has elected its President.

Rule 18**Decisions concerning organization**

The Conference shall at its first meeting:

- (a) Adopt its rules of procedure;
- (b) Elect its officers and constitute its subsidiary organs;
- (c) Adopt its agenda, the draft of which shall, until such adoption, be the provisional agenda of the Conference;
- (d) Decide on the organization of its work.

VI. Conduct of business**Rule 19****Quorum**

The President may declare a meeting open and permit the debate to proceed when at least one third of the representatives of the States participating in the Conference are present. The presence of representatives of a majority of the States so participating shall be required for any decision to be taken.

Rule 20**Speeches**

1. No one may address the Conference without having previously obtained the permission of the President. Subject to rules 21, 22 and 25 to 27, the President shall

call upon speakers in the order in which they signify their desire to speak. The secretariat shall be in charge of drawing up a list of speakers.

2. Debate shall be confined to the question before the Conference and the President may call a speaker to order if his/her remarks are not relevant to the subject under discussion.

3. The Conference may limit the time allowed to each speaker and the number of times each participant may speak on any question. Permission to speak on a motion to set such limits shall be accorded only to two representatives in favour of and to two opposing such limits, after which the motion shall be immediately put to the vote. In any event, with the consent of the Conference, the President shall limit each intervention on procedural matters to five minutes. When the debate is limited and a speaker exceeds the allotted time, the President shall call him to order without delay.

Rule 21

Points of order

During the discussion of any matter, a representative may at any time raise a point of order, which shall be immediately decided by the President in accordance with these rules. A representative may appeal against the ruling of the President. The appeal shall be immediately put to the vote, and the President's ruling shall stand unless overruled by a majority of the representatives present and voting. A representative may not, in raising a point of order, speak on the substance of the matter under discussion.

Rule 22

Precedence

The Chair or Rapporteur of the Main Committee, or the representative of a subcommittee or working group, may be accorded precedence for the purpose of explaining the conclusions arrived at by the body concerned.

Rule 23

Closing of the list of speakers

During the course of a debate, the President may announce the list of speakers and, with the consent of the Conference, declare the list closed.

Rule 24

Right of reply

1. Notwithstanding rule 23, the President shall accord the right of reply to a representative of any State participating in the Conference or of the European Community who requests it. Any other representative may be granted the opportunity to make a reply.

2. The statements made under this rule shall normally be made at the end of the last meeting of the day, or at the conclusion of the consideration of the relevant item if that is sooner.

3. The representatives of a State or of the European Union may make no more than two statements under this rule at a given meeting on any item. The first shall be

limited to five minutes and the second to three minutes; representatives shall in any event attempt to be as brief as possible.

Rule 25**Adjournment of debate**

A representative of any State participating in the Conference may at any time move the adjournment of the debate on the question under discussion. In addition to the proposer of the motion, permission to speak on the motion shall be accorded only to two representatives in favour and to two opposing the adjournment, after which the motion shall, subject to rule 28, be immediately put to the vote.

Rule 26**Closure of debate**

A representative of any State participating in the Conference may at any time move the closure of the debate on the question under discussion, whether or not any other representative has signified his/her wish to speak. Permission to speak on the motion shall be accorded only to two representatives opposing the closure, after which the motion shall, subject to rule 28, be immediately put to the vote.

Rule 27**Suspension or adjournment of the meeting**

Subject to rule 38, a representative of any State participating in the Conference may at any time move the suspension or the adjournment of the meeting. No discussion on such motions shall be permitted and they shall, subject to rule 28, be immediately put to the vote.

Rule 28**Order of motions**

The motions indicated below shall have precedence in the following order over all proposals or other motions before the meeting:

- (a) To suspend the meeting;
- (b) To adjourn the meeting;
- (c) To adjourn the debate on the question under discussion;
- (d) To close the debate on the question under discussion.

Rule 29**Submission of proposals and substantive amendments**

Proposals and substantive amendments shall normally be submitted in writing to the Secretary-General or his designated representative, who shall circulate copies to all delegations. Unless the Conference decides otherwise, substantive proposals shall be discussed or put to a decision no earlier than 24 hours after copies have been circulated in all languages of the Conference to all delegations. The President may, however, permit the discussion and consideration of amendments, even though these amendments have not been circulated or have been circulated only the same day.

Rule 30
Withdrawal of proposals and motions

A proposal or a motion may be withdrawn by its sponsor at any time before a decision on it has been taken, provided that it has not been amended. A proposal or a motion thus withdrawn may be reintroduced by any representative.

Rule 31
Decisions on competence

Subject to rule 28, any motion calling for a decision on the competence of the Conference to adopt a proposal submitted to it shall be put to the vote before a decision is taken on the proposal in question.

Rule 32
Reconsideration of proposals

When a proposal has been adopted or rejected, it may not be reconsidered unless the Conference, by a two-thirds majority of the representatives present and voting, so decides. Permission to speak on a motion to reconsider shall be accorded only to two speakers opposing reconsideration, after which the motion shall be immediately put to the vote.

VII. Decision-making

Rule 33
General agreement

The Conference shall make its best endeavours to ensure that the work of the Conference is accomplished by general agreement.

Rule 34
Voting rights

Each State participating in the Conference shall have one vote.

Rule 35
Majority required

1. Subject to rule 33, decisions of the Conference and its subsidiary organs shall be taken in accordance with the rules of procedure of the General Assembly and its committees, respectively.
2. Except as otherwise provided in these rules, decisions of the Conference on all matters of procedure shall be taken by a majority of the representatives present and voting.
3. If the question arises whether a matter is one of procedure or of substance, the President of the Conference shall rule on the question. An appeal against this ruling shall be put to the vote immediately, and the President's ruling shall stand unless overruled by a majority of the representatives present and voting.
4. If a vote is equally divided, the proposal or motion shall be regarded as rejected.

Rule 36**Meaning of the phrase “representatives present and voting”**

For the purpose of these rules, the phrase “representatives present and voting” means representatives casting an affirmative or negative vote. Representatives who abstain from voting shall be regarded as not voting.

Rule 37**Method of voting**

1. Except as provided in rule 44, the Conference shall normally vote by show of hands, except that a representative may request a roll-call, which shall then be taken in the English alphabetical order of the names of the States participating in the Conference, beginning with the delegation whose name is drawn by lot by the President. The name of each State shall be called in all roll-calls, and its representative shall reply “yes”, “no” or “abstention”.
2. When the Conference votes by mechanical means, a non-recorded vote shall replace a vote by show of hands and a recorded vote shall replace a roll-call. A representative may request a recorded vote, which shall, unless a representative requests otherwise, be taken without calling out the names of the States participating in the Conference.
3. The vote of each State participating in a roll-call or a recorded vote shall be inserted in any record of or report on the meeting.

Rule 38**Conduct during voting**

After the President has announced the commencement of voting, no representative shall interrupt the voting, except on a point of order in connection with the process of voting.

Rule 39**Explanation of vote**

Representatives may make brief statements consisting solely of explanations of vote, before the voting has commenced or after the voting has been completed. The President may limit the time to be allowed for such explanations. The representative of a State sponsoring a proposal or motion shall not speak in explanation of vote thereon, except if it has been amended.

Rule 40**Division of proposals**

A representative may move that parts of a proposal be decided on separately. If a representative objects, the motion for division shall be voted upon. Permission to speak on the motion shall be accorded only to two representatives in favour of and to two opposing the division. If the motion is carried, those parts of the proposal that are subsequently approved shall be put to the Conference for decision as a whole. If all operative parts of the proposal have been rejected, the proposal shall be considered to have been rejected as a whole.

Rule 41
Amendments

A proposal is considered an amendment to another proposal if it merely adds to, deletes from or revises part of that proposal. Unless specified otherwise, the word “proposal” in these rules shall be regarded as including amendments.

Rule 42
Order of voting on amendments

When an amendment is moved to a proposal, the amendment shall be voted on first. When two or more amendments are moved to a proposal, the Conference shall vote first on the amendment furthest removed in substance from the original proposal and then on the amendment next furthest removed therefrom and so on until all the amendments have been put to the vote. Where, however, the adoption of one amendment necessarily implies the rejection of another amendment, the latter shall not be put to the vote. If one or more amendments are adopted, the amended proposal shall then be voted upon.

Rule 43
Order of voting on proposals

1. If two or more proposals, other than amendments, relate to the same question, they shall, unless the Conference decides otherwise, be voted on in the order in which they were submitted. The Conference may, after each vote on a proposal, decide whether to vote on the next proposal.
2. Revised proposals shall be voted on in the order in which the original proposals were submitted, unless the revision substantially departs from the original proposal. In that case, the original proposal shall be regarded as withdrawn and the revised proposal shall be treated as a new proposal.
3. A motion requiring that no decision be taken on a proposal shall be put to the vote before a decision is taken on the proposal in question.

Elections
Rule 44

All elections shall be held by secret ballot unless, in the absence of any objection, the Conference decides to proceed without taking a ballot when there is an agreed candidate or slate.

Rule 45

1. When one or more elective places are to be filled at one time under the same conditions, those candidates, in a number not exceeding the number of such places, obtaining in the first ballot a majority of the votes cast and the largest number of votes, shall be elected.
2. If the number of candidates obtaining such majority is less than the number of places to be filled, additional ballots shall be held to fill the remaining places.

VIII. Subsidiary bodies

Rule 46

Main Committee

The Conference may establish a Main Committee as required which may set up subcommittees or working groups.

Rule 47

Representation on the Main Committee

Each State participating in the Conference and the European Union may be represented by one representative on the Main Committee established by the Conference. It may assign to the Committee such alternate representatives and advisers as may be required.

Other committees and working groups

Rule 48

1. In addition to the Main Committee referred to above, the Conference may establish such committees and working groups as it deems necessary for the performance of its functions.
2. Subject to the decision of the Plenary of the Conference, the Main Committee may set up subcommittees and working groups.

Rule 49

1. The members of the committees and working groups of the Conference, referred to in rule 48, paragraph 1, shall be appointed by the President, subject to the approval of the Conference, unless the Conference decides otherwise.
2. Members of the subcommittees and working groups of committees shall be appointed by the Chair of the committee in question, subject to the approval of that committee, unless the committee decides otherwise.

Rule 50

Officers

Except as otherwise provided in rule 6, each committee, subcommittee and working group shall elect its own officers.

Rule 51

Quorum

1. The Chair of the Main Committee may declare a meeting open and permit the debate to proceed when representatives of at least one quarter of the States participating in the Conference are present. The presence of representatives of a majority of the States so participating shall be required for any decision to be taken.
2. A majority of the representatives of the General or Credentials Committee or of any committee, subcommittee or working group shall constitute a quorum provided that they are representatives of participating States.

Rule 52

Officers, conduct of business and voting

The rules contained in chapters II, VI (except rule 19) and VII above shall be applicable, mutatis mutandis, to the proceedings of committees, subcommittees and working groups, except that:

(a) The Chairs of the General and Credentials Committees and the Chairs of the committees, subcommittees and working groups may exercise the right to vote, provided that they are representatives of participating States;

(b) Decisions of committees, subcommittees and working groups shall be taken by a majority of the representatives present and voting, except that the reconsideration of a proposal or an amendment shall require the majority established by rule 32.

IX. Languages and records

Rule 53

Languages of the Summit

Arabic, Chinese, English, French, Russian and Spanish shall be the languages of the Conference.

Rule 54

Interpretation

1. Speeches made in a language of the Conference shall be interpreted into the other such languages.

2. A representative may speak in a language other than a language of the Conference if the delegation concerned provides for interpretation into one such language.

Rule 55

Languages of official documents

Official documents of the Conference shall be made available in the languages of the Conference.

Rule 56

Sound recordings of meetings

Sound recordings of meetings of the Conference and of any Main Committee shall be made and kept in accordance with the practice of the United Nations. Unless otherwise decided by the Conference or the Main Committee concerned, no such recordings shall be made of the meetings of any working group thereof.

X. Public and private meetings

General principles

Rule 57

The plenary meetings of the Conference and the meetings of any committee shall be held in public unless the body concerned decides otherwise. All decisions taken by the Plenary of the Conference at a private meeting shall be announced at an early public meeting of the Plenary.

Rule 58

As a general rule, meetings of the General Committee, subcommittees or working groups shall be held in private.

Rule 59

Communiqués on private meetings

At the close of a private meeting, the presiding officer of the organ concerned may issue a communiqué through the Secretary-General or his designated representative.

XI. Other participants and observers

Rule 60

Entities, intergovernmental organizations and other entities that have received a standing invitation from the General Assembly to participate in the capacity of observer in the sessions and work of all international conferences convened under its auspices

Representatives designated by entities, intergovernmental organizations and other entities that have received a standing invitation from the General Assembly to participate in the capacity of observer in the sessions and work of all international conferences convened under its auspices have the right to participate as observers, without the right to vote, in the deliberations of the Conference, the Main Committee and, as appropriate, any other committee or working group.

Rule 61

Representatives of the specialized agencies and related organizations^a

Representatives designated by the specialized agencies and related organizations may participate, without the right to vote, in the deliberations of the Conference, the Main Committee and, as appropriate, any other committee or working group on questions within the scope of their activities.

^a For the purposes of these rules, the term “specialized agencies” includes the International Atomic Energy Agency, the Organization for the Prohibition of Chemical Weapons, the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization, the World Tourism Organization and the World Trade Organization.

Rule 62

Representatives of other intergovernmental organizations

Save where otherwise specifically provided with respect to the European Union in these rules of procedure, representatives designated by other intergovernmental organizations invited to the Conference may participate as observers, without the right to vote, in the deliberations of the Conference, the Main Committee and, as appropriate, any other committee or working group on questions within the scope of their activities.

Rule 63

Representatives of interested United Nations organs

Representatives designated by interested organs of the United Nations may participate as observers, without the right to vote, in the deliberations of the Summit, the Main Committee and, as appropriate, any other committee or working group on questions within the scope of their activities.

Rule 64

Representatives of non-governmental organizations^b

1. Non-governmental organizations accredited to participate in the Conference may designate representatives to sit as observers at public meetings of the Conference and the Main Committees.
2. Upon the invitation of the presiding officer of the body concerned and subject to the approval of that body, such observers may make oral statements on questions in which they have special competence. If the number of requests to speak is too large, the non-governmental organizations shall be requested to form themselves into constituencies, such constituencies to speak through spokespersons.

Rule 65

Associate members of regional commissions^c

Representatives designated by the associate members of regional commissions listed in the footnote may participate as observers, without the right to vote, in the deliberations of the Conference, the Main Committee and, as appropriate, any other committee or working group.

^b It is recalled that paragraph 23.3 of Agenda 21 provides that “any policies, definitions or rules affecting access to and participation by non-governmental organizations in the work of the United Nations institutions or agencies associated with the implementation of Agenda 21 must apply equally to all major groups”. Agenda 21 defines major groups as comprising women, children and youth, indigenous people, non-governmental organizations, local authorities, workers and their trade unions, business and industry, the scientific and technological community and farmers. Therefore, based on Agenda 21, rule 64 shall apply equally to non-governmental organizations and other major groups.

^c American Samoa, Anguilla, Aruba, British Virgin Islands, Commonwealth of the Northern Mariana Islands, French Polynesia, Guam, Montserrat, Netherlands Antilles, New Caledonia, Puerto Rico, United States Virgin Islands.

Rule 66**Written statements**

Written statements submitted by the designated representatives referred to in rules 60 to 65 shall be distributed by the secretariat to all delegations in the quantities and in the language in which the statements are made available to it at the site of the Conference, provided that a statement submitted on behalf of a non-governmental organization is related to the work of the Conference and is on a subject in which the organization has a special competence.

XII. Suspension and amendment of the rules of procedure**Rule 67****Method of suspension**

Any of these rules may be suspended by the Conference provided that 24 hours' notice of the proposal for the suspension has been given, which may be waived if no representative objects. Any such suspension shall be limited to a specific and stated purpose and to a period required to achieve that purpose.

Rule 68**Method of amendment**

These rules of procedure may be amended by a decision of the Conference taken by a two-thirds majority of the representatives present and voting, after the General Committee has reported on the proposed amendment.



United Nations

Report of the Preparatory Committee for the United Nations Conference on Sustainable Development

**First session
(17-19 May 2010)**

Report of the Preparatory Committee for the United Nations Conference on Sustainable Development

First session (17-19 May 2010)



United Nations • New York, 2010

Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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Chapter I

Introduction

1. By its resolution 64/236, the General Assembly decided to organize, in 2012, the United Nations Conference on Sustainable Development, and to establish a preparatory committee to carry out the preparations for the Conference. It further decided that the first session of the Preparatory Committee would be held in 2010 for three days, immediately after the conclusion of the eighteenth session and the first meeting of the nineteenth session of the Commission on Sustainable Development.

Chapter II

Organization of the session

A. Opening and duration of the session

2. The Preparatory Committee held its first session from 17 to 19 May 2010. It held six meetings (1st to 6th), and meetings of its two contact groups.

3. At its 1st meeting, on 17 May, the Under-Secretary-General for Economic and Social Affairs opened the session and made an opening statement.

B. Election of officers

4. At its 1st meeting, on 17 May, the Preparatory Committee elected the following members of the Bureau by acclamation:

Co-Chairs:

John Ashe (Antigua and Barbuda)

Park In-kook (Republic of Korea)

Vice-Chairs:

Ana Bianchi (Argentina)

Charles Thembani Ntwaagae (Botswana)

Tania Valerie Raguž (Croatia)

Jiří Hlaváček (Czech Republic)

Maged Abdelaziz (Egypt)

Paolo Soprano (Italy)

Asad Majeed Khan (Pakistan)

John Matuszak (United States of America)

5. Also at its 1st meeting, the Preparatory Committee agreed that Tania Valerie Raguž (Vice-Chair, Croatia) would also serve as Rapporteur.

6. At the same meeting, the Co-Chair, Park In-kook (Republic of Korea), informed the Committee that Maria Teresa Mesquita Pessôa (Brazil) would serve as ex officio member of the Bureau of the Preparatory Committee, on behalf of the host country of the United Nations Conference on Sustainable Development in 2012.

C. Agenda and organization of work

7. At its 1st meeting, on 17 May, the Preparatory Committee adopted its provisional agenda, as contained in document A/CONF.216/PC/1, and approved its organization of work. The agenda was as follows:

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference.

4. Organizational and procedural matters.
5. Draft rules of procedure of the Conference.
6. Adoption of the report of the Preparatory Committee on its first session.

8. Also at its 1st meeting, upon the proposal of the Co-Chair (Republic of Korea), the Preparatory Committee approved the establishment of the following contact groups: Contact Group 1, on the review of the preparatory process, including organizational and procedural matters, leading up to the United Nations Conference on Sustainable Development in 2012 (see chapter IV below); and Contact Group 2, on the review of the draft rules of procedure for the Conference (see chapter V below).

D. Attendance

9. In accordance with paragraph 23 of General Assembly resolution 64/236, the Preparatory Committee was open-ended to allow for the full and effective participation of all States Members of the United Nations and members of the organizations of the United Nations system, as well as other participants in the Commission on Sustainable Development, in accordance with the rules of procedure of the functional commissions of the Economic and Social Council and the supplementary arrangements established for the Commission by the Council in its decisions 1993/215 and 1995/201.

10. A large number of intergovernmental and non-governmental organizations and representatives of major groups also attended the session.

11. The list of participants of the first session of the Preparatory Committee is contained in document A/CONF.216/PC/INF.1.

E. Conclusion of the session

12. At its 6th meeting, on 19 May, the Secretary-General of the United Nations addressed the Preparatory Committee.

13. At the same meeting, the Co-Chair (Antigua and Barbuda) made a statement and declared closed the first session of the Committee.

F. Documentation

14. The list of documents before the first session of the Preparatory Committee is contained in annex IV.

Chapter III

Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference

15. The Preparatory Committee considered the progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference (agenda item 3) at its 1st to 6th meetings, from 17 to 19 May 2010.

16. At the 1st meeting of the Committee, on 17 May, the Director of the Division for Sustainable Development of the Department of Economic and Social Affairs introduced the report of the Secretary-General under the item (A/CONF.216/PC/2).

17. At its 1st and 2nd meetings, on 17 May, the Committee held an interactive discussion on the topic, "Assessing the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development", under the chairmanship of the Co-Chair (Antigua and Barbuda).

18. At its 2nd and 3rd meetings, on 17 and 18 May, the Committee held an interactive discussion on the topic, "Addressing new and emerging challenges", under the chairmanship of the Co-Chair (Republic of Korea).

19. At its 3rd and 4th meetings, on 18 May, the Committee held an interactive discussion on the topic, "A green economy in the context of sustainable development and poverty eradication", under the chairmanship of the Co-Chair (Republic of Korea).

20. At its 4th and 5th meetings, on 18 and 19 May, the Committee held an interactive discussion on the topic, "Institutional framework for sustainable development", under the chairmanship of the Co-Chair (Antigua and Barbuda).

Action taken

21. At the 6th meeting, on 19 May, the Co-Chair (Antigua and Barbuda) introduced the Co-Chairs' summary on the deliberations of the Preparatory Committee on agenda item 3 (see annex I).

22. At the same meeting, statements were made by the representatives of Yemen (on behalf of the States Members of the United Nations that are members of the Group of 77 and China), Spain (on behalf of the States Members of the United Nations that are members of the European Union), Cuba, Australia, Egypt, the United States, Japan, Guatemala, Grenada (on behalf of the States Members of the United Nations that are members of the Alliance of Small Island States), Switzerland, Brazil, Norway and the Russian Federation.

23. Also at the same meeting, a statement was made by the representative of the non-governmental organizations major group.

Chapter IV

Organizational and procedural matters: report of Contact Group 1 on the review of the preparatory process, including organizational and procedural matters, leading up to the United Nations Conference on Sustainable Development in 2012

24. At its 1st meeting, on 17 May 2010, the Preparatory Committee, upon the proposal of the Co-Chair (Republic of Korea), approved the establishment of Contact Group 1 to review the preparatory process, including organizational and procedural matters (agenda item 4), leading up to the United Nations Conference on Sustainable Development in 2012. The Contact Group held five meetings, which were co-facilitated by Vice-Chairs Paolo Soprano (Italy) and Asad Majeed Khan (Pakistan).

25. At its 6th meeting, on 19 May, the Preparatory Committee heard statements by the co-facilitators (Italy and Pakistan) of Contact Group 1 on the outcome of the Group's deliberations, which was circulated in an informal paper, in English only.

Action taken

26. At its 6th meeting, on 19 May, the Preparatory Committee decided to include the report of the co-facilitators (Italy and Pakistan) on the deliberations of Contact Group 1 in the report on its first session (see annex II).

Chapter V

Draft rules of procedure for the Conference: report of Contact Group 2 on the review of the draft rules of procedure for the United Nations Conference on Sustainable Development in 2012

27. At its 1st meeting, on 17 May 2010, the Preparatory Committee, upon the proposal of the Co-Chair (Republic of Korea), approved the establishment of Contact Group 2 to review the draft rules of procedure for the United Nations Conference on Sustainable Development in 2012 (agenda item 5). The Contact Group held five meetings, which were co-facilitated by Vice-Chairs Ana Bianchi (Argentina) and John Matuszak (United States).

28. At its 6th meeting, on 19 May, the Preparatory Committee heard statements by the co-facilitators (Argentina and the United States) of Contact Group 2 on the outcome of the Group's deliberations, which was circulated in an informal paper, in English only.

29. At the same meeting, statements were made by the representatives of Egypt (on behalf of the States Members of the United Nations that are members of the Group of 77 and China), Spain (on behalf of the States Members of the United Nations that are members of the European Union) and Cuba.

Action taken

30. At its 6th meeting, on 19 May, the Preparatory Committee decided to include the report of the co-facilitators (Argentina and the United States) on the deliberations of Contact Group 2 in the report on its first session (see annex III).

Chapter VI

Adoption of the report of the Preparatory Committee on its first session

31. At the 6th meeting, on 19 May 2010, the Rapporteur of the Preparatory Committee, Tania Valerie Raguž (Croatia), introduced the draft report of the Preparatory Committee on its first session (A/CONF.216/PC/1/L.1) (agenda item 6).

32. At the same meeting, the Rapporteur orally corrected the draft report.

Action taken

33. At its 6th meeting, on 19 May, the Preparatory Committee decided to adopt the draft report, as orally corrected, and entrusted the Rapporteur (Croatia), in collaboration with the secretariat, with its finalization.

Annex I

Summary by the Co-Chairs on the deliberations of the Preparatory Committee on agenda item 3, “Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference”

1. The first session of the Preparatory Committee for the United Nations Conference on Sustainable Development was opened on 17 May 2010 by Sha Zukang, Under-Secretary-General for Economic and Social Affairs. The Committee elected the 10 members of the Bureau, including the two co-chairs, Park In-kook, Permanent Representative of the Republic of Korea, and John Ashe, Permanent Representative of Antigua and Barbuda, the rapporteur of the session, Tanja Valerie Raguž of Croatia, and Maged A. Abdelaziz of Egypt, Ana Bianchi of Argentina, Jiří Hlaváček of the Czech Republic, Asad Majeed Khan of Pakistan, John M. Matuszak of the United States, Charles T. Ntwaagae of Botswana and Paolo Soprano of Italy as members of the Bureau. Maria Teresa Mesquita Pessôa of Brazil was designated as an ex officio member of the Bureau of the Preparatory Committee.

2. Two contact groups were established, one addressing the preparatory process (headed by Asad Majeed Khan of Pakistan and Paolo Soprano of Italy), the other addressing the rules of procedure for the Conference (headed by Ana Bianchi of Argentina and John M. Matuszak of the United States).

3. The designated Secretary-General of the Conference, Sha Zukang, emphasized in his opening remarks that he would oversee the work of the secretariat in support of the preparatory process with the utmost transparency. The dedicated secretariat of the Conference would be located in the Department of Economic and Social Affairs, with staff from the Division for Sustainable Development and seconded from various United Nations entities. A departmental task force would be established to support the preparatory process. Inter-agency collaborative mechanisms would contribute to the preparatory process, along with the Executive Committee on Economic and Social Affairs, the Environmental Management Group and the United Nations Development Group. The meeting adopted the agenda. Tariq Banuri, Director of the Division for Sustainable Development, introduced the report of the Secretary-General and emphasized that significant development results of recent years needed to be sustained.

4. Governments, United Nations entities and representatives of major groups made statements calling for an ambitious, forward-looking and action-oriented outcome of the Conference. A number of participants called for a short and focused outcome document. Some indicated that there was a need for the sort of sharp policy focus provided by the clear goals and targets contained in the Millennium Development Goals, and in effect proposed expanding the Millennium Development Goals to encompass new sustainable development goals. One delegation stated that efforts should be made to work towards a strong consensus on behalf of humanity and the planet.

5. Speakers highlighted the principal objectives of the Conference, as established in General Assembly resolution 64/236, namely, securing renewed political commitment to sustainable development, assessing progress and implementation gaps in meeting already agreed commitments, and addressing new and emerging challenges. They drew attention to the two themes of the Conference: the green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development.

6. Many speakers noted that sustainable development was key to attaining the Millennium Development Goals and that, in its deliberations, the Conference should give equal weight to each of the three pillars of sustainable development — economic development, social development and environmental protection. The world could not afford to choose between environmental protection, economic growth and social equity. Speakers stressed the need to accelerate the convergence between the environmental pillar and the social and economic pillars.

7. To renew political commitment to sustainable development, delegations and stakeholders called for a rekindling of the “spirit of Rio”. Many highlighted the importance of engaging all stakeholders at the national and local levels and youth in particular, with one speaker referring to the Conference as “Rio for 20-somethings”.

8. The sustainable development principles and commitments articulated in Stockholm in 1972 and Rio in 1992 remained valid today, but some delegations suggested that they reflected the realities of the twentieth century, not the new millennium. Others insisted that, as countries had not yet delivered adequately on those commitments, any renewed political commitment should first and foremost consist of heightened resolve to implement prior commitments.

9. In an effort to determine the causes of the persistent gap in the implementation of sustainable development commitments, speakers called for an honest assessment of the progress to date, including a clear evaluation of what had already been delivered in terms of means of implementation. On the one hand, a new spirit of partnership between developed and developing countries was invoked; on the other, it was noted that the global partnership for development of Goal 8 remained elusive. The hope was expressed that the Conference could bridge the trust gap between developed and developing countries evident in the climate change negotiations.

10. Emerging challenges to sustainable development included not only the recent global financial crisis and economic recession, as well as the food and energy crises, but also climate change, biodiversity loss, desertification, water scarcity and natural disasters. Delegations noted that many of these challenges predated the financial crisis and global recession.

11. Some speakers made a strong case for the co-benefits of a green economy with respect to development and social equity. One speaker stressed that social equity needed to be central to a green economy if it was to contribute to sustainable development. Others saw a green economy as a set of policies to transition to low-carbon development. Relatedly, it was mentioned that a green economy should be built on clean energy, resource efficiency and the creation of decent jobs. A number of delegations observed that there was not one but various proposals for a green economy, the costs and benefits of which needed to be better understood. The concept of a green economy had stirred a much-needed debate. Some delegations indicated what they believed a green economy should not involve, namely, the

privatization of nature and natural assets. Other speakers cautioned against associating a green economy with trade and financial conditionalities. In general, there was a sense that a green economy should not be a straitjacket but a concept sufficiently broad and flexible to accommodate a diversity of national and local approaches. Indeed, a green economy was already being defined at the grass-roots level by practice on the ground.

12. With regard to the institutional framework for sustainable development, a consensus was noted on the need for enhanced coordination and cooperation among international organizations in respect of environmental agreements. Still, divergent views existed on how to enhance the efficiency of the current United Nations system in the area of sustainable development. The need to examine the workings of the Commission on Sustainable Development was mentioned, as was the work being led by the United Nations Environment Programme (UNEP) on reforming international environmental governance. Some delegations referred to the need to look at a broader set of institutions, including those working in the financial and trade sectors, and to determine how they could contribute more effectively to sustainable development.

13. Speakers called for a transparent and inclusive preparatory process that fully engaged civil society and all major groups. New media and Web tools needed to be used effectively for outreach to civil society, in particular youth.

14. Several speakers stressed the need for an efficient and focused preparatory process. A number warned against duplication of other processes and asked how other processes could support preparations for the Conference in 2012. Some called for the establishment of an intersessional programme of work involving open-ended working groups in order to address the difficult issues on the agenda.

15. Delegates made a few proposals for work to be undertaken in preparation for the second session of the Preparatory Committee, including:

- (a) Preparation of a road map and timetable for the whole preparatory process;
- (b) Preparation of a list of background documents to be prepared for the second session;
- (c) Identification of United Nations agencies and programmes that could provide expert input on themes and topics to support the work of the secretariat.

Assessing the progress to date and remaining gaps in the implementation of the outcomes of the major summits on sustainable development

16. Progress in implementing the goals and objectives of the 1972 Stockholm Conference on the Human Environment, the 1992 United Nations Conference on Environment and Development and the 2002 World Summit on Sustainable Development had been inconclusive and uneven. Despite some achievements on the ground, most notably on reducing poverty and improving access to education and better health care in some areas, substantial challenges remained. These achievements were unevenly distributed, with wide disparities across regions.

17. There were persistent implementation gaps relating to poverty eradication, food security, income inequality, maintenance of biodiversity, combating climate change, reducing pressure on ecosystems and fisheries, access to clean water and sanitation and the full participation of women in implementing internationally agreed goals, reflecting a fragmented approach to achieving sustainable development goals.

18. Some speakers noted that the income and development gap between many low-income and high-income countries had continued to widen, and that this posed a challenge for sustainable development.

19. Many delegations noted that no major changes had occurred in consumption and production patterns since the United Nations Conference on Environment and Development, and that fundamental changes were indispensable for global sustainable development. They called for actions to promote sustainable production and consumption patterns, with developed countries taking the lead in accordance with the Rio principles, notably that of common but differentiated responsibilities and respective capabilities.

20. Also mentioned as a remaining gap was a lack of mutually coherent policies and approaches supportive of sustainable development in the areas of finance, investment, trade, capacity-building and technology transfer.

21. Efforts at achieving sustainable development goals, including the Millennium Development Goals, had been further hindered by the recent financial and economic crises, which had adversely affected economic performance, eroded hard-won gains and increased the number of people living in extreme poverty.

22. Strong political impetus was needed to bridge implementation gaps, and Africa, least developed countries, landlocked developing countries and small island developing States were mentioned as deserving special attention and support.

23. Many delegations stated that an examination of the underlying factors contributing to slow progress pointed to the need for enhanced means of implementation, a fair and equitable multilateral trade system and the elimination of harmful subsidies. Technology transfer, technology cooperation and training and capacity development were also highlighted as essential. Speakers mentioned that human capital was central to sustainable development, and stressed the importance of strong national leadership for progress on sustainable development.

24. Many delegations noted that inadequate financial support had hampered the ability of developing countries to take action on sustainable development and had limited their access to modern, clean and environmentally sound technologies. Support for capacity-building, including for national sustainable development plans and strategies, was also needed. Official development assistance (ODA) had lagged behind commitments in some cases, although many donor countries had substantially increased aid and had taken action to more efficiently coordinate and distribute aid. The commitment to double aid to Africa by 2010, as agreed by the Group of Eight summit in Gleneagles, United Kingdom of Great Britain and Northern Ireland, in 2005, might not be reached. In addition to an increase in ODA, many participants proposed that innovative financial measures and mechanisms be fully explored.

25. Debt posed constraints for many developing countries and an effective, equitable, durable and development-oriented solution would be a positive step towards sustainable development.

26. An integrated, holistic and balanced approach to sustainable development needed to be adopted at the national, regional and international levels, one that fully accounted for economic, social and environmental aspects elaborated at the United Nations Conference on Environment and Development in 1992 and reiterated at the World Summit on Sustainable Development in 2002. Many delegations noted the need, at the national level, to refine strategies and sharpen policy perspectives aimed at effectively implementing the outcomes of major summits on sustainable development. This in turn needed to be complemented by stronger and more effective mechanisms of international and regional support, and significantly greater financial commitments. A broader notion of rebalancing was introduced with a view to closing gaps between developed and developing countries.

27. All countries and stakeholders needed to enhance their efforts on concrete actions and measures to achieve sustainable development. Success stories and policies that had worked needed to be identified and analysed, and this should include efforts to determine how best those policies fitted and could be implemented in different contexts and how they could be scaled up.

28. Good governance was important for achieving sustainable development goals. The involvement of the private sector, including through public-private partnerships, was particularly important. Several delegations emphasized enhanced corporate social responsibility.

29. Indicators to measure progress on achieving sustainable development goals existed and had been utilized by some, but information and data gaps remained. Indicators were also needed to assess vulnerabilities of countries to the various crises confronting them, including climate change and the financial crisis. Standardized information collection guidelines for countries would be useful. The collection of quantitative information on financial and technology flows could be beneficial in addressing inadequate funding for sustainable development and analysing technology transfer needs.

30. Input by relevant United Nations agencies, funds and programmes, including the United Nations Development Programme (UNDP) and UNEP, on gap assessment would enhance the preparatory process and contribute positively to the Conference outcome. Improved inter-agency collaboration and coordination would enable the Conference to benefit from the expertise and competence of various organizations, for example UNDP, in reporting and awareness-raising instruments related to poverty eradication, and UNEP, through such assessment tools as the *Global Environment Outlook*. Contributions by multilateral institutions and the scientific community to assessments on progress made and gaps in implementation would also be valuable for the preparatory process.

31. The secretariat was asked to undertake further quantitative assessments on implementation gaps and shortfalls and measures to improve the reliability and availability of indicators for measuring progress on sustainable development.

32. Governments and major groups could be invited to provide information by responding to focused questions, to be prepared by the secretariat, pertaining to progress made and gaps in implementation. On that basis, a summary report with

conclusions could be submitted by the Secretary-General of the Organization to the second session of the Preparatory Committee.

Addressing new and emerging challenges

33. New and emerging sustainable development issues included the financial and economic crisis, and the food and energy crises. Other important challenges included climate change, biodiversity, desertification, water scarcity, increasing frequency of natural disasters and the ability to prepare for and recover from disasters. Globalization, while facilitating growth and poverty eradication, had also increased economic instability. Those crises and challenges had impacts on standards of living, the achievement of the Millennium Development Goals and the health of the people of developing countries, in particular the most vulnerable.

34. Within its agreed thematic focus, the Conference was expected to address pertinent new and emerging issues, including with a view to increasing resilience at the national and international levels, supporting efforts to cope with negative impacts and, if possible, preventing any recurrence of similar crises in the future.

35. Many of the challenges of sustainable development were not necessarily new, but when faced at the same time as the multiple global crises, they compromised the ability of developing countries to respond effectively. Immediate and collective efforts were needed if sustainable development was to be achieved.

36. Some delegations suggested that the multiple crises called into question the prevailing global development model. A number pointed to the need for indicators of well-being beyond the gross domestic product. Others called for a review of the performance of markets over the past 20 years, suggesting that they may not have been adequate to the challenge of allocating scarce natural resources, protecting the environment and promoting social development. In the view of one delegation, the ecological crises currently being faced arose from our treating the Earth as a thing rather than as a home, and failing to recognize that we humans were part of the Earth's system.

37. The global food crisis had not yet been overcome, and hunger, malnutrition and lack of food security remained a great challenge to sustainable development.

38. Public health and prevention of communicable diseases had also been identified as an important area for national action and international cooperation.

39. Investment in childhood and adult education was necessary for sustainable economic growth and could contribute to supporting a green economy. Efficient education and training systems at all levels, with a view to enhancing career pathways in the sciences, technology and engineering, should be available to all.

40. Initiatives to mitigate climate change and adapting to its anticipated impacts involved new and emerging issues, technologies and areas for international cooperation. New global partnerships for technology transfer had been proposed, also with a view to enhancing a global transition to a low-carbon economy.

41. The numerous recent natural disasters had shown the importance of preparedness and increased international cooperation in response efforts. New information and communication technologies could inform decision-making and real-time problem solving, including in times of disaster.

42. The continuing loss of global biodiversity and of cultural diversity continued to affect prospects for sustainable development. Many resources, in particular fish stocks, were at serious risk of depletion. The current oil spill in the Gulf of Mexico highlighted the vulnerability of all countries, developed and developing, to environmental disasters.
43. Delegations suggested that imbalances in international economic governance should be addressed at the Conference and not solely by the Group of 20 (G-20), noting that attention should be paid not only to strengthening competitiveness in developed countries, but also in developing countries.
44. International migration was mentioned as an emerging issue that was limiting the development of scientific and technological capacity in developing countries. Developing country expertise and perspectives should be incorporated into scientific and technical assessments to strengthen links among science, education and policy.
45. Effectively responding to emerging challenges required the involvement of all stakeholders, including women and youth.
46. Consideration needed to be given to new forms of collaboration or to international mechanisms that could enhance the accountability of developed countries and ensure the implementation of their commitments, while developing countries required more effective enabling approaches and support to enhance their sustainable development.
47. Many delegations indicated that the Conference should identify ways for the United Nations system to increase capacity-building support for implementing national sustainable development plans and strategies in developing countries.
48. A number of delegations referred to the need to explore innovative financing mechanisms, while others pointed to a need to assess the resource mobilization potential of any proposed innovative source or mechanism of international financing.
49. A proposal was advanced for the creation of a stimulus package for developing countries that would include new and additional financing, technology transfer and relaxation of intellectual property rights.
50. Access to clean drinking water and sanitation also remained a crucial sustainable development challenge, as did water availability more generally. A range of efforts were under way to protect increasingly scarce freshwater resources, including through improved water resources management and reduced water pollution, but increased action was imperative. The midterm review of progress in the implementation of the International Decade of Action "Water for Life", 2005-2015, was important in that regard.
51. Green job creation was cited as an important element of the response to the current global economic crisis, and it was stressed that in the transition to a green economy, workforce aspects, including worker retraining, needed to be adequately addressed.
52. While recognizing the importance of addressing the new and emerging issues and challenges mentioned above, some delegations noted that these could be accommodated within the thematic focus on a green economy and institutions for

sustainable development. Based on that view, the agenda for the Conference did not need to be expanded.

A green economy in the context of sustainable development and poverty eradication

Definitions and interpretations

53. There was no broad consensus on the meaning of a green economy. In the Nusa Dua Declaration, the UNEP Governing Council had acknowledged the need to further define the term “green economy”. There was, however, a consensus that a green economy needed to be understood in the context of sustainable development and consistent with the Rio principles. There was no need to redefine sustainable development, and a green economy was not a substitute for sustainable development. According to one definition, a green economy could be conceived of as a means of achieving sustainable development goals, which by and large had not yet been realized anywhere. According to another, a green economy was seen as a pathway to sustainable development, or as various pathways, as many delegations emphasized that there was no one-size-fits-all but many possible green economy or green growth paths, depending on national circumstances.

54. Several delegations noted that a green economy, by promoting greater efficiency in the use of energy and natural resources and new technologies for clean energy and cleaner production, could create new opportunities for economic growth. Suitable national policy frameworks would need to be put in place to drive a green economy transition, promote sustainable consumption and production patterns and bring economic activity more closely into line with the carrying capacities of ecosystems.

55. The green economy concept needed to be broad and flexible enough to be relevant and adaptable to the needs of countries at different levels of development, with differing national capacities and priorities. As one delegation stated, a green economy was about making more forward-looking choices, regardless of a country’s economy. A green economy framework should not be a straitjacket, but serve as a guide and support to national initiatives and policies. Many policies and measures were already being implemented at the national and the grass-roots levels, and those efforts could be described as building a green economy. Local authorities referred to the vast array of innovative green economy policies and measures, such as eco-budgeting, being introduced at the municipal level. A green economy framework might help Governments to take a more holistic view of economic policies for sustainable development. If it served that purpose, then it could prove useful to Governments.

56. A number of delegations expressed reservations about a particular interpretation of the concept of a green economy that was equated with the “marketization” of nature and natural resources. It was suggested that unregulated markets had been a contributing factor to environmental degradation and thus their ability to contribute to a solution was questionable.

57. An alternative view was proposed, in which valuing ecosystems and their resources was seen not as facilitating their further exploitation, but rather as

impressing upon human beings the full costs of destroying nature and the full benefits of protecting the natural resource base for present and future generations.

58. While some delegations spoke of green growth, others referred to a green economy, and in general no clear distinction was made between the two terms.

Green economy, poverty eradication and social development

59. Concerns were raised about the social content of the concept of a green economy, which according to some delegations seemed to focus on the economy-environment interface without explicitly accounting for the social pillar of sustainable development.

60. Several delegations spoke of how a green economy transition could create decent work, and stressed the importance of education and skills formation for the workforce in efforts aimed at realizing that potential. It was suggested that green growth was in general more labour-intensive than “brown” growth, and should therefore lead to net job creation. Others referred to the work of the International Labour Organization and UNEP on green jobs, which identified employment opportunities associated with green economy policies and measures. One speaker cited the numbers of jobs created in various “green” sectors in different countries. Still, concerns persisted about possible job losses in some economic sectors during a green economy transition and the need to address adjustment costs for workers and others was underlined, including through investment in job retraining and social protection.

61. A number of delegations emphasized that, insofar as a green economy involved the sustainable management and use of the natural resource base, it was essential to achieving the Millennium Development Goals, in particular the goal of poverty eradication, as the poor depended heavily on that natural resource base for their livelihoods. Some delegations stressed that, in their national context, a green economy had to address the need to create sustainable livelihoods, including for poor people in rural areas. Some highlighted the role of small and medium-sized enterprises, in particular with respect to job creation and innovation.

62. Small island developing States and least developed countries in particular expressed the expectation that a green economy should address their concerns related to eradicating poverty, reducing vulnerability and strengthening resilience. Some emphasized that a green economy was the only way forward to address such challenges as climate change and its impacts.

The international context for a green economy

63. A supportive international policy and institutional environment was essential to promoting a green economy. It was stressed that international trade was essential for sustainable development. International support to the transition to a green economy should not lead to conditionalities, parameters or standards which could generate unjustified or unilateral restrictions in the areas of trade, financing, ODA or other forms of international assistance. The multilateral trade system should foster freer trade in environmentally sound technologies and products, improve market access for developing countries and boost technology transfer from developed to developing countries. Innovative financing mechanisms to support a green economy transition were mentioned, including a global trust fund for a green economy.

64. International green economy initiatives must not limit the sovereign rights of countries over their natural resources, as set forth in Principle 2 of the Rio Declaration on Environment and Development, and green protectionism must be avoided.

65. All delegations stressed the need to reaffirm the importance of sustainable development and the Rio principles, as well as other sustainable development outcomes since Rio.

66. Delegations and major groups made a range of proposals on what could be achieved at the Conference with regard to a green economy.

67. The Conference should avoid a theoretical discussion of a green economy. There were several calls for concrete actions, policies and measures that supported the achievement of the Rio and Johannesburg agendas and the Millennium Development Goals. Some delegations mentioned that impacts on the achievement of the Millennium Development Goals should be a criterion for assessing proposed policies for a green economy.

68. Some delegations suggested that the Conference should aim to endorse a set of principles to guide a transition to a green economy, draw up a road map for that transition and a prepare a well-stocked toolkit that countries at different levels of development and with differing national circumstances could use to guide them towards a green-economy, green-growth path. Many stressed the importance of sharing practical experiences and lessons learned on building a green economy.

69. Others said that the Conference needed to go beyond simply agreeing on principles and focus on practical implementation, in which regard the means of implementation, including trade, technology transfer, capacity-building and financial resources, required consideration.

70. Some delegations called for the Conference to reach consensus on a “global green new deal”, with a clear indication of the investments needed — both public and private — for developing countries to realize a green economy transition, and the policies needed to support and stimulate such investments, which would be made at the discretion of developing countries. A related proposal was presented for the endorsement of a “green stimulus package” for developing countries.

71. Several countries highlighted the link between a green economy and sustainable consumption and production. Some mentioned that the Conference could contemplate the adoption of the 10-year framework of programmes on sustainable consumption and production patterns, which was expected to be negotiated at the nineteenth session of the Commission on Sustainable Development.

72. Several delegations requested that the Department of Economic and Social Affairs, UNEP and other relevant organizations cooperate to prepare a study, to be available for the second meeting of the Preparatory Committee, which would assess both the benefits and the challenges and risks associated with a green economy transition. It was suggested that such a study could be undertaken with the assistance of a panel of scientists from developed and developing countries. The issues that should be addressed in the study included:

(a) Macroeconomic policy implications of pursuing a green economy transition;

(b) Potential loss of competitiveness of some industries, a source of comparative advantage for some countries;

(c) Risk of “green protectionism”, owing to the legitimization of certain “green” subsidies which could distort trade;

(d) Potential contribution of a green economy to poverty eradication through the creation of sustainable livelihoods.

Some delegations suggested that this work could include a compilation of existing experiences and good practices involving green economy policies and measures in different countries. Some also emphasized that, in this and other work, the secretariat should draw upon the substantial body of existing work within the United Nations system and should avoid duplication.

73. Some delegations requested the secretariat to prepare documentation for the second session of the Preparatory Committee that would shed further light on the range of policy options and policy mixes that could be used by countries embarking on green economy pathways, referring to the seven areas listed in the report of the Secretary-General, as follows:

(a) Internalizing externalities into prices to reflect true environmental and social costs;

(b) Sustainable public procurement policies;

(c) Ecological tax reforms;

(d) Public investment in sustainable infrastructure — including public transport, renewable energy and retrofitting of existing infrastructure and buildings for improved energy efficiency — and natural capital, to restore, maintain, and where possible, enhance the stock of natural capital;

(e) Public support to green innovation and to research and development on environmentally sound technologies;

(f) Strategic investment and development policies to lay the foundation for socially inclusive and environmentally sustainable economic growth;

(g) Social policies to reconcile social goals with existing or proposed green economy policies.

74. Delegations called on the United Nations system to support the Conference secretariat with staff seconded from United Nations organizations (UNEP and others), and also urged the secretariat to work with international financial and trade institutions on the preparations for the Conference.

75. One delegation announced the creation of the Global Green Growth Institute, which would develop country-specific green growth models, and indicated that the Institute looked forward to collaborating with the United Nations system on analytical work relating to the assessment of green growth/green economy policies, in particular in developing countries.

Institutional framework for sustainable development

76. An effective institutional framework for sustainable development was deemed crucial for ensuring the full implementation of Agenda 21, and the follow-up to the outcome of the World Summit for Social Development was deemed crucial for meeting emerging sustainable development challenges. Sustainable development was also highlighted as important in achieving the Millennium Development Goals.

77. Delegations therefore considered that the 2012 Conference should ensure that political commitment was renewed and efforts redoubled so that institutions currently involved in implementing the sustainable development agenda within the United Nations system became more efficient and effective, through improved synergies and the provision of adequate resources.

78. Many delegations attributed the lack of progress on the sustainable development agenda to the diffuse, fragmented nature of the existing architecture for sustainable development, which had led to increased duplication and poor coordination.

79. Divergent views were expressed on the best way to enhance the efficiency and effectiveness of the sustainable development architecture within the United Nations system. On the one hand, raising the profile of the environmental dimension of sustainable development was considered desirable. On the other, the importance of preserving the balance among the three pillars was emphasized. The need to promote greater convergence among the environmental, social and economic pillars was underscored.

80. It was broadly agreed that the United Nations should provide stronger leadership and a more coherent framework to support both policy formulation and implementation of sustainable development objectives.

81. In that regard, many speakers affirmed that the Commission on Sustainable Development was the high-level intergovernmental body responsible for sustainable development and the principal forum for the consideration of issues related to the integration of the three dimensions of sustainable development. Delegations, however, underscored the need to strengthen its role and effectiveness, in particular as a forum for promoting dialogue and for the provision of policy guidance.

82. Delegations reiterated that the Commission should become more forward-looking and action-oriented. An enhanced role for the Commission would thus include not only responsibility for reviewing and monitoring progress in the implementation of Agenda 21, but also for ensuring coherence in the implementation of sustainable development objectives through the promotion of initiatives and partnerships.

83. Many delegations recommended that the role and working methods of the Commission should be evaluated, with a view to making it more interactive and to exploring a more dynamic framework for future needs while respecting its multi-year programme of work. Future discussions on the institutional framework

for sustainable development should be guided by chapter XI of the Johannesburg Plan of Implementation.^a

84. Several delegations called on the Commission to promote more effective inter-agency coordination, which would in turn ensure greater information-sharing and cooperation among all United Nations entities within the sustainable development framework. Others emphasized the need for closer attention to be given to the integration of Commission decisions into the programmes of other United Nations bodies. Delegations and major groups also underscored the important role played by the Commission in facilitating the meaningful participation of civil society through its major groups programme, and in its valuable contribution to implementation through the promotion of multi-stakeholder partnerships.

85. Delegations called for a broader embrace of institutions in pursuing greater systemic coherence on the sustainable development agenda and recognized that the United Nations organizations were not the only actors in the global institutional architecture of sustainable development. Some conveyed the desirability of creating an umbrella structure for sustainable development, while giving due consideration to the possible roles and functions of the Commission on Sustainable Development, the Economic and Social Council and UNEP, and taking into account the need for streamlining work under the multilateral environmental agreements. Delegates made a strong call for enhanced synergies among those agreements, noting the successful outcome of the simultaneous extraordinary sessions of the Conferences of the Parties to the Basel, Rotterdam and Stockholm Conventions, in particular with regard to chemicals and wastes, as an important step in that regard.

86. Delegations highlighted the need to address the challenges presented by the existing institutional complexity within the environmental framework. The strengthening of international environmental governance in the context of the institutional framework for sustainable development was identified as being of particular concern. It was noted that the current system of international environmental governance was incoherent, fragmented, lacking synergies, inefficient and ineffective, and had resulted in duplicative processes and imposed heavy meeting and reporting burdens, in particular on developing countries.

87. A strong case was thus made for rationalization of the international environmental institutional framework. In that regard, many delegations affirmed that the consultative process on the reform of international environmental governance, launched by the UNEP Governing Council at its eleventh special session, was an important contribution to the debate on sustainable development governance in the context of the Conference. Speakers expressed interest in the outcome of the upcoming twenty-sixth session of the UNEP Governing Council, in which the Council should address recommendations on enhanced synergies among international environmental institutions, including the multilateral environmental agreements.

88. A gradual approach towards governance reforms was sought by some; others favoured more fundamental and far-reaching reform proposals. Much interest was expressed in the international environmental governance reform process, the

^a *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

successful conclusion of which would require strong political will. The importance of improved public participation in the process was also emphasized.

89. Assisting developing countries in implementing environmental commitments and multilateral environmental agreements was seen by many delegations as a major goal of strengthened international environmental governance, requiring capacity-building, financial resources, technology transfer, information-sharing and more effective review and monitoring systems.

90. Some delegations also emphasized the need for rationalizing sustainable development decision-making and for taking action at the national and local levels according to the principle of subsidiarity.

91. Many delegations focused on the need for strengthened scientific and technological capacity; support for the development and strengthening of local and national institutions within the sustainable development framework; support for the development of national sustainable development strategies; and the need for increased funding, in particular in developing countries. The needs of the very poor and vulnerable were also highlighted.

92. Speakers drew attention to the importance of ensuring that institutional frameworks for sustainable development at the national level were made part of the Conference process. Suggestions included the establishment of multi-stakeholder national councils on sustainable development and their integration into national decision-making processes, as well as the establishment of dedicated institutions to promote an integrated approach to sustainable development.

93. Delegations emphasized the need for a stronger institutional framework for sustainable development, with a sharper policy perspective and increased emphasis on implementation. In order to facilitate greater convergence and coherence of United Nations system activities on sustainable development, delegations suggested that synergies within existing frameworks, such as the United Nations strategy for system-wide coherence, "Delivering as one", be explored and pursued, with a view to enhancing coordination and ensuring more efficient implementation. Delegations pointed to the need for adequate funds to support the international institutional framework for sustainable development and suggested that a role for the Global Environment Facility in that regard be explored.

Annex II

Report of the Co-Facilitators on the deliberations of Contact Group 1 on the review of the preparatory process, including organizational and procedural matters leading up to the United Nations Conference on Sustainable Development in 2012

1. The Contact Group on the preparatory process for the United Nations Conference on Sustainable Development discussed pending procedural matters on the preparatory process in accordance with General Assembly resolution 64/236 and made a number of recommendations.

2. The Contact Group:

(a) Called for enhanced planning and coordination, and requested the Bureau, with the support of the secretariat, to provide a calendar of meetings relevant to the Conference process. The calendar should indicate how the preparatory process could benefit from those meetings.

(b) Called upon Member States, the relevant United Nations system organizations, including the secretariats of the Convention on Biological Diversity,^a the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa,^b the United Nations Framework Convention on Climate Change^c and other multilateral environmental agreements, and invited international financial institutions, regional development banks and other international and regional organizations to contribute to the preparatory process by providing technical contributions and inputs, as appropriate, to the report of the Secretary-General report on the objective and themes of the Conference. To that end, the secretariat should prepare guidelines for providing inputs. The deadline for submission of inputs will be 31 October 2010 as well as eight weeks prior to the intersessional meetings to be held between the second and third sessions of the Preparatory Committee.

(c) Invited the governing bodies of relevant United Nations system organizations to transmit outcomes, as appropriate, emanating from their meetings relevant to the objective and themes of the Conference.^d

(d) Invited participation and contribution of all major groups, as identified in Agenda 21,^e and further elaborated in the Johannesburg Plan of Implementation^f and decisions taken at the eleventh session of the Commission on Sustainable

^a United Nations, *Treaty Series*, vol. 1760, No. 30619.

^b *Ibid.*, vol. 1954, No. 33480.

^c *Ibid.*, vol. 1771, No. 30822.

^d This does not imply an invitation to the governing bodies referred to therein to convene additional meetings that exceed the scope of their regular programme of work.

^e *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

^f *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

Development, at all stages of the preparatory process. States were invited to finance the contribution and participation of major groups of developing countries at all stages of the preparatory process and at the Conference itself.

(e) Requested the secretariat to seek information, inputs and contributions, including through a questionnaire addressed to Member States, the United Nations system, international financial institutions, major groups and other stakeholders, on their experiences, including success factors, challenges and risks with respect to the objective and themes of the Conference. The deadline for submitting inputs would be 31 October 2010.

(f) Requested the secretariat, with the guidance of the Bureau, to prepare a synthesis of the information and contributions collected in accordance with paragraph 5 above.

(g) Called upon the secretariat to continue utilizing the website of the United Nations Conference on Sustainable Development as a powerful tool for gathering and sharing information, and building on the experiences gained through that website.

(h) Called upon the secretariat and relevant United Nations organizations, in consultation with the Bureau, to organize within existing resources, open-ended informal intersessional meetings for a total duration of not more than six days, including one two-day meeting, to be held between the release of the synthesis requested above and the second session of the Preparatory Committee, and two two-day meetings between the second and third sessions of the Preparatory Committee, the final intersessional meeting taking place no later than eight weeks prior to the third session of the Preparatory Committee. The objective of these meetings would be to hold focused, substantive discussions to advance the subject matter of the Conference.

Annex III

Report of the Co-Facilitators on the deliberations of Contact Group 2 on the draft rules of procedure for the United Nations Conference on Sustainable Development in 2012

1. Contact Group 2 met four times. At its initial meeting, the group identified the issues to be addressed. At its second meeting, the group proceeded with a full reading of the draft rules of procedure, as contained in document A/CONF.216/PC/4. Several questions were raised regarding the reflection of the participation of the European Union and Palestine in the document. A representative of the Office of Legal Affairs of the Secretariat attended the third meeting of the Contact Group to hear those questions. The representative took note of some of the questions but informed the Co-Chairs that, in order to provide a definitive response, any questions needed to be submitted in writing and transmitted by the Preparatory Committee by means of a formal submission. At the fourth meeting of the Contact Group, the Group of 77 and China raised concerns about those issues and proposed including the following questions in the modified text: (a) the current validity and application of paragraph (a) of decision 1995/201 of the Economic and Social Council throughout the whole document; and (b) whether a decision was required by the Council formalizing the replacement of “European Community” with “European Union”.
2. The European Union objected to the inclusion of those questions, citing decision 1995/201 of the Council and document PRO/NV/Denomination Change — European Union, dated 31 December 2009, and also mentioning as an example their participation in the eighteenth session of the Commission on Sustainable Development.
3. There was no agreement on forwarding the modified draft rules of procedure to the plenary. Although the Contact Group held a reading of the entire text, many delegations noted the need to consult with capitals before agreement could be reached on proposed modifications to the original text.

Annex IV**List of documents before the first session of the Preparatory Committee**

<i>Document symbol</i>	<i>Agenda item</i>	<i>Title or description</i>
A/CONF.216/PC/1	2	Provisional agenda
A/CONF.216/PC/2	3	Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the United Nations Conference on Sustainable Development
A/CONF.216/PC/3	4	Organizational and procedural matters
A/CONF.216/PC/4	5	Draft provisional rules of procedure of the United Nations Conference on Sustainable Development
A/CONF.216/PC/L.1	4	Draft report of first session of the Preparatory Committee for the United Nations Conference on Sustainable Development
A/CONF.216/PC/INF.1		List of participants

Annex V

Side events

1. A total of seven side events were held on the margins of the official meetings of the first session of the Preparatory Committee for the United Nations Conference on Sustainable Development. The side events were organized by a diverse range of stakeholders, including international organizations, Governments and major groups.
2. The side events featured dynamic interactive discussions focused on the main themes of the Conference — the green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development.
3. Side event guidelines, schedules and highlights can be found on the website of the Division for Sustainable Development of the Department of Economic and Social Affairs at http://un.org/esa/dsd/rio20/resources/perpcomm1_doc_other_UNCSD_rio_plus_20.shtml.





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**Preparatory Committee for the United Nations
Conference on Sustainable Development
First session
17-19 May 2010**

**Provisional list of participants
Liste provisoire des participants
Lista provisional de participantes**

Co-Chairs: H.E. Mr. John **Ashe** (Antigua and Barbuda)
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Mr. Jirí **Hlaváček** (Czech Republic)
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Mr. John **Matuszak** (United States)
Ms. Tania Valerie **Raguž** (Croatia)
Mr. Paolo **Soprano** (Italy)
H.E. Mr. Charles **Thembanani** (Botswana)

Rapporteur: Ms. Tania Valerie **Raguž** (Croatia)



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United Nations Economic and Social Commission for Latin America and the Caribbean	Mr. Joseluis Samaniego
United Nations Economic and Social Commission for Western Asia	Ms. Carol Chouchani Cherfane

**Major groups
Groupes principaux
Grupos principales**

Action aide aux familles démunies
African-American Society for Humanitarian Aid and Development
Alliance to End Childhood Lead Poisoning
American Psychological Association
Anglican Consultative Council
Association of World Citizens
Baha'i International Community
Canadian Environmental Network
Centre de recherche et d'information pour le développement
Centre for Environment and Development
Centre for Women, the Earth, the Divine
China Association of Women Entrepreneurs
Church Women United
Citizens Network for Sustainable Development

Climate Institute
Commonwealth Human Ecology Council
Company of the Daughters of Charity of St. Vincent de Paul
Conference of Non-Governmental Organizations in Consultative Relationship with
the United Nations
Congregation of Our Lady of Charity of the Good Shepherd
Carmelite NGO
Congregations of St. Joseph
Consumers International
CropLife International
Development Alternatives
Dominican Leadership Conference
Environment Action Association
Environment Liaison Centre International
Environmental Law Institute (United States of America)
Ethiopian World Federation
European Youth Forum
Evergreen Club of Ghana
Franciscans International
Global Foundation for Democracy and Development
Global Youth Action Network
Grail
Gray Panthers
Heinrich Boell Foundation
Tebtebba Foundation
Indigenous People of Africa Coordinating Committee
Information Habitat
Institut du développement durable et des relations internationales
Institute for Global Environmental Strategies
Institute for Planetary Synthesis
Institute for Transportation and Development Policy
International Architects Designers Planners for Social Responsibility
International Association of Applied Psychology
International Association of Students in Agricultural and Related Sciences

International Centre for Trade and Sustainable Development
International Chamber of Commerce
International Council for Science
International Council of Chemical Associations
International Council of Women
International Council on Mining and Metals
International Federation of Agricultural Producers
International Federation of Business and Professional Women
International Institute for Human Rights, Environment and Development
International Institute for Sustainable Development
International Movement for Fraternal Union among Races and Peoples
International Real Estate Federation
International Society of Doctors for the Environment
International Trade Union Confederation
International Union of Public Transport
International Women's Anthropology Conference
Leadership for Environment and Development
Local Governments for Sustainability
Loretto Community
Maryknoll Fathers and Brothers
Maryknoll Sisters of St. Dominic
Mata Amritanandamayi Math
Mediterranean Women's Studies Centre
Natural Resources Defence Council
New Future Foundation
Northern Alliance for Sustainability
Pan African Movement
Partnership for Global Justice
Passionists International
Pax Christi International
Pax Romana
Philippines Women's University/Women's Asia-Pacific Environmental Network
Population Council
Radin Institute for Family Health Education and Promotion

Salesian Missions
Servas International
Shinji Shumeikai
Simply Help
Sisters of Charity Federation
Sisters of Mercy of the Americas
Sisters of Notre Dame de Namur
Smile of a Child
Society for the Psychological Study of Social Issues
Society of Catholic Medical Missionaries
Soka Gakkai International
Solar Cookers International
Stakeholder Forum for a Sustainable Future
Sudan Council of Voluntary Agencies
SustainUS
Tarumitra
Tata Energy Research Institute
Temple of Understanding
The Hague International Model United Nations
Third World Network
Tribal Link Foundation
UNANIMA International
Union internationale des avocats
United Methodist Church General Board of Church and Society
United States Burn Support Organization
United States Federation for Middle East Peace
Universal Peace Federation
VIVAT International
Vitae Civilis — Instituto para o Desenvolvimento, Meio Ambiente e Paz
Voices of African Mothers
Vrienden van Congo
Women Organizing for Change in Agriculture and Natural Resource Management
Women in Europe for a Common Future
Women's Environment and Development Organization

Women's Right to Education Programme
World Business Council for Sustainable Development
World Christian Life Community
World Federation of Engineering Organizations
World Federation of United Nations Associations
World Information Transfer
World Resources Institute
World Society for the Protection of Animals
World Wide Fund for Nature International
World Youth Alliance
World for World Organization
Yachay Wasi



General Assembly

Distr.: General
23 December 2010

Original: English

Preparatory Committee for the United Nations Conference on Sustainable Development

Second session

7 and 8 March 2011

Item 1 of the provisional agenda

Adoption of the agenda and other organizational matters

Provisional agenda

1. Adoption of the agenda and other organizational matters.
2. Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference.
3. Organizational and procedural matters.
4. Draft rules of procedure for the Conference.
5. Adoption of the report of the Preparatory Committee on its second session.

Annotations

1. Adoption of the agenda and other organizational matters

In paragraph 25 (b) of its resolution 64/236, the General Assembly decided that the second session of the Preparatory Committee would be held to discuss further the substantive themes of the Conference, namely, a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development, and pending procedural matters.

The Preparatory Committee may wish to decide also on the specific modalities for its third session, taking into account the provisions of paragraph 25 (a), (b), (c) and (d) of resolution 64/236.

At its first session, the Preparatory Committee decided to establish two contact groups: one to address the preparatory process (Contact Group 1) and one to address the rules of procedure of the Conference (Contact Group 2).



2. Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference

In paragraph 26 of resolution 64/236, the General Assembly requested the Secretary-General to submit a report on progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference, to the Preparatory Committee at its first session. A report (A/CONF.216/PC/2) was submitted to the Committee to support its first session.

At the first session of the Preparatory Committee, Contact Group 1 requested all relevant organizations to provide technical contributions and inputs to the report of the Secretary-General on the objective and themes of the Conference to support the second session of the Committee.

Also at the first session, Contact Group 1 requested the secretariat to seek information, inputs and contributions, including through a questionnaire addressed to Member States, the United Nations system, international financial institutions, major groups and other stakeholders, on their experiences, including success factors, challenges and risks with respect to the objective and themes of the Conference, and to prepare, with the guidance of the Bureau, a synthesis of the information and contributions collected.

Documentation

Report of the Secretary-General on the objective and themes of the United Nations Conference on Sustainable Development (A/CONF.216/PC/7)

Note by the Secretariat: synthesis report on best practices and lessons learned on the objective and themes of the Conference (A/CONF.216/PC/8)

3. Organizational and procedural matters

In paragraph 25 (a), (b) and (c) of resolution 64/236, the General Assembly decided on the number and timing of the preparatory meetings to be held and that pending procedural matters would be discussed at the first meeting.

4. Draft rules of procedure for the Conference

At the first session of the Preparatory Committee, Contact Group 2 reviewed the draft provisional rules of procedure for the Conference.

Documentation

Note by the Secretariat on the draft provisional rules of procedure for the Conference (A/CONF.216/PC/4)

5. Adoption of the report of the Preparatory Committee on its second session

The report of the Preparatory Committee on its second session will be submitted to the General Assembly at its sixty-fifth session for its consideration and appropriate action.



General Assembly

Distr.: General
22 December 2010

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Preparatory Committee for the United Nations Conference on Sustainable Development

Second session

7-8 March 2011

Item 2 of the provisional agenda*

**Progress to date and remaining gaps in the implementation
of the outcomes of the major summits in the area of sustainable
development, as well as an analysis of the themes of the Conference**

Objective and themes of the United Nations Conference on Sustainable Development

Report of the Secretary-General

Summary

The present report examines the two themes of the United Nations Conference on Sustainable Development — green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development — in relation to the objective of renewed political commitment to sustainable development, reviewing progress and implementation gaps and addressing new and emerging challenges. The starting point is the recognition that sustainable development, with each of its three pillars reinforced and mutually reinforcing, has been the overarching goal of the international community since the United Nations Conference on Environment and Development, held in Rio de Janeiro in 1992. Thus, the question posed here is how a focus on a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development can help to accelerate progress on the sustainable development agenda. The main messages are as follows:

(a) Countries at all levels of development have been implementing nationally tailored policies and programmes that are consistent with a green economy in the context of sustainable development and poverty eradication;

* A/CONF.216/PC/6.

(b) A growing number of countries are experimenting with a more comprehensive reframing of their national development strategies and policies along green economy lines, including as “low-carbon green growth” strategies;

(c) Their combined impact does not yet add up to changes in production and consumption patterns on a scale equal to the challenges;

(d) An early focus on “win-win” opportunities which realize that significant short-term co-benefits can build confidence in and support for a green economy in the context of sustainable development and poverty eradication;

(e) Whether countries derive poverty reduction benefits from their green economy efforts often depends on sustaining and deepening conventional social spending, on health, education and targeted income support for the poor;

(f) Improved institutions are crucial to the favourable social outcomes of green economy policies;

(g) Moving towards a green economy in the context of sustainable development and poverty eradication is as much about structural change in the institutions governing economies at different levels as about technological change;

(h) The reach of the institutional framework for sustainable development has expanded since the watershed Rio Conference, but the lack of coordination and coherence has held back the full potential; addressing this is now overdue.

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I. Introduction

1. Recalling General Assembly resolution 64/236, the present report provides a perspective on the objective of the United Nations Conference on Sustainable Development — to secure renewed political commitment for sustainable development, reviewing progress and remaining implementation gaps and assessing new and emerging challenges — as well as the two themes stated therein, namely, a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development.

2. The report should be read in conjunction with the synthesis report (A/CONF.216/PC/8), based on questionnaire responses received from Member States, major groups and United Nations system agencies, which elaborates on the objective of the Conference, progress and gaps, and new and emerging challenges as well as the two themes.

3. The perspective taken in the present report is to look at the objective of the United Nations Conference on Sustainable Development through the lenses of the two themes. The question posed is as follows: how can a focus on the two themes help us to accelerate progress on each of the three pillars, and towards convergence among the three pillars, of sustainable development? How can it advance the objective of renewed political commitment to sustainable development?

II. How can a green economy contribute to sustainable development and poverty eradication?

A. Context and concept

4. Sustainable development emphasizes a holistic, equitable and far-sighted approach to decision-making at all levels. It emphasizes not just strong economic performance but intragenerational and intergenerational equity. It rests on integration and a balanced consideration of social, economic and environmental goals and objectives in both public and private decision-making.

5. The concept of green economy focuses primarily on the intersection between environment and economy. This recalls the 1992 Rio Conference: the United Nations Conference on Environment and Development. Prior to the Conference, the predominant discourse was one of trade-offs between economic and environmental goals. The Conference was a major step towards recognizing the importance of synergies. The World Summit on Sustainable Development, held in Johannesburg, South Africa, in 2002, stressed the social pillar, with a reminder that, while economic progress often fosters social progress, the link is not automatic, and that ultimately economic development is a means to improving human well-being. Both the Rio Conference and the Johannesburg Summit enhanced appreciation of the importance of healthy ecosystems and a healthy environment to such improvements for present and future generations.

6. Despite progress since Rio, it has become apparent that a global economy based on current patterns of consumption and production is placing heavy stresses on many ecosystems and on critical life-support systems. At the same time, extreme

poverty persists in many parts of the world, despite the fact that world gross domestic product (GDP) has increased by roughly 60 per cent since 1992.

7. The past 20 years have seen an accelerated process of globalization, with production and consumption distributed across the globe being linked ever more closely through international trade, investment and production networks. Globalization has brought tremendous benefits for people living in both the developed and developing worlds. Hundreds of millions of people have escaped from poverty in no small measure by producing low-cost goods and services for global markets. Still, not all have benefited equally and many have benefited little or not at all from this process, but the process continues and more countries are being drawn into its orbit.

8. While growing prosperity makes it possible for countries to address some environmental problems, others have continued to worsen with globalization and expanding population and economic activities. Climate change, biodiversity loss, disruption of the nitrogen cycle: these are a few of the looming global problems.

9. The main challenge facing humanity now is to sustain the process of poverty eradication and development while shifting gears. Developed countries must shrink environmental footprints as fast and as far as possible while sustaining human development achievements. Developing countries must continue to raise their people's living standards while containing increases in their footprints, recognizing that poverty eradication remains a priority. This is a shared challenge with a goal of shared prosperity.

10. It is in this context that the concept of a green economy in the context of sustainable development and poverty eradication has gained pertinence. It can be seen as a lens for focusing on and seizing opportunities to advance economic and environmental goals simultaneously. Another concept with similar resonance — green growth — has garnered interest first in Asia and the Pacific and more recently in the Organization for Economic Cooperation and Development (OECD).

11. It is widely understood that broad-based economic growth has been and continues to be the most effective contributor to poverty eradication. At the same time, it is appreciated that, in the twenty-first century, growth will need to be associated with far less intensive energy and resource use and less pollution than historically. This is captured by the notion of green growth, which the Economic and Social Commission for Asia and the Pacific defines as growth that “emphasizes environmentally sustainable economic progress to foster low-carbon, socially inclusive development” (see <http://www.greengrowth.org>). The OECD definition is similar but emphasizes also green investment as “a driver for economic growth”.¹

12. The question of how prevalent and significant are environment-economy synergies and win-win opportunities is an empirical one, one that various international bodies, think tanks, and Governments are devoting considerable effort to answering. The United Nations Environment Programme (UNEP) Green Economy Initiative is a case in point.

13. While the work on a green economy to date has placed a particular emphasis on internalizing environmental externalities in prices to send the right signals to

¹ OECD, “Investment for green growth”, 2010, available at http://www.oecd.org/document/41/0,3343,en_2649_34893_43783465_1_1_1_1,00.html.

producers and consumers, public policy for a green economy extends well beyond “getting prices right”. If it does not, there is little chance that a green economy in the context of sustainable development and poverty eradication will be up to the task at hand of fundamentally shifting consumption and production patterns onto a more sustainable path. Governments have a critical role to play in financing green research and development and infrastructure investments and in providing a supportive policy environment for green investments by the private sector and for the development of dynamic green growth sectors. They also have a crucial role to play in ensuring that green economy policies support employment and income generation for the poor and vulnerable.

14. It has been noted by numerous Member States (India and others) that green economy does not “supplant” or substitute for sustainable development but rather is best understood as a means to achieving the end of sustainable development. It has also been stressed (India) that green economy should preserve “ample flexibility and space for national authorities to make their own choices and define their paths towards sustainable development based on national circumstances and priorities”. While these formulations help to clarify the relationship between the two concepts, it is only practical experience that can demonstrate the effectiveness of green economy strategies, policies and measures as accelerators towards sustainable development.

B. Contribution of the green economy to growth and other economic objectives

15. During the past century, aggregate consumption of raw materials has continuously increased; regular improvements in resource efficiency and pollution control technologies have not been large enough to offset the effect of the increase in the size of the global economy.² The need for a system of production and consumption that imposes significantly lower pressures on natural resource stocks and the environment is now widely recognized. The green economy in the context of sustainable development and poverty eradication has emerged as a framework for moving in that direction. While it holds promise, it also poses daunting challenges; both are described in the present section with respect to growth and the economy.

16. The increased understanding of the risks posed by the current economic model arises at a time when many developing countries are on the threshold of major investments in energy, transport, waste, water and sanitation infrastructure, and sustained economic growth is seen as critical to the completion of the development transition. Would a green economy in the context of sustainable development and poverty eradication allow developing countries to complete their development transitions while laying the groundwork for sustaining high levels of human development for generations to come?

17. At the global level, the main question is how a green economy transition would affect global growth rates and patterns. Would green growth be slower growth, merely growth of a different kind, or perhaps even faster progress towards human development goals — whether or not that translates into GDP growth as

² Fridolin Krausmann and others, “Growth in global materials use, GDP and population during the 20th century”, *Ecological Economics*, vol. 68, No. 10 (2009).

conventionally measured?³ If there are “winners” and “losers” in a green economy transition, who would they be and how can Governments manage the transition?

Prospects for green growth

18. Green economy proponents argue that a green economy strategy would emphasize sectors that have been among the most dynamic, in terms of both growth and employment creation. For example, various studies have underlined the exponential growth of some renewable energy subsectors such as wind and solar, both in developing and developed countries. Enabling these “green” sectors to grow would deliver “double dividends”, being beneficial both for the environment and for development. Green economy instruments such as investments in the maintenance and restoration of natural capital would directly contribute to growth through improvements in productivity (e.g., in agriculture) and creation of additional income-generation opportunities (through improved ecosystem services).

19. Economic sectors often mentioned as candidates for their “greenness” include health, education, cultural activity and other services, renewable energy and related technologies, resource- and energy-conserving investment, and investment in natural assets. To the extent that there is scope for growth concentrated in those sectors, with a concomitant decline of growth in energy and resource intensive activities, this would introduce a fundamental change in the nature of growth. As production and trade of services with low environmental impact have increased with globalization, these would also provide alternative opportunities for developing countries to find markets beyond manufacturing where they can specialize, scale up, and achieve high economic growth.

20. In practice, there is uncertainty about the long-term growth effects of structural changes of the types implied by the green economy in the context of sustainable development and poverty eradication. Long-term simulations of some versions of a green economy package have started to be undertaken, but are still in early days. Specific areas such as climate change mitigation have been more thoroughly investigated. Some models suggest that climate change mitigation policies could lead to long-run growth in global GDP compared to business as usual, for example, through higher investment in clean energy generation and induced technological innovation. Others suggest somewhat lower GDP at mid-century with greenhouse gas stabilization than without.⁴ In either case, the costs of inaction also need to be considered. According to UNEP, eliminating subsidies for fossil fuels would reduce greenhouse gas emissions globally by as much as 6 per cent and add 0.1 per cent to global GDP.⁵

21. Experience shows that some specific instruments normally included in the green economy mix can result in unchanged or higher growth with improved environmental outcomes. Evaluations of eco-tax reform, mostly in developed countries, suggest that in a number of contexts improvements in environmental outcomes were obtained at no or negative cost to employment and growth. India

³ See Joseph Stiglitz and others, “Report by the Commission on the Measurement of Economic and Social Progress”, available at http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf.

⁴ Nicholas Stern, *The Global Deal*, New York, Public Affairs 2009, chap. 3.

⁵ UNEP, “A brief for policymakers on the green economy and Millennium Development Goals”, September 2010.

recently imposed a carbon tax of 50 rupees (US\$ 1.00) per ton of carbon dioxide on both domestically mined and imported coal. Revenue generated by the tax goes into a clean energy fund, which invests in entrepreneurial ventures and research in the field of clean energy technologies.⁶ More generally, how revenues from eco-taxes are used can make an important difference to growth, employment and also equity.

Green economy, structural change and growth

22. From the point of view of individual countries, growth concerns may arise from the expected shifts in global demand away from resource- and energy-intensive commodities in which some developing economies specialize and towards green products and sectors in which they may lack competitiveness.

23. Whether individual countries will be able to attract investment in selected “green” sectors is an empirical question, the answer to which is likely to vary across countries. There is no a priori reason why countries that have faced difficulties in attracting domestic or foreign investment into traditional sectors would do better with “green” ones. They might, however, if green sectors would employ more intensively productive factors which particular countries possess in abundance, but the policy environment also matters critically to investment prospects. The attractiveness of a location is substantially greater where domestic policy rewards green investment, as for example with feed-in tariffs for renewable electricity.⁷

Bridging green technology gaps

24. Another commonly expressed concern is that a green economy, because it would promote technologies that are currently mastered mostly by developed countries, would disadvantage developing countries relying on conventional technologies. The greater ability of rich countries to finance and support research and development would also result in a loss of competitiveness of developing countries in key “green” industries, further increasing the technological gap. This fear may be reinforced by the results of simulation modelling that predict advantages for early movers into low-carbon industries such as renewable energy.⁸

25. One probably needs to distinguish here between groups of countries. Some developing countries offer counter-examples to this line of argument. For example, Brazil is at the frontier in terms of research and production of biofuels, while China is at the forefront of research, development and deployment of clean coal technologies. In renewable energy, the distribution of patents between developed and developing countries illustrates a changing picture where some developing countries are becoming important innovators.

26. While countries not among the innovators in green technologies would not share in the financial returns, they could still benefit as technology users if

⁶ India, Ministry of Environment and Forests, “India: taking on climate change. Post-Copenhagen domestic actions”, New Delhi, accessed on 19 October 2010 at <http://www.indiaenvironmentportal.org.in/content/india-taking-climate-change-post-copenhagen-domestic-actions>.

⁷ United Nations, Department of Economic and Social Affairs, “A Global Green New Deal for climate, energy, and development”, technical data, December 2009.

⁸ Economic modelling by the Cambridge Centre for Climate Change Mitigation Research (4CMR) suggests that there are significant opportunities for early movers who establish technological competence in emerging clean technologies.

competition among innovators and rapid deployment of the technologies drive down costs and make adoption ever more affordable. Ensuring strong competition in green technology markets is therefore critical, and competition policy can contribute to that end.

27. With respect to intellectual property, a global green economy package could promote the faster development of green technologies through collaborative arrangements that enshrine the sharing of technologies. A number of proposals have been made in the climate arena that could be a basis for progress — from the innovation centre and networks model agreed at Cancún under the Climate Technology Mechanism to forms of intellectual property rights that promote easier access and use by others.

Green economy and resource-dependent economies

28. A key component of a green economy is “getting prices right”, that is, better reflecting environmental externalities in market prices, especially for natural resources. This includes the removal of environmentally harmful subsidies. The result would be to increase the prices of commodities such as oil, gas and minerals, at least in the short run. Countries that are net importers of these resources may fear that high prices could choke economic growth. This partly explains their preoccupation with lowering dependence on fossil fuel imports.

29. Natural resource exporting economies have their own concerns, which are the mirror image of those of net importers — namely, that a major shift away from fossil fuels in the long run would hurt their growth prospects, unless they were able to diversify their economies successfully in the meantime. Recent International Energy Agency scenario analysis suggests, however, that major oil-producing countries would see only a small reduction in expected revenues over the period to 2030 in a 450 parts per million scenario compared to a business-as-usual scenario.⁹

Green economy and trade policy

30. Another channel through which a green economy transition could affect the growth of individual countries is “green protectionism” — if, for example, a “multi-speed” greening of the global economy were to lead to restrictions on trade through unilaterally imposed standards or border-price adjustments, with most of the impact likely to fall on developing countries. Lack of capacity to comply with stricter standards (especially in small and medium enterprises) could result in loss of markets. Reduced national export capacity could result in reduced growth and employment and deteriorating trade balances.

31. In practice, voluntary, market-led eco-labels and certification schemes are more commonplace than Government-mandated standards and labels. Two of the most mature are for tropical timber and coffee. These schemes can discriminate against producers without access to the latest technology and know-how, and also against small producers for whom the fixed certification cost can pose a barrier.¹⁰

⁹ Fatih Birol, International Energy Agency, speaking on the *World Energy Outlook 2009*, see <http://www.cphpost.dk/news/commentary/142-commentary/47537-450--147.html>.

¹⁰ United Nations Conference on Trade and Development, “Report of the Ad Hoc Expert Meeting on the Green Economy: trade and sustainable development implications”, Geneva, 7-8 October, para. 22.

Government activities in relation to such schemes have focused principally on support to small producers in developing countries to facilitate participation.¹¹

32. Green subsidies, while they can play an important role in shaping local productive capacities and promoting investment in certain green sectors, can also distort trade. Considering these subsidies through a World Trade Organization prism, and in particular against the Agreement on Subsidies and Countervailing Measures, is useful for avoiding the proliferation of trade-distorting measures that lead to global inequities, especially considering that subsidies are very difficult to reform, such as those in agriculture. However, it might also limit policy space for the targeted promotion of sectors that contribute to the transition of a green economy.

33. Any analysis of the World Trade Organization consistency of a government subsidy is a complex task, and requires a detailed assessment of the measure, its implementation and the market impacts. The Agreement on Subsidies and Countervailing Measures does not outlaw all subsidies, but disciplines subsidies that distort trade, prohibiting export subsidies and local content subsidies; in addition, subsidies that can be proven to injure the domestic industry of another World Trade Organization member can be challenged under the Agreement.

34. The biofuel sector illustrates the issue. The low levels of international trade are generally attributed to the fact that most countries subsidize domestic production and use of biofuels.¹² Major producing countries¹³ show government assistance at all stages of the biofuel production and use chain. Fuel-tax reductions are the most widely used form of government support, but investment is also encouraged through reduced interest-rate loans, government-backed loan guarantees and significant support is provided for research and development efforts.

How to manage the transition? The role of public policies

35. The possible transition costs of a green economy in the context of sustainable development and poverty eradication are a concern to many countries. Changes in the structure of national economies would include adjustments to the structure of capital and labour supply. For example, in case of a rapid transition to low-carbon energy systems, some of the existing capital for energy production may become obsolete or redundant, which would imply additional costs compared to a business-as-usual scenario. Even in the favourable case where a green economy would result in net job creation at the national level, how would the new jobs compare in terms of skill and remuneration with those lost through structural change? What can be done to retrain displaced workers quickly?

36. These adjustments would require a leading role for public policies to avoid the negative effects on economic growth, employment and poverty. Countries have different capacities to deal with such adjustments and costs are of particular concern to low-income countries where demands on limited government budgets are already

¹¹ The Netherlands Environmental Assessment Agency, "Role of Governments in multi-actor sustainable supply chain governance systems", 2010.

¹² Toni Harmer, *Biofuels Subsidies and the Law of the World Trade Organization*, International Centre for Trade and Sustainable Development, Programme on Agricultural Trade and Sustainable Development, Issues Paper No. 20, 2009.

¹³ Brazil, Canada, China, India, the United States of America and the European Union.

high. How would increased investment and social protection expenditures be financed? One option is to use eco-taxes, which generate revenue that could be used to support adjustments, if designed in ways that do not burden the poor.

37. The transition to a green economy in the context of sustainable development and poverty eradication can partly be accomplished through market incentives that internalize environmental costs and promote environmentally beneficial sectors, but these are a matter of public policy. Governments set the ground rules for markets that promote environmentally sound investment — for example, tax incentives for purchases of fuel-efficient vehicles or solar power systems. The existing system of implicit or explicit government subsidies could also be redirected to promote sustainable development goals.

38. Developing countries require vigorous growth, and that growth can be directed increasingly towards carbon-saving investment and energy efficiency. Opportunities for growth in renewable energy are available both in developed and developing countries; seizing them has often depended on the active promotion of Governments. Several organizations have made similar proposals for an internationally funded “big push” to scale up renewable energy in developing countries, capturing learning economies and advancing the date for attaining cost parity with fossil fuels.¹⁴ Government intervention is also crucial for social investment and infrastructure. If the infrastructure is energy-efficient, and if social investment is directed towards education and health services, there will be limited conflict between the economic activity generated and environmental protection.

39. Government policy plays a crucial role in determining which growth path will be followed. Government investment in infrastructure can lock in patterns of private investment that remain for many years, for example, by developing road or rail networks that determine transportation patterns and industry location in ways that can be environmentally beneficial or harmful.

40. Governments may also choose to stimulate investment in green technologies and sectors as part of explicit industrial and technology policies, on the expectation that these will emerge as major new growth drivers in the future.

41. At the international level, institutional changes will also be needed to support a shift to a green economy. Considering how financial systems, capital markets and trade rules encourage or hinder environmentally sound investments and green growth is paramount.

C. Possible impacts of a green economy on poverty eradication, livelihoods and other social outcomes

42. In the long term, it is believed that a development path limiting adverse environmental impacts would be more conducive to prosperity and poverty alleviation. Inasmuch as the poor are the most affected by trends such as climate change and environmental degradation and shocks such as food scarcity, shifts of the economy that decrease such risks will benefit the poor. For a green economy to deliver such benefits, it should be part of an overall movement towards production

¹⁴ United Nations, Department of Economic and Social Affairs, 2009 (see footnote 7 above); Deutsche Bank Climate Advisors’ GET-FiT; Greenpeace; Renewable Energy Alliance.

and consumption systems that are compatible with sustainable development, through transitions sensitive to the developmental needs of each country. Poverty eradication and enhancement of the livelihoods of the most vulnerable deserve priority in measures promoting a green economy transition.

43. The implications of a green economy for poverty eradication and livelihoods can be analysed at different levels. At a first level, shifts in the average growth rates of individual economies could have implications for the ability of these economies to reduce poverty and improve social outcomes. At a second level, changes in the structure of national economies could affect employment opportunities and requirements, with different national capacities to deal with any adverse impacts. At a third level, specific green economy policies could, through the creation of sustainable livelihoods, additional jobs and other effects, increase the capacity of countries to translate growth into poverty reduction and other beneficial social outcomes.

Possible social effects of shifts in growth rates

44. A shift to a green economy might imply lower average growth for some countries or groups of countries, with the risk that poverty outcomes will worsen. To avoid this, the poverty reduction associated with a given growth rate would need to increase. Distributive policies could also help to ameliorate the adverse effects of slower growth on the poor. Ideally, if economies are sufficiently flexible, they would shift towards new growth drivers with strong poverty-reducing effects.

45. In addition to growth, the differences observed in the successes of individual countries in reducing poverty seem to be largely linked to social policies and institutional factors such as the distribution of productive assets. These can have long-term effects. For example, investments in basic education have proven to generate a poverty-alleviation and growth dividend many years after the initial investments are made.

46. There are structural differences among countries, even at similar levels of income, that affect the scope for national redistributive policies, including the shape of the national income distribution and the institutional and administrative capacity to collect taxes and make equity-enhancing income transfers.

47. Countries also vary in the way the poor are affected by changes in prices that might result from policies aimed at “getting prices right”. The prices of food commodities have a particular importance for food security and poverty. If green economy policies for agriculture were to result even transitionally in higher food prices, this would be of particular concern to those low-income households and countries that are net food buyers.

48. At the level of national economies, the quantitative relationships between growth and poverty reduction exhibit a broad range of variation. There clearly exists no simple, one-size-fits-all strategy for poverty reduction. Green economy strategies that work best will be adapted to national contexts and yield a high income elasticity of poverty reduction.

Possible poverty effects of structural changes

49. Much discussion about the potential for green job creation was heard in relation to the green stimulus packages of Governments following the financial

crisis. In the context of high unemployment and idle capital, Government deficit spending on green investments could result in net job creation, with benefits for poverty reduction.

50. In particular, the job-creation potential of investment in renewable energy has been mentioned. According to the International Labour Organization (ILO), all forms of renewable energy have significantly higher employment elasticities than fossil or nuclear alternatives per unit investment, per unit installed capacity as well as per unit output. They also tend to concentrate employment less in the manufacturing and equipment-installation phase and provide more continuous employment during operation and maintenance.¹⁵

51. When capital and labour are fully employed, additional investment in green infrastructure, technologies or products replaces other investment. For a green structural shift to result in net job creation, investment in the green sectors has to be diverted from sectors that are less labour-intensive. Whether or not this holds is an empirical question. The results are likely to vary across economies, depending on economic structures and the incentives associated with green economy policies.

52. Structural changes in national economies caused by a shift towards a green economy would translate into adjustments to the composition and skill mix of the needed workforce. With limited short-run transferability of skills between sectors, a shift in labour demand to “greener” sectors may result in significant portions of the workforce requiring retraining. In the absence of adequate training capacities, retrenched workers will remain unemployed or will end up working in low-skill jobs. Even short spells of unemployment and income loss can translate into durable poverty episodes and lost opportunities (e.g., in access to education) for low-wage workers and their families.

53. The capacities of national Governments to deal with the adverse impacts of such adjustments differ widely. In developed countries, the welfare State works partially to compensate losers from the trade-adjustment process, for example, through unemployment benefits. Some countries have developed highly effective retraining schemes for unemployed workers. In most developing countries, however, such mechanisms are partial or non-existent. There is need for a strong social component to accompany the transition to a green economy, which considers the impacts of adjustments on broader social outcomes such as access to education, health and basic services.

Contribution of green economy policy tracks to poverty eradication and livelihoods

54. Specific green economy policies affect livelihoods, income distribution and other social outcomes through different channels and in different ways. Such policies are grouped here in seven “tracks”: green stimulus packages; eco-efficiency; greening markets and public procurement; investment in sustainable infrastructure; restoration and enhancement of natural capital; getting prices right; and eco-tax reform.

¹⁵ ILO, “Global challenges for sustainable development: strategies for green jobs”, Background Note, Group of Eight Labour and Employment Ministers Conference, Niigata, Japan, 11-13 May 2008.

Track 1**Green stimulus packages**

55. Several countries incorporated sizeable “green” expenditures in their stimulus packages following the global financial crisis. Besides environmental benefits, the greening of stimulus packages was thought likely to deliver benefits in terms of jobs relative to investing the same amounts in a “traditional” package.

56. China, the Republic of Korea and the United States were among countries with large green stimulus packages. Yet, for many developing countries, large stimulus packages have not been an option, as they do not have the policy space to run counter-cyclical policies, being encouraged by the international financial institutions and financial markets to put macroeconomic orthodoxy at the forefront of their policies.¹⁶ Also, for some developing countries, increased public debt could worsen conditions faced in capital markets, depending on the macroeconomic effects of the stimulus and its potential to create additional debt-repayment capacity.

57. Finally, what happens when the green stimulus money stops flowing? Will there be an enduring legacy in terms of the development of dynamic new green sectors? Evidence from the United States suggests that renewable energy stimulus spending has created numerous local solar panel installation businesses across the country.¹⁷ But can they survive in a less conducive policy environment?

Track 2**Eco-efficiency**

58. Eco-efficiency — the rational use of natural resources in production — has been adopted by many industries and it is a standard feature of most green economy definitions. Eco-efficiency is a firm-level concept grounded in business logic — improvements in production systems are made as long as they improve a firm’s bottom line. By internalizing externalities, government tax or other policies can strengthen firms’ eco-efficiency incentives. Eco-efficiency does not directly address social aspects. Indirect social benefits from improved resource efficiency are possible, for example, when water resources freed up by more efficient use by firms become available for other uses, or when better waste management or reuse of inputs reduces the amount of pollution.

Track 3**Greening of markets and public procurement**

59. The greening of markets has been one prominent component of sustainable consumption and production policies. Public procurement has been increasingly adopted by Governments as a tool for steering the market into offering more environmentally and socially friendly products and services. Many countries in both developed and developing regions have used public procurement to pursue social goals directly.¹⁸

¹⁶ *World Economic and Social Survey 2009: Promoting Development, Saving the Planet*, United Nations publication, Sales No. E.09.II.C.1.

¹⁷ See <http://businessjournalism.org/2010/10/10/dig-into-green-stimulus-monies-to-find-the-local-impact/>.

¹⁸ United Nations, Department of Economic and Social Affairs, *Sustainable Development Innovation Brief*, No. 5 (August 2008).

60. In terms of poverty alleviation and livelihoods, sustainable public procurement potentially has both benefits and risks for producers in developing countries. Concern for the environmental and social impacts of production in public procurement could be beneficial if products and services produced by the poor and vulnerable segments of the population would gain access to markets in which they could otherwise not compete. Products from sustainable agriculture fall into this category. Another case where clear benefits could accrue to poor populations is when procurement requirements contribute to more sustainable management of the natural resources on which they depend (e.g., Forest Stewardship Council-certified timber).

61. On the other hand, increased requirements could be detrimental to producers in developing countries if they translate into additional barriers to trade, for example, for countries whose industrial structure comprises “dirty” industries, or where the capacity of small and medium enterprises to meet new standards is limited. Collective certification of groups of small producers — for example, farmers — has been one means of overcoming this barrier.

Track 4

Investment in green infrastructure

62. Renewable energy technologies can allow for creating small-scale, decentralized systems able to provide access to modern energy to poor populations. This is a crucial ingredient of development associated with: health benefits (e.g., from decreased indoor air pollution); increased employment and income-generation opportunities through access to electricity; and improved educational opportunities and outcomes.

63. Energy efficiency in buildings has been recognized as a key component of a green economy package. Investments in sustainable buildings and construction could provide multiple benefits, including job creation and reduced household bills for heating, cooling and cooking, thereby increasing the share of household income available for other uses. Locally adapted technologies exist, often using traditional techniques and materials, but various barriers slow the adoption even of “no regret” measures.¹⁹ Innovative financing can help to address high upfront costs and long payback, for example, low-interest loans repayable through small monthly additions to electricity bills.

64. A sustainable development perspective looks beyond improvements to the building stock to consider urbanization as a whole. Urbanization will be a defining feature of coming decades, in particular in Asia and Africa, with continued large-scale migration of the poor from rural areas. To meet this challenge, it is critical to address new construction. A sustainable city must begin with ensuring that construction of new slums is not the only path to its future development. In many contexts, this means addressing gaps such as limited institutional capacity for integrated planning; inadequate enforcement of planning and zoning laws; non-existent or badly functioning land markets; and the unavailability of housing finance for large groups of the population.

65. Sustainable transport is an important contributor to mitigating environmental impacts. Beyond the transition to low-carbon mobility, critical for poverty

¹⁹ Final report of the Marrakech Task Force on Sustainable Buildings and Construction.

alleviation and livelihoods is inclusive transport. Given that the poor are less motorized than the rest of the population, this means first of all well-funded, efficient public transport networks. For the poor and vulnerable, non-motorized transport and walking and cycling are of particular importance. Governments have a critical role to play as providers of most transport infrastructure. For public transport to have a chance to compete for the pocketbooks of customers, the negative externalities caused by private vehicles have to be accounted for. As in other sectors, the transition to inclusive and sustainable transport implies cultural change on the part of politicians, city planners, transport engineers and citizens.

Track 5

Restoration and enhancement of natural capital

66. The importance of natural assets and the services they provide to poor communities has long been recognized. The Millennium Ecosystem Assessment was instrumental in providing a framework and detailed examples to understand how ecosystem services directly contribute to livelihoods, among other functions.²⁰ The economics of ecosystems and biodiversity (known as TEEB) study done by UNEP reinforces this view that ecosystem services are critically important not only to resident communities but to broader national economies.²¹ Therefore, programmes and projects that aim to restore and enhance natural capital will have direct impacts on livelihoods and poverty.

67. Beyond delivering direct economic benefits to resident communities (e.g., non-timber forest products and land productivity), being labour-intensive, sustainable land management and forest conservation and regeneration also have the potential to deliver income benefits for the poor. This has been the case with India's ambitious national programme of natural asset restoration under the National Rural Employment Guarantee Act. Still, an evaluation of the Act suggests that the implementation challenges are not different from those facing other local development projects, including limited local participation, administrative complexity and misaligned incentives across stakeholders, all potentially limiting long-term asset-building.²² Thus, the outcomes of such programmes will critically depend on the design and implementation details as well as on the surrounding institutions.

68. Beyond specific natural asset restoration programmes, improving the conditions of natural assets in the long run will require locally adapted rules for the management of the commons. The importance of national and local institutions and contexts for such management is now well recognized and evidenced by the opposite fates of similar shellfish fisheries in neighbouring Pacific islands.

69. Agriculture will be a key sector for poverty alleviation and for the transition to sustainable societies. Major efforts are needed to develop the sustainable agricultural and forestry production systems that provide decent incomes and livelihoods and at the same time reduce emissions, consume less water and maintain soil fertility and biodiversity.

²⁰ Millennium Ecosystem Assessment, 2005.

²¹ TEEB, *The Economics of Ecosystems and Biodiversity: Mainstreaming the Economics of Nature: A synthesis of the approach, conclusions and recommendations of TEEB*, 2010.

²² Centre for Science and Environment, "The National Rural Employment Guarantee Act (NREGA): opportunities and challenges", New Delhi, 2008.

70. Sustainable agriculture has proven in many contexts to be more job-intensive than conventional agriculture. It often requires less capital and less reliance on debt and credit; as a result, it can generate more disposable income for farmers. Sustainable agriculture also has the potential to make small-scale farmers more resilient to weather shocks such as drought.²³

71. Agricultural subsidies, as a particular form of price distortion, have long been a contentious issue in international forums, as the local agricultural production in developing countries can be put at a competitive disadvantage vis-à-vis subsidized agriculture in developed countries. Given the importance of agriculture as an employer and as the basis for rural economies in many developing economies, achieving progress on this front could provide a major opportunity for poverty alleviation in rural areas.

Track 6

Getting prices right

72. Better accounting of the externalities present in the economic system can lead to more environmentally friendly outcomes.²⁴ To the extent that poor populations often rely on the services provided by natural assets that are unaccounted for in national accounts or in cost-benefit analysis, better accounting and better assessment rules for projects would directly benefit them. One example is mangroves, whose benefits in terms of flood damage control, fishery nursery grounds and other services can often surpass in value the returns generated by their clearance to accommodate other economic activities.²⁵

73. Systems of payments for ecosystem services, associated with the maintenance or upgrading of natural assets, are increasingly being developed across the world. Such systems have the potential to impact poverty and livelihoods directly, insofar as they constitute an income transfer from richer groups (e.g., taxpayers or urban residents) to lower-income groups. The literature shows that the results of such schemes in terms of poverty alleviation and improvement of livelihoods critically depend on design issues as well as on local conditions. Recognition of poor communities' stewardship and associated claims on valuable natural assets is critical. Testing the potential of payment for ecosystem services within rural poverty reduction programmes has become an interest of a number of countries.

74. Policies designed to "get prices right" or create markets for ecosystem services have raised concerns that they could lead to the disenfranchisement of poor communities whose livelihoods depend on the natural resource base. In agriculture, forestry and mining, examples from across the globe can be found where no adequate compensation was provided to local residents for the loss of land or environmental benefits or for environmental damages created by projects.²⁶

²³ United Nations, Department of Economic and Social Affairs, *Sustainable Development Innovation Brief*, No. 9 (May 2009).

²⁴ See the Department of Economic and Social Affairs Statistics Division's work on the System of Environmental-Economic Accounting.

²⁵ Forests are another example of a sector where benefits accruing to some stakeholders have often not been factored into decision-making.

²⁶ In the case of land purchases by foreign investors, see World Bank, "Rising global interest in farmland: can it yield sustainable and equitable benefits?", 2010.

75. While such outcomes do indeed make the case for better accounting of environmental costs and benefits in decision-making, there needs to be both the willingness and the capacity to apply such accounting on behalf of all citizens, including minimal standards for transparency and legal systems that give a voice to the most vulnerable.

Track 7

Eco-tax reform

76. As a consequence of the variety of designs, the effects of environmental tax reforms have been variable. A review conducted in 2005 based on 61 studies covering several countries highlighted a pattern of effects that suggested that the environmental tax reforms do not significantly dampen GDP growth, have positive but small impacts on employment, and have very beneficial impacts in terms of pollution reduction.²⁷ Apart from employment effects, environmental taxes have other distributional effects which need to be evaluated. These include the direct incidence of a tax as well as indirect effects on goods and services through input-output linkages and potential mitigating effects through revenue recycling.²⁸ Unlike other environmental policy instruments, eco-taxes provide the financial means for Governments to compensate the poor if the tax itself is regressive. Also, there is a distributional dimension to the health and environmental effects of the eco-tax that needs to be considered. If poor individuals and communities are most affected by the pollution which the tax reduces, this effect should be progressive.

77. In summary, the following recommendations on the poverty and social dimensions of a green economy could be considered by the Preparatory Committee:

- (a) Support independent research on the potential social impacts of green economy packages for different groups of countries;
- (b) Continue to give high priority to policies that directly aim at poverty reduction, such as investments in education and access to basic services such as water, sanitation and energy;
- (c) Prioritize green economy policies that have the potential to deliver social benefits;
- (d) Target support to small and medium enterprises, including through packages covering clean technology transfer and adoption, new skills development, finance and support to greening supply chains;
- (e) Promote investment in enhancing the natural assets on which poor communities depend for their livelihoods;
- (f) Put in place social safety nets that support incomes and limit the impacts of unemployment on long-term outcomes such as access to education;

²⁷ Roberto Patuelli, Peter Nijkamp and Eric Pels, "Environmental tax reform and the double dividend: a meta-analytical performance assessment", *Ecological Economics*, vol. 55, No. 4 (December 2005).

²⁸ N. Johnstone and J. Alavalapati, "The distributional effects of environmental tax reform", International Institute for Environment and Development Environmental Economics Programme, Discussion Paper DP 98-01.

(g) Ensure that national institutions are designed to take into account and fairly represent the interests of poor and disenfranchised communities, especially in the context of natural resource management.

D. Contribution of the green economy to environmental objectives and challenges ahead

78. Green economy measures by design aim to reconcile environmental and economic goals. The present section asks how far such measures succeed in attaining their environmental objectives and what complications may arise along the way. UNEP enumerates a number of green economy “success stories”, including renewable energy in China and solar energy in Tunisia, organic agriculture in Uganda, sustainable urban planning in Brazil, forest management in Nepal and ecosystem services in Ecuador. These range from national policies and programmes to local innovations and pilot projects.²⁹ Many developing and developed/transition countries have low-carbon development strategies.³⁰ Only a few have formulated “green economy” strategies, but the Republic of Korea has a national green growth strategy. Some 49 countries across the globe have feed-in tariffs for renewable energy in place as of 2010, about 40 per cent of those being developing countries.³¹

Overestimating costs, underestimating benefits

79. Experience with both domestic and international environmental policies suggests that economic costs are often overestimated *ex ante*. After the fact, they prove to be smaller — in some cases far smaller. This was the case, for example, with the Montreal Protocol on Substances that Deplete the Ozone Layer. A study of European Union environmental legislation finds that frequently the *ex ante* cost estimates are twice as large as the *ex post* ones.³² Several factors explain this result, but failure to predict accurately business response to new regulations, including through technical innovation, is an important one.

80. Policies may also yield important co-benefits, that is, when a single instrument achieves multiple objectives. These are not systematically considered in many cost-benefit analyses. For example, measures to reduce local air pollution may also reduce greenhouse gas emissions, or vice versa. The adoption of sustainable agricultural practices can yield economic benefits for poor farmers while also yielding carbon storage benefits for the entire globe. Reducing deforestation and forest degradation can deliver significant co-benefits, including maintained ecosystem services, water conservation and preservation of biodiversity, and benefits to communities and indigenous peoples if it results in the clarification of land tenure and the provision of jobs.³³

²⁹ UNEP, *Green Economy: Developing Country Success Stories*, 2010.

³⁰ Project Catalyst brief, “Low-carbon growth plans”, December 2009.

³¹ Renewable Energy Policy Network for the 21st Century (REN 21), *Renewables 2010: Global Status Report*, Paris, REN 21 secretariat, 2010.

³² F. Oosterhuis, editor, “Ex-post estimates of costs to business of EU environmental legislation”, final report, April 2006.

³³ United Kingdom Department for International Development/Ecofys, “Co-benefits of private investment in climate change mitigation and adaptation in developing countries”, final report, 3 November 2010.

81. On the other hand, consideration of the environmental effectiveness of green economy policies and measures confronts dilemmas, paradoxes, unintended consequences and adding-up issues.

82. Green economy policies aim to reconcile environmental objectives with strong economic performance. To the extent that environmental improvements come at a cost, one risk is that policies will be weakened to mitigate those costs. This has been the case with many eco-tax measures, where tax rates are set too low to have a noticeable deterrent effect on polluters or where generous tax exemptions are granted to pollution-intensive industries. The eco-tax meta-analysis cited above tells a more encouraging story, but nevertheless environmental taxes have declined as a share of total tax revenues in 16 countries of the European Union since 1995.

Rebound effects

83. A classic paradox of green economy measures is the rebound effect, as when energy conservation measures lower energy prices or simply save consumers money, leading to behavioural responses that partially negate the energy savings. Studies focusing on the direct rebound effect of energy efficiency measures on household and private transport energy demand suggest the effect is neither negligible nor huge — usually less than 30 per cent of the initial reduction in energy use.³⁴ Even when indirect effects through increased real income are added,³⁵ energy efficiency policies are found to be effective in reducing energy consumption. Still, to achieve a given energy saving target, policymakers may need to overshoot.

Interdependence of consumption and production

84. Globalization has led to rapid structural change in the global economy. Manufacturing is less and less concentrated in developed countries, with a rapidly growing proportion done in developing economies. The same is true of mining and mineral processing and of other heavy industries. Rapidly expanding trade flows have linked consumption in one part of the globe to production in another.

85. The fact that a few developed countries have been able to “decouple” their economies from some pollution and waste streams is in part attributable to the transfer of such activities to new locations. This can create local pollution problems for those countries that are the new hosts to these industries. It can create a global problem if, in the process, levels of global pollutants such as greenhouse gas emissions rise owing to less efficient methods of production in the new locations. This may or may not happen: new investments in developing countries may use cleaner, state-of-the-art technologies but these are usually more costly.

86. The global interconnectedness of consumption and production across national boundaries reinforces a sense of shared responsibility for addressing global problems. For example, living standards of consumers in high-income countries are being sustained in part by production processes that are no longer located in their home countries but that are nonetheless emitting greenhouse gases.

³⁴ Steve Sorrell, John Dimitropoulos, Matt Sommerville, “Empirical estimates of the direct rebound effect: A review”, *Energy Policy*, vol. 37, No. 4 (2009).

³⁵ Terry Barker, Paul Ekins, Tim Foxon, “The macro-economic rebound effect and the UK economy”, *Energy Policy*, vol. 35, No. 10 (October 2007).

Adding-up problems

87. Adding-up (or the lack thereof) can be a problem when evaluating the environmental effectiveness of green economy measures. That is, the policies adopted may provide incentives to incremental improvements in the environmental performance of firms or households, when what is needed are more radical improvements. In short, the individual policy measures adopted do not add up to a combined effort of sufficient magnitude. This has become apparent, for example, with the voluntary pledges made by the parties to the United Nations Framework Convention on Climate Change in the context of the Copenhagen Accord. The combined emission reductions by 2020 fall short of what is considered necessary to have a better than even chance of keeping global mean temperature rise below 2°C.³⁶ The UNEP Green Economy Report's modelling work also points to an adding-up problem in the sense that measures modelled do not always result in outcomes consistent with tackling specific environmental problems.

Unintended consequences

88. The case of biofuels illustrates the potential for trade-offs among policy objectives. In this case, the rapid policy-induced growth in demand for corn-based ethanol has had a direct impact on the corn price, creating greater food insecurity in a number of developing countries. Concerns also exist regarding the impact that biofuels targets, for example, in Europe, could have on the demand for palm oil as source of biodiesel, with resultant pressures on tropical forests. In consequence, in mid-2010, the European Union proposed a set of sustainable biofuels guidelines, which has in turn generated opposition on the grounds of green protectionism. The question of what constitutes sustainable biofuels remains a vexed one.

Taking it to scale

89. In summary, one of the biggest challenges ahead for green economy initiatives will be to move from small-scale demonstration projects to policies and programmes with broad benefits at the national and international levels. In devising plans for the wider-scale adoption of green economy measures, care will need to be taken to avoid unintended negative consequences. Wherever possible, efforts should be made to design green economy policies with significant co-benefits, whether economic, social or environmental.

III. Institutional framework for sustainable development

90. The report of the Secretary-General to the first preparatory session (A/CONF.216/PC/2) provided an overview of developments and issues pertaining to the institutional framework for sustainable development. In relation to the Commission on Sustainable Development, the report reviewed steps taken since the World Summit on Sustainable Development to strengthen the Commission, such as the multi-year programme of work. It also took note of various innovations in the work of the Commission, such as an enhanced role for regional institutions, the role of partnerships, the engagement of major groups in the sessions of the Commission,

³⁶ World Resources Institute, Comparability of Annex 1 emission reduction pledges, Working Paper, February 2010.

and the heightened emphasis on implementation of Commission decisions. The report also addressed the issue of the integrative role of the Commission, the apex role of the General Assembly and the contribution of the Economic and Social Council. Since the issuance of that report, Member States, United Nations entities and major groups have submitted responses to a questionnaire pertaining to the objective and themes of the United Nations Conference on Sustainable Development. These are summarized in a synthesis report, which complements the discussion of institutional issues in the present report.

A. Approaches to strengthening the institutional framework for sustainable development

91. The institutional framework for sustainable development covers a spectrum of formal and less formal bodies, organizations, networks and arrangements that are involved in policymaking or implementation activities. The institutional framework must be considered at the local, national, regional and international levels. Globally, the institutional framework has witnessed a dramatic growth in the number of institutions and agreements, with more than 500 multilateral environmental agreements currently in existence. Thus the reach of sustainable development governance has greatly expanded. Yet the continuing deterioration in the natural resource base, threats to ecosystems, global climate change and persistent poverty call into question whether the grasp of the institutional framework matches its reach. The international institutional landscape has been characterized as fragmented, with a silo-like arrangement of regimes and institutions and a related lack of coherence and coordination.

92. A comprehensive overview of the institutional framework for sustainable development would be incomplete without accounting for the growth in informal arrangements, voluntary agreements, networks and civil society arrangements, in many instances established by non-State actors.³⁷ In many countries there is a long tradition of environmental organizations, and at the international level the International Union for Conservation of Nature has long been an important actor. The United Nations Global Compact has emerged as a formal link for the United Nations system to engage with the private sector, based on the commitment to eight core principles. There has been considerable innovation in the development of standards and codes by non-governmental actors, with varying degrees of involvement by Governments and international institutions. A range of voluntary initiatives seeks to broaden the adoption of key principles, for example, the Equator Principles on financing, the Global Reporting Initiative, which aims to lift the bar for corporate reporting on sustainability, and the International Organization for Standardization process, most recently addressing corporate social responsibility. What these arrangements have in common is that they aim to advance sustainable development but largely outside the governmental context.

³⁷ See Introduction, Neil Adger and Andrew Jordan, editors, *Governing Sustainability*, Cambridge, Cambridge University Press, 2009; Megali Delmas and Oran Young, editors, *Governance for the Environment*, Cambridge, Cambridge University Press, 2009; World Economics Forum, *Global Redesign: Strengthening International Cooperation in a More Independent World*, Geneva, 2010.

93. Overall, there is a widely recognized need to strengthen the institutional framework for sustainable development at all levels. In particular, the aim is integration in policymaking and implementation of the three pillars of sustainable development. A strengthened institutional framework for sustainable development, building on developments since the United Nations Conference on Environment and Development and the World Summit on Sustainable Development, encompasses a number of objectives.

Ensuring coherence and policy integration in the economic, social and environmental fields

94. Sustainable development is predicated on integrated policymaking and implementation. At the national level, one response to the integration challenge has been to create new institutions, for example, national councils, in many cases with disappointing results. An arguably more effective alternative has been to integrate economic, environmental and social goals within the mandate of existing institutions. Longer-term budgeting and sound regulatory instruments can be important tools for integration.

95. At one level, integration can refer to inclusion of the dimensions of sustainable development in the formulation of legal frameworks, the definition of property rights and the organization of government. For instance, the South African National Environmental Management Act of 1998, a piece of framework legislation, establishes sustainable development as one of the principles that applies to all actions of all organs of State that may significantly affect the environment, thus serving as a guide for policy formulation and implementation.

96. At another level, integration refers to the process of day-to-day implementation, that is, how policies, management decisions, instruments and interventions are deployed. Integrated implementation is facilitated by factors such as: the presence of the requisite capacity in government and civil society; compatible objectives; the existence of supportive legal and institutional frameworks; and easy access to data and information for decision-making. At the national level, horizontal integration across sectoral institutions and between different levels of government assumes great importance.

Improving analysis, assessment and scientific advice

97. Decision makers and citizens need access to sound sources of information, assessment and advice concerning risks to natural systems and human well-being. A variety of assessments at the international level have been undertaken over the past few decades, but their bearing on policymaking has varied widely. The cases of effective linkage between science and policy could offer fruitful lessons for future assessments, including that planned on biodiversity.

Strengthening implementation, monitoring and accountability

98. There is a need to reinforce the institutions and processes involved in delivering on normative commitments made at the global level. Presently, there is an apparent disconnect between the bodies making normative decisions and the bodies responsible for implementation, with the latter feeling only weak ownership of those decisions unless they are incorporated into mandates from their own governing bodies.

Limiting overlap or duplication of activities

99. There are a number of mechanisms for coordination within the United Nations system, such as the Chief Executives Board and the Environment Management Group, in relation to the environment. Several thematic inter-agency mechanisms have been established, including UN-Energy, UN-Oceans and UN-Water, with the objective of fostering cooperation and information-sharing among United Nations entities. UN-Water also contributes to monitoring and reporting on internationally agreed water and sanitation targets. The United Nations Development Group assumes a role in relation to development activities on the ground, operationalizing normative decisions through, for example, producing guidance notes for United Nations country teams, including a recent one on mainstreaming environmental sustainability in country analysis and the United Nations Development Assistance Framework.

Enhancing participation

100. Effective participation aids the integration of the three pillars in policy formulation and implementation. Policy formulation and implementation are more than a wise allocation of resources and good stewardship; the process matters. Ignoring social marginalization, vulnerability and the uneven distribution of resources frays the trust needed for collective action. Giving greater voice to the poor and marginalized groups in decision-making is thus a high priority. Providing better access by the poor to information — for example, on the environment, on the use of revenues allocated for local economic development — can be a valuable means of empowerment.³⁸ More can be done to build on progress made to promote transparency and accountability through access to information and stakeholder involvement in decision-making.

Strengthening national and local capacities for sustainable development

101. Ultimately the success or failure of sustainable development rests on implementation at the national and local levels. Such implementation could benefit from enhanced capacity-building efforts, particularly in the least developed countries, for analysis, establishment and enforcement of regulatory and incentive frameworks to shift towards sustainable consumption and production patterns.

102. At the national level, considerable progress has been achieved in strengthening institutional mechanisms dealing with policy formulation, coordination, implementation and review. Many countries have put in place national sustainable development strategies and related instruments, but these are seldom the most important reference documents for economics ministries and donors. A central challenge is to ensure that such strategies have an impact on policymaking and implementation. Various mechanisms can be used to monitor the progress and implementation of national sustainable development strategies, including internal reviews, external auditing, parliamentary and budgetary reviews and indicator-based monitoring. France initiated a peer review of its national sustainable development strategy, and the Netherlands and Norway also carried out similar reviews.

³⁸ Work of civil society groups and at least one State government in India to conduct “social audits” is a valuable advance. See also the work of the World Resources Institute Access Initiative on access to environmental information.

103. Also at the national level, there have been efforts to overcome fragmented and narrowly sectoral approaches through processes that integrate different sectors and different levels of government (local and national), and enable greater participation by stakeholders. In that regard, many countries have prepared integrated water resources management plans, which aim to ensure the sustainable development of water resources and address conflicting demands.³⁹ At the regional level, the European Union Water Framework Directive provides common principles, approaches and requirements for water management and requires that European Union members establish river basin management plans for the protection and restorations of water resources. Integrated coastal zone management also explicitly aims for a cross-sectoral approach and the integration of different levels of government. In New Zealand, national legislation mandates the preparation of a national framework for coastal planning to which subsequent planning relating to the coastal zone must adhere.

104. Local governments are at the coalface of emerging challenges, such as the need to prioritize and strengthen the capacity to deliver basic services in the face of rapid, often unplanned urbanization in developing countries. In many developing countries, improved integration, coordination and resource-sharing between levels of government would improve access to basic services such as water, sanitation, health and housing. Also, engagement of civil society has proven to be a valuable means of implementation at the local level, especially but not only where the local authorities' capacities and resources are limited.

B. The broader framework

105. The General Assembly serves as the apex body for legislative outcomes on sustainable development. It also provides the forum for integrated consideration of issues related to the oceans, for example, through the regular process for global reporting and assessment of the state of the marine environment, including socio-economic aspects, as recommended in the Johannesburg Plan of Implementation. The Economic and Social Council has the overall mandate to integrate the three pillars of sustainable development. The Council, through its annual ministerial review and linkages to the international financial institutions, has strengthened its integrative role (see A/61/583).

106. The Commission on Sustainable Development was established as the high-level body for the review and follow-up to the implementation of Agenda 21. While the central role of the Commission is widely acknowledged, concern has been expressed about lack of implementation of its policy decisions and its perceived weakness in driving the sustainable development agenda. However, the Commission has been a leading institution in the United Nations system with respect to the involvement of the major groups which engage actively and substantively in its work programme.

107. In order to improve the follow-up and implementation of Agenda 21, the Johannesburg Plan of Implementation and the decisions of the Commission on Sustainable Development, establishing a voluntary peer review mechanism, building

³⁹ UN-Water. "Status report on integrated water resources management and water efficiency plans", 2008.

on peer review of national sustainable development strategies and drawing on experience in OECD and with the African Peer Review Mechanism of the New Partnership for Africa's Development, could be considered.

C. Governance of the environmental pillar

108. The institutions for the environment are frequently described as the weakest of the three pillars. While the adoption of a large number of multilateral environmental agreements has resulted in broad coverage, it has arguably also spread thin the limited financial and human resources and resulted in inadequate coordination. In response, efforts are also focused on bringing about greater coordination between multilateral environmental agreements through joint administrative support and thematic clustering. At present, UNEP provides administrative support for the following conventions: the Convention on International Trade in Endangered Species (CITES), the Convention on Biological Diversity, the Convention on Migratory Species, the Basel Convention, the Rotterdam Convention and the Stockholm Convention (jointly with the Food and Agriculture Organization of the United Nations (FAO)), as well as the Montreal Protocol. Clustering of thematically related multilateral environmental agreements has been identified as a bottom-up solution for enhancing coherence. In that regard, a step towards greater synergy was the simultaneous extraordinary Conferences of the Parties to the Stockholm, Rotterdam and Basel Conventions, held from 22 to 24 February 2010, which adopted a decision on joint services, joint activities, synchronization of the budget cycles, joint managerial functions and review arrangements. The biodiversity-related agreements (Convention on Biological Diversity, CITES, Convention on Migratory Species) have also moved towards greater cooperation. In general, thematic cooperation, animated by a shared need to investigate an issue, appears to be more important than factors such as the co-location of secretariats. It is important to define the rationale and purpose of multilateral environmental agreements' cooperation and set clear objectives and criteria to assess results. At the same time, initiatives for coordination must also be balanced against the need to respect the autonomy and legal mandates of the agreements.

109. The strengthening of delivery channels of funding for sustainable development is critical for implementation. In that regard, the question of governance, in particular the relative influence over decision-making of donor and recipient countries, has been a key issue for debate. Currently the Global Environment Facility (GEF) serves as an operating entity of the financial mechanism for the United Nations Framework Convention on Climate Change, as well as the Convention on Biological Diversity, the Stockholm Convention and the United Nations Convention to Combat Desertification. Under its International Waters focal area, GEF finances activities to help countries collectively manage their transboundary surface water basins, groundwater basins, and coastal and marine systems. GEF successfully leverages considerable co-financing, yet questions remain whether the available funds are adequate to cover the expanding needs of countries.

110. The international response to climate change has resulted in the creation of a number of funds, some under the aegis of the Framework Convention and Kyoto Protocol and others located in the World Bank. In that regard, the Adaptation Fund, which is mandated to finance concrete adaptation projects and programmes in developing countries that are parties to the Kyoto Protocol, marks a break with

prevailing practice in that developing countries have a majority on the Adaptation Fund Board. Another novel feature of the Fund's operations is direct access, whereby the recipient country can access financial resources without going through an intermediary multilateral institution, as is the case for funding allocated under GEF. For its part, the World Bank in 2008 established the Climate Investment Funds, which include balanced representation from donor and beneficiary countries, but are not formally linked with the Framework Convention. Most recently, the Green Climate Fund, established at the sixteenth session of the Conference of the Parties to the Framework Convention, will be governed by a board of 24 members comprising equal representation from developed and developing countries.

111. A number of initiatives have explored options for strengthening international environmental governance, with a focus on UNEP. The consultative process launched by the UNEP Governing Council identified a number of system-wide responses to the shortcomings in the current system of international environmental governance and also considered a number of institutional options for strengthening the environment pillar in the context of sustainable development.⁴⁰

Institutional options

Enhancing UNEP. Universal membership in the UNEP Governing Council universal (from current 58 members). No change to mandate and minimal financial implications. Some analysts conclude that broad and active participation in the Governing Council and the Global Ministerial Environmental Forum of observer countries amounts to de facto universal membership.

Establishing a new umbrella organization for sustainable development. New institution exercising executive functions, possibly founded on existing intergovernmental and secretariat entities. It would enhance integration of sustainable development in the work of institutions covering economic, social and environmental pillars. Established by General Assembly resolution or legal instrument.

Establishing a specialized agency such as a world environment organization. Specialized agency based on the model of United Nations agencies such as the World Health Organization (WHO) and FAO, which are hybrid normative and operational entities. It would be the global authority on the environment, providing policy guidance to other United Nations entities working on the environment and multilateral environmental agreements.

Reforming the Economic and Social Council and the Commission on Sustainable Development. In relation to the Economic and Social Council, possibilities that have been raised include strengthening the coordination of role of the Council in relation to sustainable development, for example, by establishing a "sustainable development segment" to engage more closely with the reports of the various functional commissions and entities such as UNEP. Another possibility involves merging the Economic and Social Council with the Commission

⁴⁰ See UNEP Governing Council decision SS.XI/1; see also the Nairobi-Helsinki Outcome, second meeting of the Consultative Group of Ministers or High-level Representatives on International Environmental Governance, Helsinki, 21-23 November 2010.

on Sustainable Development into a council on sustainable development. Mention has also been made of upgrading the Commission to a sustainable development council, which could be achieved through a General Assembly resolution.

Enhancing institutional reforms and streamlining existing structures. A consortium arrangement for environmental sustainability, headed by a high-level governing body. An instrument or set of instruments would structure relationship with existing institutions.

D. Governance of the economic and social pillars

112. An open multilateral trade regime has been an enabler for sustained economic growth and poverty eradication. Within the World Trade Organization, there is a need to continue promoting a better understanding of the links between trade and environment and between trade and social development.

113. The international financial institutions and the multilateral development banks are key institutional actors in relation to sustainable development. Recent reforms, which have increased the representation of developing countries, have enhanced the legitimacy of the governing bodies of the International Monetary Fund and the World Bank. The World Bank and the multilateral development banks have made considerable strides in incorporating sustainable development into their programmes and projects, for example, support for renewable energy and agriculture in the wake of the food crisis. Still, more effort is needed to continue such integration as well as to bridge the gap between those institutions and the rest of the United Nations system.

114. The social pillar of sustainable development, which is central to poverty eradication, should be strengthened, including through giving greater consideration to social issues in the work of the United Nations system on sustainable development. There has been considerable innovation, some of it involving the creation of new institutions, for example, the Joint United Nations Programme on HIV/AIDS (UNAIDS) in response to the HIV/AIDS pandemic and, most recently, the establishment of UN-Women, while in other areas partnerships have been forged, for example, the GAVI Alliance, which brings together the United Nations Children's Fund, WHO, the World Bank and the Bill and Melinda Gates Foundation. Under the GAVI Alliance's advance market commitments, which supports the creation of markets for vaccines, donors have committed \$1.5 billion for affordable access to the pneumococcal vaccine, addressing a disease that annually kills 1.6 million persons.

115. The following options could be considered in the preparations for the United Nations Conference on Sustainable Development:

(a) At the international level, strengthen monitoring, coordination and implementation of sustainable development, including enhancing links and collaboration between the policy and operational levels;

(b) Strengthen institutional mechanisms at the national level, including national sustainable development strategies and forging stronger links to economics

ministries, for integrated policy formulation, coordination, implementation and review;

(c) Develop innovative financing mechanisms and strengthen delivery mechanisms as part of the institutional framework for sustainable development. There is a strong argument that funding mechanisms should be responsive to the relevant multilateral agreements and policy processes.

IV. The way forward

116. Looking to the United Nations Conference on Sustainable Development, in 2012, and considering the two themes in relation to the Conference objective, the following messages emerge from the preceding analysis.

117. First, a green economy in the context of sustainable development and poverty eradication is an approach to economic decision-making that will need to be built from the bottom up, responding to national and local priorities and challenges.

118. Secondly, and following from the first point, green economy in the context of sustainable development and poverty eradication is broader than simply low-carbon growth. The social dimension and poverty eradication remain paramount for most developing countries.

119. Thirdly, both developed and developing countries are already experimenting with green growth strategies, including low-carbon growth strategies, though their efforts do not yet add up to a level of ambition equal to the global challenges. A growing number of Governments see such strategies as essential to the long-term dynamism of their economies.

120. Fourthly, countries are nevertheless concerned about the near-term transition costs from the loss of competitiveness, worsening terms of trade, economic dislocations and unemployment. Targeted domestic measures such as worker retraining, backed by international support such as aid for trade, can assist with minimizing transition costs.

121. Fifthly, and more generally, strengthened international cooperation will be crucial to addressing ongoing and emerging sustainable development challenges in an ever more interdependent world.

122. Sixthly, international institutions, including the United Nations system, should support countries that choose to strengthen national green economy efforts and help them to align those efforts with poverty eradication and other national priorities. This will include knowledge-sharing on effective policy and institutional design, institutional capacity-building, technology-sharing and innovative financing for a green economy transition.

123. Seventhly, insufficient progress has been made in integrating sustainable development into policymaking and implementation at all levels. Member States should have an active role in providing political guidance to the United Nations system for overcoming the institutional fragmentation and lack of integration of the three pillars of sustainable development.



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**Progress to date and remaining gaps in the implementation
of the outcomes of the major summits in the area of
sustainable development, as well as an analysis of the themes
of the Conference**

Synthesis report on best practices and lessons learned on the objective and themes of the United Nations Conference on Sustainable Development

Note by the Secretariat

Summary

An advance, unedited copy of the synthesis report was submitted to the first intersessional meeting of the Preparatory Committee for the United Nations Conference on Sustainable Development in January 2011. The present report has been edited and revised to reflect additional input and views from participants at the intersessional meeting on the objective and themes of the Conference and is submitted to the Preparatory Committee at its second session for further consideration and discussion, as part of the preparatory process for the Conference.

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I. Introduction

1. At its first meeting, in May 2010, the Preparatory Committee for the United Nations Conference on Sustainable Development decided to seek information, inputs and contributions, including through a questionnaire addressed to Member States, organizations of the United Nations system, international financial institutions, major groups and other stakeholders, on their experiences, including success factors, challenges and risks, with respect to the objective and themes of the United Nations Conference on Sustainable Development. An unedited advance copy of the synthesis report was considered during the intersessional meeting of the Preparatory Committee in January 2011.

2. A total of 108 responses to the questionnaire had been received by 18 January 2011. Of the 49 responses from Member States, 24 were from developed countries, including one common submission from the European Union and its member States, and 25 were from developing countries or countries with economies in transition. Responses were also received from 32 organizations or consolidated networks of major groups and from 27 United Nations system organizations. All the responses are available on the website for the Conference.¹

3. The present report seeks to synthesize the main points in an objective, balanced and coherent manner based on replies to the questionnaire and other statements, as appropriate.²

II. Renewed political commitment for sustainable development

A. Experiences

4. High-level ownership of the sustainable development agenda and transparency in information-sharing and decision-making are key factors that reinforce political commitment to sustainable development.

5. Political commitment is best measured through legislation and policy at the national and regional levels. Factors such as budgetary allocation, development of institutions and stakeholder participation are strong indicators of political commitment translated into action.

6. Quantitative indicators (such as budgetary allocation and financial support) can be effective, but are not always easy to measure. Qualitative indicators (such as new policy reforms, public opinion and media interest), applied to key sustainable development priorities, facilitate evaluation of the sustainability framework, highlighting conflicts and trade-offs.³ Monitoring, evaluation and reporting mechanisms are also important. Economic indicators remain important, while

¹ www.uncsd2012.org.

² Because of the limited number of replies received from developing countries, efforts were made to review statements made by developing countries at the Second Committee during the sixty-fifth session of the General Assembly and at the first intersessional meeting of the Preparatory Committee.

³ Common response of the European Union and its member States.

others, such as equity, gender mainstreaming and stakeholder participation, and comprehensive indicators (e.g., the Human Development Index) are also valuable.⁴

7. Many major groups highlighted indicators showing whether Governments have institutionalized the participation and inclusion of civil society, transparency of political commitments and whether previous commitments have been implemented. Respect for human rights, for example by adopting an instrument such as the United Nations Declaration on the Rights of Indigenous Peoples, was also given a high ranking.⁵ Media interest is not considered a reliable indicator by some groups, due to its volatility and lack of objectivity,⁶ although its role in raising public awareness was recognized as important.

8. Most United Nations system organizations prioritized indicators for measuring peace and security, human rights, political governance and administration, economic and corporate governance and private sector development. Ratification of multilateral environmental agreements and whether a sustainable development framework takes into account the requirements of inclusive, holistic, balanced and integrated development were also seen as important.

9. Member States and United Nations system organizations generally reported stronger commitment to sustainable development over the past 20 years, at both the national and international levels. New international and regional conventions have been adopted in the field of the environment, with an estimated 500 international conventions and instruments since 1992, when the concept of sustainable development was formally recognized and placed at the heart of the Rio agenda.⁷ This expansion reflects growing awareness of the importance and urgency of sustainable development issues.⁸ However, political commitment should not be measured only by the number of adopted conventions and declarations since 1992, but also by implementation. Some acknowledged continued gaps between political commitments and actual implementation, coordination and enforcement.⁹

10. Implementation of international agreements is seriously constrained in many countries by lack of access to financial resources, weak commercial viability of required investments, inadequate and inappropriate human, financial, technical and institutional capacity dedicated to implementation and evaluation,¹⁰ and limited public awareness. Raising public awareness through environmental and sustainable development education and promoting sustainable lifestyles can help instil personal responsibility and commitment in individuals and communities.¹¹

⁴ Ecuador.

⁵ Key organizations of the women's major group.

⁶ International Trade Union Confederation (ITUC), others.

⁷ Second Committee, sixty-fifth session of the General Assembly, statement by the Group of 77 and China.

⁸ Common response of the European Union and its member States.

⁹ Intersessional meeting of the Preparatory Committee, statements by Cuba, Pakistan and Switzerland, others.

¹⁰ Mauritius, Economic Commission for Latin American and the Caribbean (ECLAC), Caribbean regional report for the five-year review of the Mauritius Strategy for the Further Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States, document LC/CAR/L.258. Available from www.eclac.org.

¹¹ ECLAC, Caribbean regional report, Second Committee, sixty-fifth session of the General Assembly, statement by Israel.

11. Balance among the three pillars of sustainable development varies among countries at different stages of development and with different resource endowments. Social and economic development remains the highest priority for developing countries, and some emphasized the importance of the social dimension of sustainable development, including social empowerment, social justice and inclusion in decision-making.¹² While a number of countries have made considerable progress, for many countries, particularly in sub-Saharan Africa, progress remains insufficient to reach development goals related to poverty eradication.¹³ Nevertheless, progress in improving economic governance and mobilizing resources for investment is evident across the continent. South Africa's legislation and national programmes for sustainable management of water, energy, waste and industrial development provide inspiration for continued progress.¹⁴

12. Links between development and the environment could feature more prominently in the Millennium Development Goals,¹⁵ and the Conference should aim to place the Goals within the framework of sustainable development.¹⁶ Brazil's recent history — including increased basic education, a drop in unemployment, strong growth in gross domestic product (GDP), a boost in agricultural production and a clear decline in deforestation rates — demonstrates success in advancing the three pillars of sustainable development in a coordinated manner.¹⁷

13. A shift in the political discourse on sustainable development has taken place over the past two decades, departing from issues such as sustainable housing, employment and public transport. It now focuses more on climate change, CO₂ reductions, industry shifts and renewable energy. As for climate change, there is consensus around the need for catastrophe planning, disaster risk reduction and adaptation and mitigation strategies.¹⁸ Because many developed Member States have yet to achieve the internationally agreed target of 0.7 per cent of gross national income (GNI) for official development assistance (ODA), and because political declarations do not always lead to actual policies, scepticism was voiced by some countries as to whether political commitment was adequate.¹⁹

B. Success factors

14. Political support has manifested itself at the international level through the proliferation of multilateral environmental agreements; at the regional and subregional levels through political alliances and partnerships such as the African Union and its development of the New Partnership for Africa's Development (NEPAD), the Global Island Partnership, the Caribbean Community, the Organization

¹² Intersessional meeting of the Preparatory Committee, statements by Brazil, Nepal (on behalf of the least developed countries) and Venezuela (Bolivarian Republic of).

¹³ Economic Commission for Africa (ECA), Sustainable Development Report on Africa: Five-Year Review of the Implementation of the World Summit on Sustainable Development Outcomes in Africa. Available at www.uneca.org/eca_programmes/sdd/documents/SDRA.pdf.

¹⁴ South Africa.

¹⁵ Second Committee, sixty-fifth session of the General Assembly, statement by Norway.

¹⁶ Intersessional meeting of the Preparatory Committee, statement by the European Union.

¹⁷ Brazil.

¹⁸ Stakeholder Forum for a Sustainable Future.

¹⁹ Second Committee, sixty-fifth session of the General Assembly, statements by Bangladesh, India, Papua New Guinea and the Philippines.

of Eastern Caribbean States and the Pacific Islands Forum; at the national level through national sustainable development strategies, national sustainable development councils and increased inter-ministerial coordination; and at the local level through local Agenda 21 plans and similar community programmes, including increased support for major groups.

15. Formulation and implementation of national sustainable development strategies or their equivalents, inter-ministerial and other coordinating mechanisms and establishment of sustainable development ministries,²⁰ offices or focal entities in some countries reflect growing political support for sustainable development by integrating sustainable development dimensions into public policy and increasing the participation of relevant stakeholders in its creation and implementation.

16. Green workplace initiatives, green procurement, green growth, green investing,²¹ green taxes,²² eco-labelling, increased social entrepreneurship and corporate social responsibility, improved access to drinking water and sanitation, development of and investment in renewable energy technologies, including through feed-in tariffs and carbon offsets under the clean development mechanism, carbon emissions trading, activities surrounding the United Nations Decade of Education for Sustainable Development, public campaigns addressing climate change and recognition of indigenous rights were all cited by various respondents as manifestations of increased political and policy support for sustainable development.

17. Specific industry sectors and thematic areas where national political commitment to achieve sustainable development goals was cited as especially strong include energy, climate change, the Millennium Development Goals, sustainable water management, sustainable consumption and production, sustainable tourism,²³ forests and deforestation,²⁴ and natural resource and biodiversity protection. The level of political commitment to the development of renewable energy has been encouraging in a number of countries, including through green stimulus spending.²⁵ Some noted specific commitments to wind energy,²⁶ addressing water and air pollution,²⁷ waste management,²⁸ sustainable communities,²⁹ increasing opportunities for socially vulnerable people to participate in the labour market,³⁰ education³¹ and combating HIV/AIDS.³² In some countries, national initiatives to respect the rights of indigenous peoples and local communities (e.g., the Indian Forest Law) have triggered formal recognition of the territorial rights of indigenous

²⁰ Australia.

²¹ ECLAC, Caribbean regional report.

²² Sweden.

²³ Second Committee, sixty-fifth session of the General Assembly, statements by Gabon and the Gambia.

²⁴ ECLAC, Caribbean regional report.

²⁵ Second Committee, sixty-fifth session of the General Assembly, statement by Ethiopia.

²⁶ Germany and Scotland (United Kingdom of Great Britain and Northern Ireland), as noted by the European Students' Forum.

²⁷ Czech Republic, Poland, Economic and Social Commission for Asia and the Pacific (ESCAP).

²⁸ Lithuania.

²⁹ Ireland, Japan, Sustainable Development Commission of the United Kingdom, United Nations Environment Programme (UNEP).

³⁰ Lithuania.

³¹ United Republic of Tanzania.

³² Botswana, Joint United Nations Programme on HIV/AIDS (UNAIDS).

peoples and local communities over forests and other ecosystems and consolidation of traditional sustainable management practices.³³

18. United Nations system organizations highlighted support for human health, food and agriculture, sustainable urban planning and transport, forests and small island developing States. One organization noted good examples of national level or federally supported policies, programmes and laws promoting local action for biodiversity in Austria, Belgium, Brazil, South Africa and Spain.³⁴

19. Support for climate change action and for the Millennium Development Goals is interlinked with support for sustainable development, as are campaigns to reduce child labour, enhance human rights and equality, combat HIV/AIDS and respond to natural disasters.³⁵ The responses of the global community to recent global crises — financial, food, energy — were reasonably successful and should generate responses to long-term crises that will determine the sustainability of growth and development.³⁶

C. Challenges

20. The highest priorities mentioned for accelerating progress towards sustainable development over the coming decade include: achieving the Millennium Development Goals and other development goals; securing a global agreement on climate change; promoting a fair transition to a green economy, including increased energy efficiency and use of renewable energy; protecting biodiversity, including fisheries; promoting good environmental governance; and mainstreaming education for sustainable development. Human and indigenous rights, social protection, decent work for all and empowering youth and women were also mentioned.

21. Respondents stressed policy coherence³⁷ and establishing mutually reinforcing commitments, including a clear post-2015 framework that has sustainable development at its core;³⁸ research on combating the effects of climate change, including on aquatic ecosystems;³⁹ and ensuring support for communities in implementing local Agenda 21 plans.⁴⁰ Developed countries must take concrete steps to fulfil commitments on increasing financial assistance, reducing and cancelling debt, curbing trade barriers, opening markets, transferring technology and building capacity in the least developed countries.⁴¹

22. International preparations for the Conference should strengthen support for sustainable development by, inter alia: renewing political commitment; reforming institutional responses; providing a platform for exchanging best practices and lessons learned; supporting national priorities through technical and financial

³³ Key organizations of the women's major group.

³⁴ United Nations Human Settlements Programme (UN-Habitat).

³⁵ Botswana, ITUC.

³⁶ World Bank.

³⁷ ITUC, European Trade Union Confederation, WWF (World Wide Fund for Nature/World Wildlife Fund).

³⁸ Intersessional meeting of the Preparatory Committee, statement by the European Union; WWF, Global Ecovillage Network.

³⁹ World Aquarium and Conservation for the Oceans Foundation.

⁴⁰ Global Ecovillage Network.

⁴¹ Intersessional meeting, statement by Nepal on behalf of the least developed countries.

assistance, coordinating resources and intensifying cooperation among regions through comprehensive, multi-level and multi-stakeholder processes.⁴²

D. Risks

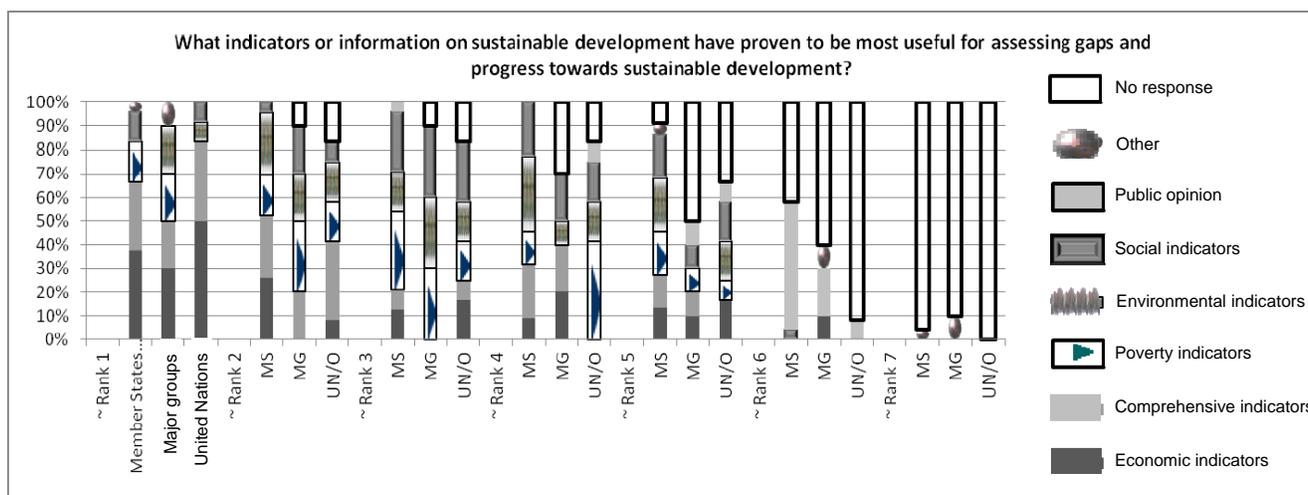
23. There can be difficult trade-offs among the three pillars of sustainable development, and yet they can be strongly complementary. The most prominent arguments against environmental regulation and initiatives claim little or no economic benefit, or that the economic costs are too high, but these arguments rarely consider the costs of externalities or future costs, effectively devaluing the environmental pillar and the welfare of future generations.⁴³

III. Assessing progress and remaining gaps in implementation

A. Experiences

24. Comprehensive assessments based on development of core indicators were provided by many respondents.⁴⁴ Economic indicators were ranked as the most useful, followed closely by comprehensive, poverty, environmental and social indicators (see figure I). Outcome indicators were ranked as the most useful indicators of integrated goals and strategies (see figure II). One Member State highlighted the informal benchmark indicator of the Organization for Economic Cooperation and Development that a nation should spend between 1.5 per cent and 2 per cent of GDP to achieve a clean and green economy.⁴⁵

Figure I



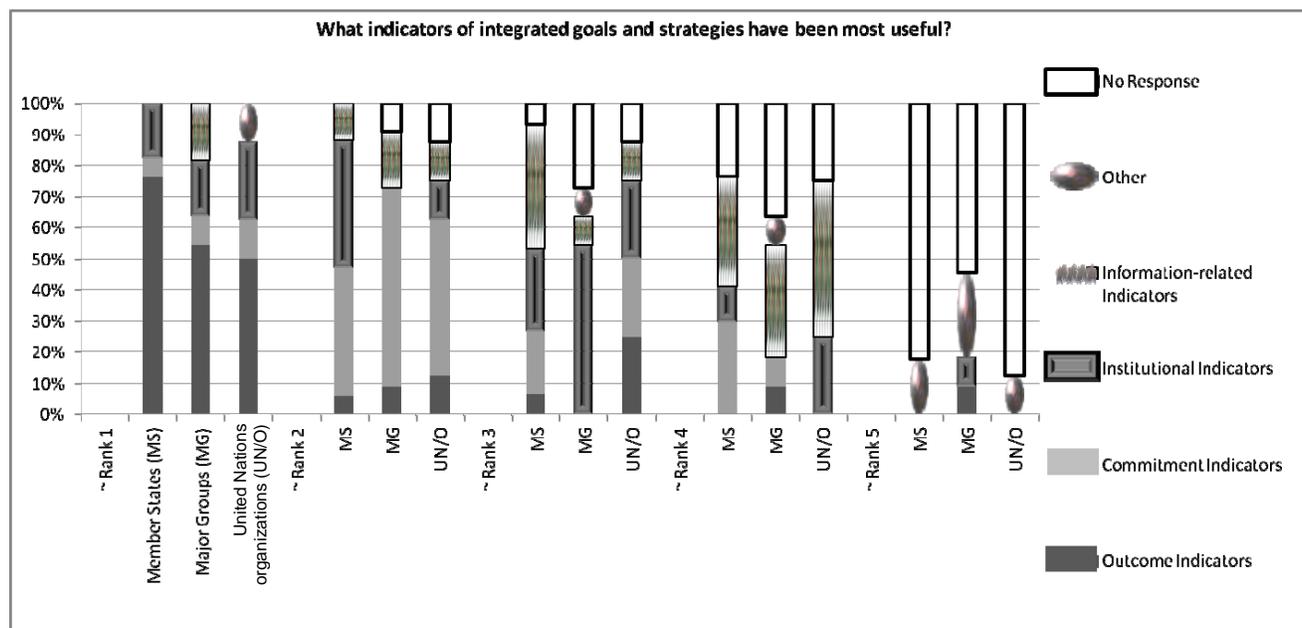
⁴² Common response of the European Union and its member States.

⁴³ Children and youth major group through the Conference youth caucus.

⁴⁴ All studies are referenced in the compilation of responses to the questionnaire. Available at www.unccd2012.org.

⁴⁵ United States of America.

Figure II



25. Based in part on such indicators, progress has been recorded in the overall integration of sustainable development principles into economic and social policy development, the development of renewable energy technologies and infrastructure⁴⁶ and the inclusion and protection of the rights of women and indigenous peoples. Member States mostly cited studies measuring progress in implementing national sustainable development strategies and specific policies and measures at the national level. Most United Nations system organizations, including the regional commissions, catalogued studies on progress through global and regional efforts to achieve the Millennium Development Goals; monitor progress in energy, agriculture and biodiversity; assess the state of the global environment, such as the Global Environmental Outlook reports prepared by the United Nations Environment Programme (UNEP);⁴⁷ and implement regional programmes such as NEPAD⁴⁸ and the Caribbean Community Climate Change Centre.⁴⁹

26. The global financial and economic crisis caused setbacks to progress made in poverty eradication. Sub-Saharan Africa and South Asia still remain far from the 2015 target.⁵⁰ However, notable progress has been made in India where the population share below the national poverty line fell from 36 per cent in 1993/94 to 25 per cent in 2009, with micro, small and medium enterprises providing employment for about 60 million people and contributing about 8 per cent of GDP. The largest flagship programme to tackle rural poverty is the Mahatma Gandhi

⁴⁶ Second Committee, sixty-fifth session of the General Assembly, statements by Ethiopia, Kenya, Peru, the United Arab Emirates and the United States.

⁴⁷ UNEP, available from www.unep.org/geo/GEO_Meetings.asp.

⁴⁸ ECA.

⁴⁹ ECLAC, Caribbean regional report.

⁵⁰ *The Millennium Development Goals Report 2010* (United Nations publication, Sales No. E.10.I.7).

national rural employment guarantee scheme, providing employment security for the rural poor by guaranteeing 100 days of wage employment in a financial year.⁵¹

27. At the sixty-fifth session of the General Assembly, the High-level Plenary Meeting on the Millennium Development Goals concluded that developing countries as a group have had successes in achieving some targets, including improving school enrolment and child health and in expanding access to clean water. Yet, as noted in the outcome document of the Meeting, progress has been uneven among regions and between and within countries. Hunger and malnutrition rose from 2007 through 2009, reversing prior gains, and food prices are rising again. There have been slow progress and setbacks in reaching full and productive employment and decent work for all, advancing gender equality and the empowerment of women, achieving environmental sustainability and providing basic sanitation.⁵²

28. The tenth meeting of the Conference of the Parties to the Convention on Biological Diversity, held in Nagoya, Japan, resulted in a number of important initiatives, including the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits arising from their Utilization (decision X/1, annex I) and established clear steps to increase cooperation among the Conventions adopted in Rio de Janeiro, Brazil, at the United Nations Conference on Environment and Development, leading up to the United Nations Conference on Sustainable Development in 2012.

29. Some countries have made considerable progress in slowing the rate of deforestation since the adoption of the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests (the Forest Principles) in Rio de Janeiro and the establishment of the United Nations Forum on Forests. Norway and Indonesia have been at the forefront of a group of countries that have launched a global initiative to reduce deforestation and forest degradation (REDD plus), with \$3.5 billion in financing pledged so far. Brazil reported that the rate of deforestation in the Amazon over the past year was the slowest in 22 years and expressed its determination to continue to slow it.

30. Under the auspices of the United Nations Framework Convention on Climate Change, Member States succeeded in brokering agreements covering mitigation, adaptation, deforestation, financing and technology transfer in 2010. Developed countries are reportedly fulfilling their promise to contribute \$30 billion in “fast-start” funding in the next three years. Particularly important for developing countries was the creation of a framework to enhance action on adaptation and mechanisms to facilitate technology transfer.

31. The World Water Forums, organized by the World Water Council, have served to catalyse political interest and commitment to address water issues directly related to sustainable development. The Global Water Partnership has also promoted integrated water resources management through its extensive regional and country-level networks.⁵³

32. Progress in the right to access to information (principle 10 of the Rio Declaration on Environment and Development) has been recorded by the World

⁵¹ India.

⁵² General Assembly resolution 65/1.

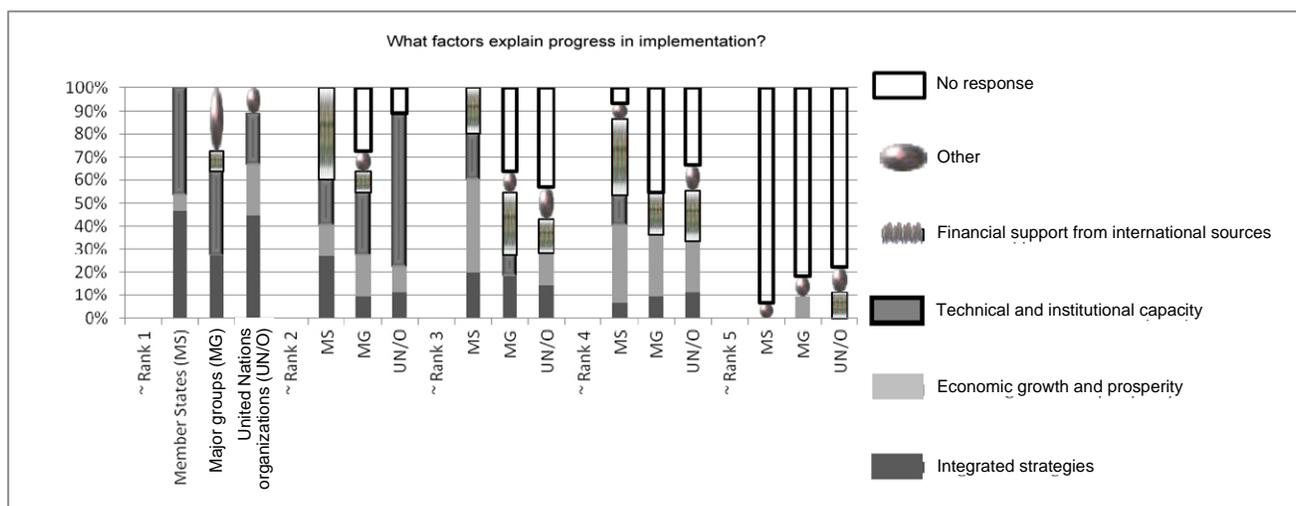
⁵³ United Nations Educational, Scientific and Cultural Organization (UNESCO).

Resources Institute and its Access Initiative partners.⁵⁴ Community-level “social audits” of poverty-related spending in India, recently given official backing in one Indian state, demonstrate the potential power of information in the hands of the poor.⁵⁵

B. Success factors

33. Use of integrated strategies and investment in institutional and technical capacity are rated equally highly in explaining progress in implementation (see figure III). Most countries have introduced integrated planning and decision-making for sustainable development through national sustainable development strategies, poverty reduction strategy papers and other strategies and plans, and most are supported by United Nations system organizations, particularly the regional commissions, and international financial institutions. Regardless of the different tools or titles used, integrated planning and decision-making are essential for progress.⁵⁶

Figure III



34. In many developing countries, the ministries of the environment and health have little input in the development of poverty reduction strategy papers and vulnerable groups are often not involved.⁵⁷ One regional commission noted that such papers currently reinforce a preoccupation with short-term poverty reduction interventions, paying little attention to intergenerational equity considerations, and advised countries to develop national sustainable development strategies to be implemented in stages taking into account short-, medium- and long-term development objectives.⁵⁸ The United Nations Development Programme (UNDP) and UNEP highlighted cooperation under the Poverty-Environment Initiative to integrate environmental concerns in national poverty reduction and economic

⁵⁴ Access Initiative.

⁵⁵ L. Polgreen, “Indian state empowers poor to fight corruption”, *New York Times*, 2 December 2010.

⁵⁶ International Council for Science (ICSU).

⁵⁷ Key organizations of the women’s major group.

⁵⁸ ECA.

38. Many different steps could be taken to bridge implementation gaps, with efforts aimed at increasing political will and commitment, improving coordination at all levels, increasing awareness, communicating with the public and providing information ranking highest. Actions should also continue to ensure the use of economic instruments contributing to market transparency and shaping prices that reflect the real economic, social and environmental costs of activities. Some Member States noted the need to take action to phase out environmentally harmful subsidies.⁶² One Member State said that disparities between the trade regimes and multilateral environmental agreements, such as those between the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) regime and the Convention on Biological Diversity regarding patenting genetic resources, needed to be thoroughly addressed.⁶³ Another stated that not all countries perceived such disparities.⁶⁴

39. At the regional and subregional levels, efforts to promote collective action on key political and economic issues, together with accelerated regional economic integration, would also help to bridge implementation gaps, as would increasing accountability and transparency, basic good governance skills and peace and stability.⁶⁵

40. Limited technical capacity and financial resources are recurrent challenges to effective implementation. The resources needed for HIV prevention, AIDS care and treatment and impact mitigation, for example, constitute a significant proportion of GNI in the highest burden countries of sub-Saharan Africa.⁶⁶ Small island developing States reported severe constraints in monitoring and evaluating sustainable development progress due to a lack of national disaggregated data systems and weak analytical capabilities.

41. The main difficulties experienced in promoting integrated planning and decision-making include lack of transparency in the decision-making process relating to development, lack of public participation in planning processes, lack of coordination among government ministries and agencies with competing priorities, and lack of human resources and technology capacity. Some vulnerable Member States highlighted the impact of environmental degradation and pollution as a primary challenge,⁶⁷ while others noted difficulties for some decision makers to look at issues from a long-term viewpoint,⁶⁸ while trade-offs exist among the objectives of sectoral authorities.⁶⁹ Unclear mandates, low accountability and the absence of institutional mechanisms for joint work and collaboration all exacerbate these problems, which were also found in the United Nations system.⁷⁰

42. Implementation of national sustainable development strategies and similar strategies and plans must be given much higher priority, while investment in science and technology for sustainable development must be significantly stepped up.⁷¹

⁶² Poland, Argentina.

⁶³ India.

⁶⁴ Intersessional meeting of the Preparatory Committee, statement by Japan.

⁶⁵ Economic and Social Commission for Western Asia (ESCWA), Second Committee, sixty-fifth session of the General Assembly, statement by the Republic of Korea.

⁶⁶ UNAIDS.

⁶⁷ ECLAC, Caribbean regional report.

⁶⁸ World Aquarium and Conservation for the Oceans Foundation.

⁶⁹ ITUC.

⁷⁰ WWF.

⁷¹ ICSU.

Institutional and financial support of initiatives by major groups (e.g., education for sustainable development, local Agenda 21 plans) would also enhance implementation.⁷²

43. Further actions could be taken to promote partnerships for sustainable development and provide support to umbrella stakeholder organizations to facilitate more effective participation.⁷³ Instruments of corporate social responsibility should be promoted more actively,⁷⁴ as should links between business and sustainable development.⁷⁵ Better education for sustainable development could significantly contribute to shaping conditions for promotion of partnerships.⁷⁶

D. Risks

44. The main risks include: a focus on economic growth to the exclusion of other issues; vested economic and industry interests in various sectors (energy, agriculture, mining); lack of shared vision; weak leadership; failure to reach agreement in multilateral negotiations, particularly on trade and climate change; failure to deliver on existing commitments, especially regarding ODA; poor integration of and coherence among different strategies; increased natural and global disasters affecting the world's most vulnerable people; and political conflict.

IV. Addressing new and emerging challenges

A. Experiences

45. All countries face many similar challenges, but they differ widely in their ability to cope with risks and shocks. Challenges have been intensified in developing countries by poverty, competition for scarce resources, rapid rural-to-urban migration and the concomitant challenges to provide food, infrastructure and access to basic health, water and energy services.

46. While there have been important economic benefits of global market integration through trade and investment, there are also increased economic risks, for example from greater financial market interdependence. Greater economic interdependence requires stronger cooperation in addressing the sustainable development challenges that result.⁷⁷

47. The high levels of vulnerability of the environmental, economic and social systems of small island developing States were highlighted in the recent High-level Review Meeting on the Implementation of the Mauritius Strategy for the Further Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island States, held by the General Assembly at its sixty-fifth

⁷² Hungary.

⁷³ Belgium, Global Ecovillage Network, others.

⁷⁴ Switzerland, Poland.

⁷⁵ UN-Habitat.

⁷⁶ Czech Republic.

⁷⁷ Netherlands Environmental Assessment Agency, *Lessons from Global Environmental Assessments* (Bilthoven, Netherlands, September 2008), p. 8.

session. Small island developing States have made little progress, or even regressed, especially in terms of poverty reduction and debt sustainability.

48. New and emerging challenges include: climate change and related natural disasters; interrelated financial, economic and food crises; energy security; degradation of ecosystems (in particular marine ecosystems) and diminishing natural resources, including water scarcity; political instability and social unrest; unsustainable consumption and production; and the impacts of population growth and rapid urbanization. One Member State responded that, instead of identifying new and emerging issues, the focus should remain on integrating issues and understanding their potential multiple effects.⁷⁸

49. Many types of mechanisms to address challenges at the national and local levels often encompassed the same policies and programmes that were outlined in the assessments of progress. Other measures related specifically to disaster preparedness and early warning systems, climate change adaptation (notably in small island developing States), shifting to renewable energy and addressing water scarcity. Several Member States described multidimensional approaches in disaster reduction and risk management: one achieved significant progress by establishing a socio-economic model that reduces vulnerability and invests in social capital through universal access to government services and promotion of social equity;⁷⁹ another established an early warning network to alert citizens of anticipated disasters through mobile telephones and constructing multi-hazard warning towers in coastal areas.⁸⁰ Public education on disasters, meteorological research, early warning systems, effective communication systems, comprehensive plans and civil defence structures are all recognized as important resources in reducing risk.⁸¹

50. Support from the international community has been forthcoming with regard to climate change, energy efficiency and security, food security, the Millennium Development Goals, including poverty eradication, rural development, capacity-building and combating disease. Enhanced support to Member States, including for institutional and policy reform, enhancing agricultural productivity, water sector development,⁸² reversing degradation of marine ecosystems,⁸³ waste management⁸⁴ and population management⁸⁵ were cited as priorities. Inadequate attention has been given to ocean acidification,⁸⁶ with little emphasis given to providing political, legal and other support to community initiatives to conserve and restore biodiversity.⁸⁷

51. Although some agree that emerging challenges should be acted upon at the United Nations Conference on Sustainable Development, others insisted that the Conference should focus on its two agreed themes.

⁷⁸ Belgium.

⁷⁹ Second Committee, sixty-fifth session of the General Assembly, statement by Cuba.

⁸⁰ *Ibid.*, statement by Sri Lanka.

⁸¹ India; ECLAC, Caribbean regional report.

⁸² United Republic of Tanzania.

⁸³ Croatia.

⁸⁴ ECLAC, Caribbean regional report.

⁸⁵ Philippines.

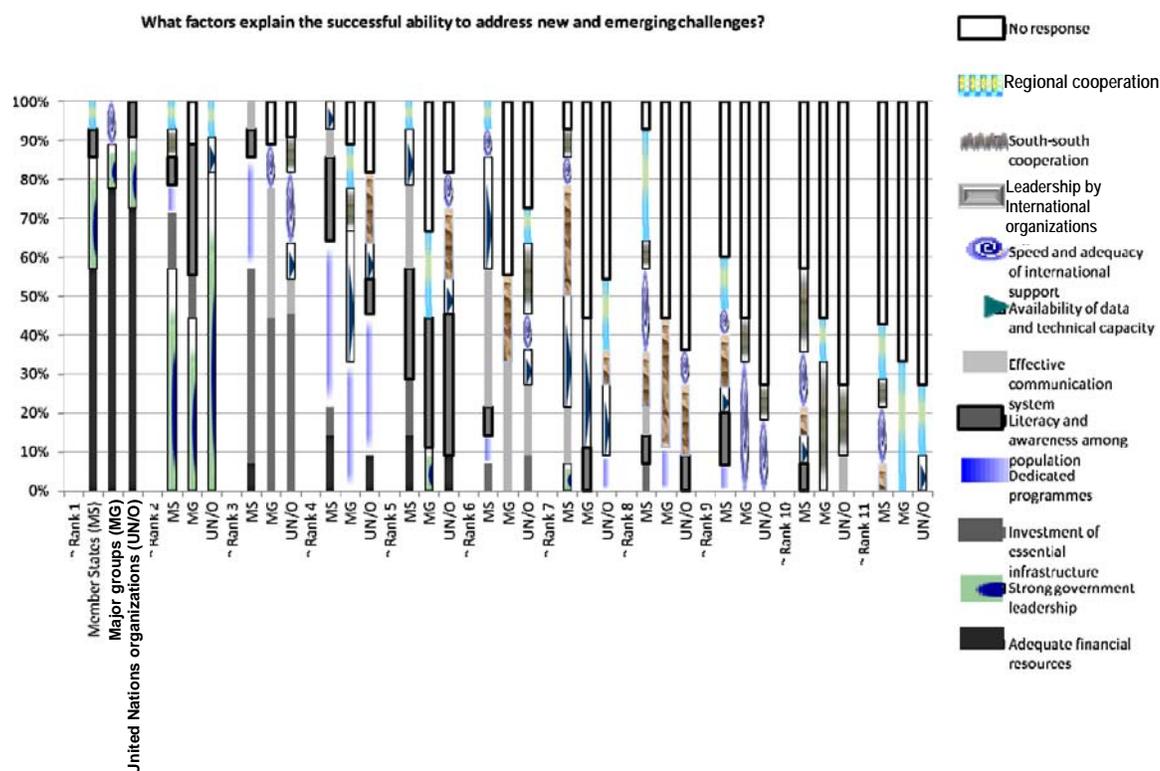
⁸⁶ International Geosphere-Biosphere Programme.

⁸⁷ Key organizations of the women's major group.

B. Success factors

52. “Adequate financial resources” was ranked by nearly all as the most important factor in successfully addressing new and emerging challenges; “strong government leadership” ranked second (see figure V). Long-term strategies, increasing South-South and regional cooperation, promotion of good governance, programmes to improve energy efficiency and energy saving, investment in infrastructure (including information technology), programmes to raise awareness of sustainable development, regional cooperation on water management and building technical capacity for data collection and monitoring are examples of steps taken to enhance success factors.

Figure V



53. One Member State has established a sustainable development fund that coherently and predictably allocates funds for sustainable development projects and programmes.⁸⁸ Another has established a national fund on climate change, the first to use funds from the profits of an oil supply chain to finance mitigation and adaptation to climate change.⁸⁹ Still another highlighted implementation of the Mauritius Strategy, contributions to the Adaptation Fund and commitment to “fast start finance” for addressing climate change in developing countries.⁹⁰ Multi-party

⁸⁸ Italy.

⁸⁹ “Brazil set to meet low-carbon targets four years early”, Environment News Service, 27 October 2010.

⁹⁰ Spain.

democracy, implementation of a common market under the East Africa Community and implementation of a programme for local government reforms were cited by another as factors enhancing success.⁹¹

54. Major groups also highlighted their influence on success factors, noting that in India and the Russian Federation strong emphasis is placed upon literacy and education of young people as future stakeholders and decision makers.⁹² The Barbados Workers' Union successfully urged the Government of Barbados to invest more in agriculture, halt using farmland for other uses and support food production.⁹³

C. Challenges

55. Strengthening links among scientific research, education and policy through, inter alia, increasing political commitment to science-based education, increasing funding for research and innovation, emphasizing policy decisions based on both natural and social sciences, supporting technology development and transfer, maintaining the momentum of the United Nations Decade of Education for Sustainable Development⁹⁴ and stimulating non-formal learning, especially by youth-led organizations,⁹⁵ were all recommended. One Member State reported recent success in increasing the number of science and engineering graduates, and their subsequent contributions to sustainable development.⁹⁶

56. A strengthened science-policy interface building on the experience with multilateral environmental agreements could add value in other areas. Relevant national and regional experiences provide valuable input (e.g., national sustainable development councils, the European Environment Agency's *European Environment: State and Outlook 2010* consultation process, UNEP Global Environmental Outlook and others).⁹⁷

57. International support should better coordinate research, foster collaboration and dialogue, build partnerships and improve international governance, including reform of the Bretton Woods institutions. Global science organizations, in cooperation with Governments and relevant United Nations system organizations, are taking steps to enhance the delivery of data, information and understanding on sustainable development challenges and on solutions, but these efforts need additional resources.⁹⁸ The United Nations system, in cooperation with other international organizations, is working with Governments to strengthen the statistical base for sustainable development decision-making through refinement of the System of Integrated Environmental and Economic Accounting.

⁹¹ United Republic of Tanzania.

⁹² World Aquarium and Conservation for the Oceans Foundation.

⁹³ ITUC.

⁹⁴ ICSU, Natural Resources Defense Council.

⁹⁵ Children and youth major group, through the Commission on Sustainable Development youth caucus.

⁹⁶ Croatia.

⁹⁷ Common response of the European Union and its member States.

⁹⁸ ICSU.

D. Risks

58. The highest risks are to the poorest and most vulnerable communities. Increasing efforts in vulnerable countries should be prioritized through investment and targeted partnerships where capacity-building for resilience to external shocks is required: climate change mitigation and adaptation; rural and small-scale agriculture; diffusion of low-cost and low-technology solutions for energy and water provision; protection of marine and coastal resources and fisheries; investment in infrastructure; promotion of secure jobs; support for social safety nets; empowerment of women; recognition of indigenous peoples' rights; and addressing political conflict.

59. The risks to such vulnerable populations are addressed by national development plans in some countries,⁹⁹ but much more should be done to implement these plans through legislation and resources committed to supporting community-based policies and programmes that promote local solutions.¹⁰⁰ Development strategies should address not only potential risks and challenges in general, but must also specifically include assessment, including from a gender perspective, of the extent to which poor or vulnerable populations are likely to be affected.¹⁰¹

V. A green economy in the context of sustainable development and poverty eradication

60. There is no agreement on a common definition of a green economy. While many expressed the view that a precise definition was not necessary, others observed that imprecision can be a source of dispute as, for example, when trading partners have different understandings of what constitutes a "green" product or production method.

61. It was widely agreed that discussions on a green economy leading to the United Nations Conference on Sustainable Development should take the Rio Declaration and Principles as a fixed point of reference, and that doing so could address a number of concerns raised by Member States and other stakeholders.

62. Another widely shared view was that the concept of a green economy in the context of sustainable development and poverty eradication was a useful one for all countries, irrespective of the level of development and resource endowment, and that it must be sufficiently broad and flexible and not based on rigid international rules or standards.

A. Experiences

63. Rather than seeking a single definition of a green economy, it is more useful to look at the variety of approaches and national policies considered to be consistent with most understandings of a green economy, so as to assess how they contribute to

⁹⁹ Ecuador.

¹⁰⁰ United Republic of Tanzania.

¹⁰¹ Common response of the European Union and its member States.

sustainable development and poverty eradication. Some Member States underlined that a green economy must not be a substitute for but contribute to advancing sustainable development, reinforcing all three pillars. It should embrace both development and environmental agendas and help to create new jobs.¹⁰² Several Member States stressed the importance of progress on the social pillar, with one referring to it as a litmus test of a green economy.¹⁰³ The Seventh African Development Forum,¹⁰⁴ held in October 2010, agreed that the concept of a green economy was an outcome-oriented concept deliberately aimed at improving human well-being without undermining the resource base that current and future generations depend on for their livelihoods.

64. Many indicated the importance of developing green economy strategies at the regional and national levels involving different sectors and multiple stakeholders. The main benefit of a green economy strategy is strengthening the three pillars of sustainable development in a wide range of sectors. To have legitimacy, the concept of a green economy must be given content through consultation with and engagement of all stakeholders. A number of Member States and major groups noted that there were as many green economies as there were development paths, with no one-size-fits-all solution.¹⁰⁵

65. Differences exist on the relative emphasis to be accorded to different types of green economy policies (e.g., internalization of environmental externalities in prices, taxes and subsidies, and public expenditures on green infrastructure and technologies), but there is broad agreement that some sectors clearly belong to any working concept of a green economy, including renewable energy, energy and material efficiency improvements and sustainable buildings. Many also agree on the importance of a supportive fiscal policy framework.

66. It was widely noted that green economy policies could save energy, reduce emissions, utilize resources more efficiently and open new areas of economic development. As one Member State noted, green development would strike a balance between social and economic development and resource and environmental conservation, thereby contributing to the achievement of the Millennium Development Goals.¹⁰⁶

67. Most emerging economies have some policies in place that relate to the concept of a green economy in the context of sustainable development and poverty eradication, although these vary considerably in terms of their degree of ambition and impact: in China and the Republic of Korea, the “green” share of national stimulus packages was among the highest in the world. In South Africa and 20 other developing countries, renewable energy feed-in tariffs have been approved or are being developed, and in Brazil, considerable Government support, both financial and non-financial, has been provided for biofuels.¹⁰⁷ Putting a price on pollution through economic policy instruments, such as environmental taxes and emissions

¹⁰² Second Committee, sixty-fifth session of the General Assembly, statement by Serbia.

¹⁰³ Brazil, Belgium, others.

¹⁰⁴ See www.uneca.org/adfvii.

¹⁰⁵ India, ITUC, others.

¹⁰⁶ Intersessional meeting of the Preparatory Committee, talking points on a green economy, delegation of China.

¹⁰⁷ WWF.

trading schemes, was cited by several Member States¹⁰⁸ as one of the most effective ways of promoting a green economy. Policies that strengthen incentives for stakeholders to adopt more sustainable production and consumption choices were also emphasized.¹⁰⁹

68. Strong national political leadership is recognized as important to enable the transition to a green economy, projecting a green economy as a vision and engaging the private sector and all of society in its realization.¹¹⁰

69. Legislation and institutions must be effective, while limiting the administrative burden on businesses. There is great potential for spreading green technology through the development of standards. However, the challenge lies in striking a balance between drafting environmental standards and preventing the creation of new barriers to international trade, in particular trade with developing countries. One Member State stressed the need for further work on the trade and development aspects of environmental standards, including labelling and certification schemes, so as to find international solutions that support environmental and climate objectives while facilitating trade and development.¹¹¹

70. Supported by a conducive policy framework, public and private investment provides mechanisms for the reconfiguration of businesses, infrastructure and institutions towards greater energy and resource efficiency and lower pollution and waste intensity, through adoption of sustainable consumption and production processes. Such reconfiguration should lead to more green jobs and lower the energy and materials intensities of production, waste and pollution, and greenhouse gas emissions.¹¹²

71. Job creation is an important objective of the plan of South Africa to shift to a new resource-efficient, low-carbon, pro-employment growth path.¹¹³ The Republic of Korea has also adopted similar strategies for green jobs.¹¹⁴ The Green Jobs study¹¹⁵ notes four ways in which green economy measures may affect employment: (a) creation of additional jobs, for example in manufacturing pollution-control devices and environmental consulting services; (b) substitution between jobs, for example in renewable energy instead of fossil fuels; (c) elimination of some jobs without direct replacement, as when packaging materials are discouraged or banned and their production discontinued; and (d) reorientation and re-skilling of many existing jobs, notably in construction.

72. The synergies between environmental policies and job creation should be explored in national experiences, with participation of Governments, professional associations, civil society, non-governmental organizations, financial institutions and research entities.¹¹⁶ One Member State noted a policy target to create 1.4 million

¹⁰⁸ Finland, Poland, United Republic of Tanzania.

¹⁰⁹ Finland, Convention on Biological Diversity, others.

¹¹⁰ Republic of Korea.

¹¹¹ Sweden.

¹¹² UNEP.

¹¹³ South Africa.

¹¹⁴ Republic of Korea.

¹¹⁵ *Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World*, UNEP, International Labour Organization (ILO), International Organization of Employers and ITUC (September, 2008).

¹¹⁶ Brazil.

new environmental jobs through green innovation.¹¹⁷ Green jobs could also be created for installing and operating green technologies and capital equipment, for example for improved energy, water and other resource efficiency, and for solar, wind and other renewable energy sources.

73. Most countries do not yet have an overall strategy for a green economy in the context of sustainable development and poverty eradication. Some countries and regional groups are in the early stages of planning such strategies, and some United Nations system organizations are committed to advancing and supporting green economy initiatives through advisory and technical assistance services.¹¹⁸

74. Green economy measures should not be limited only to promoting green sectors, but should also support “greening” “brown” sectors, such as energy, petroleum and other extractive industries, chemical industries and the automotive industry, and develop new sectors with relatively low environmental impact and high social benefits, notably some services. Most emphasis was given to the energy, agriculture, transport and housing sectors as having the greatest impact.

B. Success factors

75. The most effective green economy policies include: fiscal incentives and reform, regulation and legislation; and green procurement, notably for promotion of more resource-efficient and low-emission technologies, scaling-up renewable energies and energy efficiency and stimulating development of green products.

76. Successful policies have been brought forward when the longer-term case for strong measures is made clearly, and the policies themselves are well thought through and coordinated with other policies.¹¹⁹ A consultative, bottom-up approach that includes transparent communication, Government leadership and broad multi-stakeholder engagement, in particular involving young people, is needed to build support for green economy policies. Careful design of such policies for social equity is essential. The media is also a powerful tool that can help shape public perception and increase support. Availability of relevant institutional or technical capacity is important for policy design and implementation.¹²⁰

77. Experiences with explicitly linking poverty eradication and social development with environmental policies and programmes predate the green economy discussion. These experiences, such as the United Nations Poverty-Environment Initiative, offer useful lessons.¹²¹

78. The 10-year framework of programmes on sustainable consumption and production patterns should also be considered a major response to the need for green economies worldwide while addressing social concerns.¹²² The goal at the United Nations Conference on Sustainable Development must then be to ensure that

¹¹⁷ Japan.

¹¹⁸ UNEP, United Nations Industrial Development Organization (UNIDO), Second Committee, sixty-fifth session of the General Assembly, statement by the Republic of Korea.

¹¹⁹ Sustainable Development Commission of the United Kingdom.

¹²⁰ Croatia, Spain, United Kingdom, Stakeholder Forum for a Sustainable Future.

¹²¹ See www.unpei.org; see also UNDP International Policy Centre for Inclusive Growth (<http://www.ipc-undp.org/>).

¹²² Common response of the European Union and its member States.

resources, technical assistance and technology transfer are made available to enable countries to participate competitively in a global green marketplace, and to ensure that green industries will also generate jobs and improve livelihoods and reduce inequality both within and between countries.¹²³

C. Challenges

79. Major challenges include: reaching a global commitment for and a common understanding of a green economy for sustainable development and poverty eradication that encapsulates all aspects of global sustainability; developing a United Nations green economy road map that clarifies and stimulates the transitional steps needed at the national and international levels¹²⁴ and a toolbox or best practice guide to actions, instruments and policies to advance the green economy for sustainable development and poverty eradication concept; and realizing explicit financial commitments, such as the bilateral financial contributions of \$30 million in 2009 and \$250 million through 2015 by Norway to Guyana.¹²⁵

80. Developing country respondents emphasized the imperative for developed countries to make enabling resources (financial and technological) available to developing countries in an affordable and transparent manner to achieve a gradual transition to a green economy.¹²⁶ A commitment to devote an agreed percentage of GDP or national budgets to investments related to a green economy for sustainable development and poverty eradication and a tax on financial transactions, along with regional green investment forums where green entrepreneurs and businesses could be connected with financial institutions, were suggested by one United Nations organization.¹²⁷ Access to microfinancing mechanisms for small-scale projects by local communities, especially by women, was proposed by several major groups.¹²⁸ One Member State noted that sustainability depended on the “ability to mobilize green financing to make environmentally friendly technology available to those for whom the latest technology remains financially prohibitive”.¹²⁹

81. The role of intellectual property rights, specifically the TRIPS agreement, in relation to green technologies was mentioned. Some were concerned that these rights could limit technology diffusion and transfer, while others referred to their positive contribution in this regard.¹³⁰

D. Risks

82. The risk of conflict between green economy policies and policies related to other areas stems from real and perceived trade-offs between economic and

¹²³ ECLAC.

¹²⁴ European Union.

¹²⁵ ECLAC, Caribbean regional report.

¹²⁶ India, Montenegro, United Republic of Tanzania.

¹²⁷ UNEP.

¹²⁸ Key organizations of the women’s major group, World Aquarium and Conservation for the Oceans Foundation.

¹²⁹ Second Committee, sixty-fifth session of the General Assembly, statement by Seychelles.

¹³⁰ Argentina, India, Japan, WWF.

environmental outcomes. Concerns were raised regarding the costs of new green investments and how they would be financed. In addition, potential conflicts were cited between a green economy and free trade, if for example “green protectionism” were to be pursued in the name of promoting a green economy.¹³¹ Developing countries opposed the introduction of any new conditionalities in connection with a green economy that might generate “unjustified restrictions in the areas of trade, financing and official development assistance”.¹³² While there is a need to remove environmentally harmful subsidies, environmentally helpful subsidies also risk becoming a growing focus of trade disputes.

83. The greatest risk arises from resisting the scale of changes required as suggested by the best available science — that is, the risk of inaction.¹³³

VI. Institutional framework for sustainable development

84. The United Nations Conference on Sustainable Development will provide an opportunity for agreement on an ambitious and effective international environmental governance reform package and on strengthening the broader institutional framework for sustainable development. Since the United Nations Conference on Environment and Development, many United Nations bodies and international organizations have aligned their work with the principles of sustainable development, which is referred to in the 2005 World Summit Outcome (General Assembly resolution 60/1) as “a key element of the overarching framework of United Nations activities”.

85. One Member State emphasized that the global institutional architecture should address global challenges such as desertification, climate change and loss of biodiversity in a way that remains firmly anchored in the principle of “common but differentiated responsibilities and respective capabilities”.¹³⁴

A. Experiences

86. The majority of Member States and United Nations system organizations ranked “strengthen existing institutions” highest, while the majority of major groups ranked “improve coordination among existing institutions” as the most important avenue for reform of the global institutional framework for sustainable development (see figure VI). Among the avenues for strengthening existing institutions, vesting them with appropriate monitoring responsibilities and mechanisms was mentioned.¹³⁵

¹³¹ India.

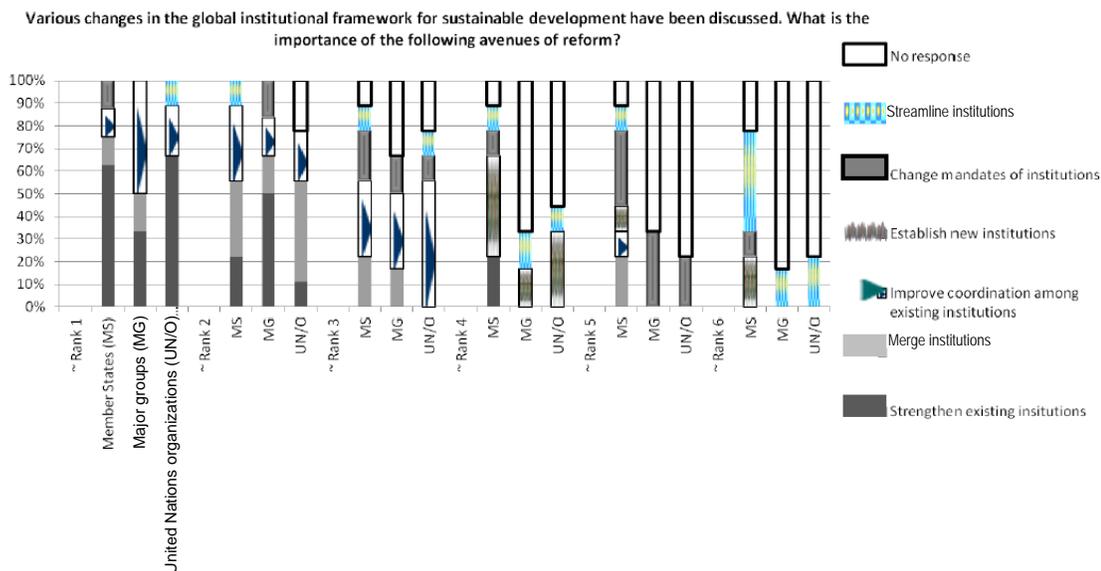
¹³² Argentina, China, South Africa, others.

¹³³ One Earth Initiative.

¹³⁴ India.

¹³⁵ South Africa.

Figure VI



87. To ensure effective coordination among different agencies and organizations, some favour merging institutions, suggesting the formation of a single world environment organization or merging the Commission on Sustainable Development into an expanded Economic and Social Council with a stronger mandate for promoting sustainable development throughout the United Nations family, including the World Bank and the International Monetary Fund. One Member State called for strengthening the Economic and Social Council as an effective forum for the multilateral discussion of economic and social themes through a sustainable development approach.¹³⁶ An international court for the environment was proposed by some major groups to address the lack of legal authority in the current system with regard to enforcing sustainable development strategies and multilateral environmental agreements.¹³⁷ One regional group stated that the creation of new institutions should be a last resort, but could be desirable if it entailed the merging of institutions with complementary mandates.¹³⁸

88. Some Member States suggested that reform of UNEP should strengthen its capacity and leadership to ensure United Nations system delivery to Member States on the environmental pillar of sustainable development.¹³⁹ Some Member States supported the upgrading of UNEP to a specialized agency for the environment. One Member State emphasized that both UNEP and the Commission on Sustainable Development should be strengthened to reinforce all three pillars of sustainable development.¹⁴⁰

¹³⁶ Brazil.

¹³⁷ Stakeholder Forum for a Sustainable Future.

¹³⁸ ECA.

¹³⁹ Sixty-fifth session of the General Assembly, Second Committee, statements by Germany, Mexico, Norway and Serbia.

¹⁴⁰ Brazil.

89. Many suggested the need for better coordination, alignment and collaboration among United Nations institutions,¹⁴¹ including better utilization of existing United Nations coordination mechanisms. The latter should be supported by more coherent messaging from Governments across the governing bodies of different organizations.¹⁴²

90. Some multilateral environmental agreements have made progress towards achieving greater synergies, notably in the chemicals and waste domain (e.g., the clustering of the secretariats of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants¹⁴³) as well as at the intersection of forests, biodiversity and climate change.

91. All United Nations organizations are taking steps to operate as one system by harmonizing related programmes and dealing with national Governments through the United Nations “Delivering as one” initiative, which was launched in 2007 in eight pilot countries, with a ninth country (Montenegro) joining in 2009.¹⁴⁴ The Commission on Sustainable Development should be able to leverage the results of this new initiative as a platform for building the needed synergies for a more coordinated implementation of sustainable development at national levels.¹⁴⁵

92. A number of recent improvements, such as greater use of the Environment Management Group, UN-Water and UN-Energy, were cited by one Member State as helping to identify and implement synergistic activity among existing instruments and actors; it was also suggested that reinvigoration of the concept of inter-agency coordination on sustainable development might further improve coordination within the United Nations system.¹⁴⁶

93. One Member State has advanced a proposal for an “umbrella” structure within the United Nations focused on the promotion of sustainable development and implementation of multilateral commitments. This would serve to coordinate existing institutions, notably the Economic and Social Council, UNEP and the Commission on Sustainable Development, as well as the multilateral environmental agreements. It stressed the role of UNEP in helping countries to strengthen their capacities in the environmental domain, and in that regard urged implementation of the Bali Strategic Plan for Technology Support and Capacity-building. It noted that the structural arrangement of the United Nations Entity for Gender Equality and the Empowerment of Women could provide a model for discussion.¹⁴⁷

94. At the regional level, there are several instances of cooperation among United Nations institutions. The United Nations regional commissions have been coordinating closely to produce joint analysis as an input to the preparations for the

¹⁴¹ South Africa.

¹⁴² UNDP.

¹⁴³ Serbia.

¹⁴⁴ *How Delivering as One Adds Value: Stories and Testimonies from Eight Programme Pilot Countries* (June 2010). Available at http://www.undg.org/docs/11313/DaO-Thematic-Report_final.pdf.

¹⁴⁵ Japan, International Maritime Organization (IMO), others.

¹⁴⁶ United States.

¹⁴⁷ Brazil.

United Nations Conference on Sustainable Development. United Nations organizations are working together in the African region to assist NEPAD. It was suggested that, while the experience of the regional implementation meetings had been positive, the regional commissions could be further integrated into the Commission on Sustainable Development process.¹⁴⁸

95. At the national level, one Member State noted that the diversity of contexts made any blueprint for the institutional framework neither desirable nor feasible.¹⁴⁹ In most developing countries, coordination of policy development and implementation across relevant agencies remained a challenge.¹⁵⁰ Most countries reported that active national sustainable development councils were in place, and that they included participation of major groups and other stakeholders, although young people are still underrepresented in many cases.¹⁵¹ Those that did not have a national sustainable development council in place reported on various inter-ministerial coordination mechanisms. It is agreed that involvement of national sustainable development councils in preparations by countries for the Conference would be useful and should be promoted.

96. The overall effectiveness of national sustainable development strategies depends on many factors (economic, social, environmental) and on effective governance within national circumstances. Those that have been effective embody participatory approaches in development and implementation, effectively integrate the different dimensions of sustainable development, and are adequately resourced. National development plans and growth and poverty reduction strategies, linked to budget processes and contextualized within a country's long-term vision for sustainable development, as well as strategically linked to sectoral plans and complemented by subnational plans, could be quite effective.¹⁵²

97. Often, the scope of a national sustainable development strategy is too narrow, focusing solely on environmental issues. Cultural, political and socio-economic aspects are not always adequately reflected. For example, while all the Pacific small island developing States have a national sustainable development strategy or a planning process that adheres to principles of sustainable development, the five-year review of the implementation of the Mauritius Strategy suggests that the integrated planning process needs improvement.¹⁵³ Most national sustainable development strategies in West Asia have failed to identify the optimum institutional and administrative arrangements needed to coordinate and implement their action plans, which are often not compatible with other sector strategies.¹⁵⁴

98. To support implementation of national sustainable development strategies, one Member State suggested the establishment of an independent peer review mechanism drawing upon expertise from Member States that would help countries

¹⁴⁸ Intersessional meeting of the Preparatory Committee, joint statement of the regional commissions.

¹⁴⁹ Brazil.

¹⁵⁰ Mauritius, others.

¹⁵¹ Children and youth major group through the Conference youth caucus.

¹⁵² ECA report on national sustainable development strategies. Available from www.uneca.org/eca_programmes/sdd/documents.

¹⁵³ ESCAP.

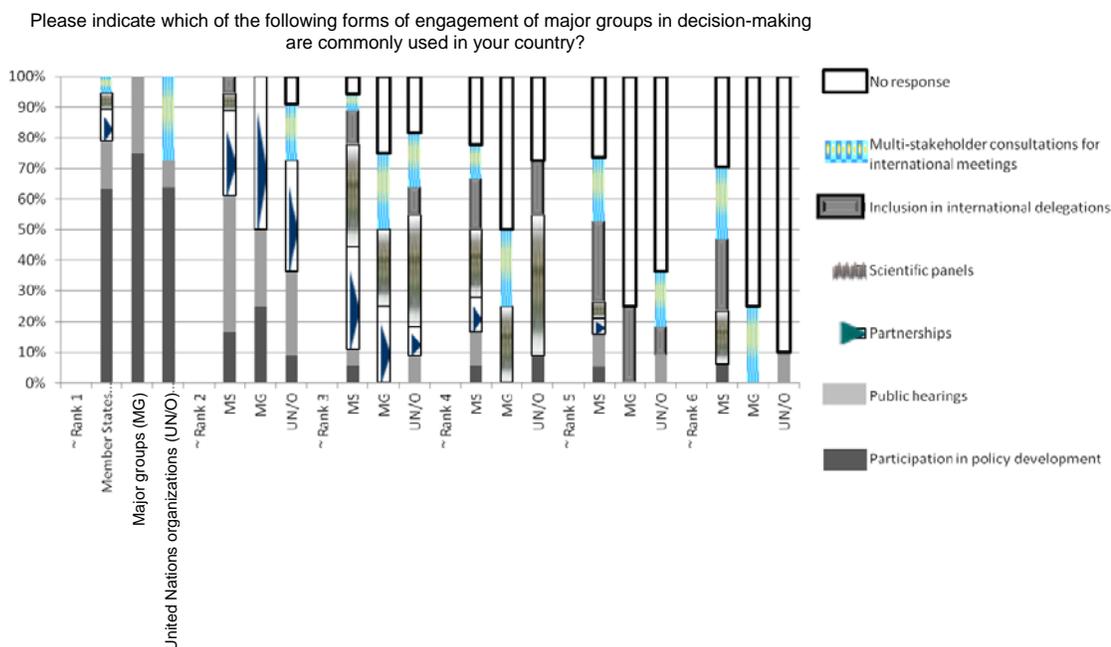
¹⁵⁴ ESCWA.

to identify gaps and address challenges faced in implementing sustainable development goals and targets.¹⁵⁵

99. Subnational and local governments play a critical role in integrating national sustainable development policies into practical local programmes for urban and rural planning and management, along with fostering community and civil society participation in these programmes.¹⁵⁶ Chapter 28 of Agenda 21 emphasized the important role of local authorities in promoting sustainable development at the local level. Since 1992, thousands of municipalities throughout the world have formulated and implemented local Agenda 21 strategies, although they may not always be identified as such, having evolved and refocused their activities under different programmes.

100. Participation of major groups in national decision-making processes on sustainable development has significantly increased since 1992. Participation in policy development ranked as the most common form of engagement overall, followed by public hearings, partnerships and inclusion in scientific panels. Most United Nations system organizations also ranked multi-stakeholder consultations for international meetings high on the list (see figure VII).

Figure VII



101. Almost all Member States reported close collaboration with non-governmental organizations. Developed countries more often reported collaboration with trade unions, local authorities, business and industry and the scientific and technological community. Developing countries more often cited collaboration with women,

¹⁵⁵ South Africa.

¹⁵⁶ Second Committee, sixty-fifth session of the General Assembly, statement by Israel.

indigenous people and farmers. Young people are consulted in fewer instances, but were mentioned by both developed and developing countries, as well as by United Nations organizations. The latter tend to reach out to all nine major group sectors based on the spectrum of their activities, but most often reported collaboration with business and industry or the scientific and technological community.

102. Major groups generally collaborate with the country or countries of interest to their organization and also reported on collaboration with United Nations organizations and with each other. The increased collaboration among some major groups themselves at the international level is an important development and strengthens their role and voice in international sustainable development institutions.

B. Success factors

103. Systematic institutional and governance reforms at the national, regional and international levels are essential to achieve sustainable development. Examples of effective institutional frameworks contributing to significant positive outcomes include the Millennium Development Goals, the creation of the Strategic Approach to International Chemicals Management and the organization of the International Council on Mining and Metals, the United Nations Decade of Education for Sustainable Development and the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention),¹⁵⁷ and the effective use of the regional commissions.

104. Relevant lessons include recommendations to build on existing institutions; promote collaboration, coherence, efficiency and effectiveness in partnerships; and ensure meaningful and equitable public access to international forums related to sustainable development by adapting and structuring their processes in a way that promotes transparency and facilitates the participation of those groups that might not have the means for participation without encouragement and support.

105. The Commission on Sustainable Development should strengthen its collaboration with the regional commissions and others for decision-making and for leveraging the participation of various United Nations agencies and funds in implementing intergovernmental decisions. While the Commission has had a good track record of involving civil society in its deliberations, it should make additional efforts to involve developing country civil society organizations.¹⁵⁸ Several responses noted that the Commission was tasked with too broad an array of policy issues that might be better integrated throughout other relevant bodies. At the same time, its function as a sustainable development forum could be enhanced by giving increased importance to side events, the Learning Centre and informal meetings.¹⁵⁹

106. A number of specific lessons were drawn from experience at the national level: greater institutional strengthening through capacity-building is needed; even strong institutions cannot deliver sustainable development in the absence of appropriate and effective coordination mechanisms; and, to be effective, coordination

¹⁵⁷ ECE, Stakeholder Forum for a Sustainable Future.

¹⁵⁸ India.

¹⁵⁹ Sweden.

mechanisms should be led or chaired by strong cross-sector ministries such as finance or planning.¹⁶⁰

107. These lessons could be relevant to the Commission on Sustainable Development in the sense that the Commission attracts only certain parts of Governments and that finance and planning ministers and ministries are not among the more frequent participants. However, the growing prominence of climate change and the green economy on the international agenda has begun to place the sustainable development agenda more centrally on the radar screens of economic ministries.

108. Partnership, dialogue and public participation through consultative processes, often through national sustainable development councils, were highlighted as highly effective means of strengthening the participation of major groups in national sustainable development efforts. Most major groups and United Nations system organizations responded that provision of the basic financial, human and technical advisory resources to support stakeholder groups to undertake sustainable development projects was paramount.¹⁶¹ Bringing in those most affected by policies and decisions to speak on their own behalf,¹⁶² involving them in concrete implementation of projects, and giving them occasion to set the agenda and have a formal role in decision-making processes were important.¹⁶³ Local governments often do not have the constitutional and legislative authority or ability to raise the resources necessary to address issues that have a direct impact on their communities. Increased national political commitment to local Agenda 21 plans would strengthen the participation of local authorities and other major groups in sustainable development efforts.¹⁶⁴ The Aarhus Convention was cited as one of the most effective means of strengthening participation, as it guarantees any person the right of access to information and participation in decision-making.¹⁶⁵

C. Challenges

109. Some major challenges facing international institutions include: lack of political will, institutional capacity and technical capability; high competition for inadequate financial resources during a global financial crisis; complexity and scope of the sustainable development agenda; lack of coordination among organizations and agencies; low accountability and conflicting interests; competing short-term versus long-term priorities; weak or non-existent monitoring, reporting and evaluation; and creating effective and flexible partnership platforms that facilitate North-South and South-South two-way knowledge-sharing.¹⁶⁶

110. Some major challenges facing national institutions include: lack of a mandate or high-level political commitment to engage stakeholders; weak engagement of major groups, in particular women and youth; ensuring effective and continuous inter-ministerial cooperation; varied commitments of countries to root sustainable

¹⁶⁰ UNDP.

¹⁶¹ ITUC, IMO.

¹⁶² Key organizations of women's major groups.

¹⁶³ ITUC, WWF, UNIDO.

¹⁶⁴ UN-Habitat.

¹⁶⁵ Italy, Stakeholder Forum for a Sustainable Future, ECE.

¹⁶⁶ ECLAC, Caribbean regional report.

development in national institutions; achieving a balanced distribution of financial resources; ensuring coordination between local and national institutions; and inefficient and wasteful patterns of consumption and production.

D. Risks

111. The main risks to a successful outcome at the United Nations Conference on Sustainable Development relate to insufficient political will to reform the existing institutional framework, North-South and other divisions, and overall lack of commitment to cooperate at the international level.

112. For some, it is too early to state clearly what decision should be taken at the Conference on the overarching sustainable development framework, but most agree that the Conference will provide an opportunity for agreement on an intergovernmental environmental governance reform package. Others proposed decisions involving restoring the institutional balance among the three pillars and strengthening capacities to ensure effective implementation; providing a strong and predictable financial basis for action; ensuring effective participation by civil society in decision-making functions; and aiming to reach agreement on elevating the lead responsibility for sustainable development at the international level to the highest decision-making levels of the multilateral system.

113. Some noted that the leading role of the regional commissions in coordinating regional and subregional activities towards sustainable development, in accordance with chapter 38 of Agenda 21, must be preserved and strengthened within the context of reforms to the international institutional framework for sustainable development. Opportunities provided by existing regional and subregional institutions should be leveraged.

VII. The way forward

114. The questionnaire responses contain a number of useful suggestions and recommendations for consideration in the preparatory process for the United Nations Conference on Sustainable Development, which are summarized in a separate document posted at www.uncsd2010.org. In the present report, areas of apparent convergence are noted, as well as those where further discussion is needed to narrow differences at the second session of the Preparatory Committee.

Renewed political commitment for sustainable development

115. The intersessional meeting of the Preparatory Committee reaffirmed political commitment to the Rio Principles and ensuring their more consistent and effective application. Further discussion is required on how the United Nations Conference on Sustainable Development will:

- (a) Foster integrated decision-making based on sustainable development principles as a whole-of-government undertaking;
- (b) Support a post-2015 Millennium Development Goals framework focused on sustainable development;

(c) Further enhance awareness-raising and transparency in information-sharing;

(d) Ensure corporate social and environmental responsibility in private sector decision-making.

Assessment of progress and remaining gaps

116. The process of developing integrated national sustainable development strategies has advanced. While mainstreaming sustainable development into economic planning processes is widely supported, further actions are needed to:

(a) Ensure that national budget allocations adequately reflect sustainable development priorities;

(b) Deepen work on sustainable development indicators, including the System of Integrated Environmental and Economic Accounting;

(c) Include assessments of effects on poor and vulnerable populations;

(d) Institutionalize more inclusive access to information by poor and vulnerable groups;

(e) Increase investments in science and technology and build technological capabilities in all countries;

(f) Strengthen regulations and incentives for sustainable production and consumption;

(g) Phase out environmentally harmful subsidies.

New and emerging issues

117. The importance of strengthening international support for and capacity-building in countries most vulnerable to emerging sustainable development threats like climate change is unquestioned. However, more effort is needed to:

(a) Enhance early warning, disaster preparedness and disaster risk reduction;

(b) Increase capacity-building to protect biodiversity and ecosystems;

(c) Raise agricultural productivity sustainably and ensure food security;

(d) Slow deforestation and extend sustainable forest management;

(e) Address challenges of rapid urbanization in developing countries;

(f) Strengthen links among scientific research, education and policy;

(g) Ensure that scientific research incorporates local knowledge.

Green economy in the context of sustainable development and poverty eradication

118. There is no consensus definition or model of a green economy. Rather, approaches will differ with national priorities and policy contexts. A green economy must be understood in relation to the Rio Declaration and Principles, and the development and poverty eradication agendas remain central for developing

countries. Progress on sustainable consumption and production can contribute significantly to a green economy.

119. Areas where there is need for further analysis and discussion include:

(a) Green sectors as new growth drivers: what are the opportunities for different groups of countries and how can they seize them?

(b) Scaling up investments in green infrastructure, green energy and other sectors: what are the options for mobilizing international investment?

(c) Institutions and policies to support a green economy: how can government capacities to design and implement fiscal incentives, regulation and legislation, sustainable procurement and policies to support green industries as new growth drivers be strengthened?

(d) Transition costs, in particular in resource-dependent economies: what are the needs of countries to minimize economic adjustment costs?

(e) Green economy and poverty eradication: how can green economy policies and measures best contribute to poverty eradication and social development?

(f) Green economy and technology: how can all countries be assured affordable access to technologies needed for a green economy?

(g) Green economy and trade: how can the development potential of environmental standards and labelling be enhanced to meet environmental and climate objectives while promoting development and trade.

Institutional framework for sustainable development

120. Most agreed that the institutional framework for sustainable development required strengthening, including better coordination among existing international institutions. Further progress is also needed at the regional and national levels.

121. Areas for further analysis and discussion include:

(a) International environmental governance: there is strong support for strengthening UNEP, with a range of options having been proposed;

(b) Sustainable development governance: options proposed include enhancing the effectiveness of the Commission on Sustainable Development in supporting implementation; strengthening the Economic and Social Council as an effective forum for multilateral discussion of the sustainable development agenda; and creating an umbrella structure for sustainable development within the United Nations;

(c) Enhancing coordination, coherence and cooperation: options include building on the chemicals and waste conventions model; better utilizing existing United Nations coordination mechanisms; and reinvigorating inter-agency coordination on sustainable development;

(d) Strengthening the leading role of the regional commissions in coordinating regional and subregional activities for sustainable development, in accordance with chapter 38 of Agenda 21;

(e) At the national level, creating or strengthening institutional mechanisms for joint work and collaboration across social, economic and environmental portfolios;

(f) Strengthening the capacities of local authorities, including for resource mobilization, as key actors in the delivery of vital economic, environmental and social services;

(g) Building upon progress to date for multi-stakeholder engagement in sustainable development decision-making and implementation, including through capacity-building tailored to different major groups and stakeholders.
