

BACKGROUND PAPER

Rio+20: Towards sustainable development

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Table of Contents

1. Purpose.....	2
2. Background to Rio+20	2
3. International Initiatives on the ‘Green economy’ – a brief survey.....	4
<i>The United Nations Environment Programme (UNEP) Green Economy Initiative.....</i>	5
<i>The Organisation for Economic Co-operation and Development’s (OECD) ‘Green Growth Strategy’</i>	6
<i>19th session of the Commission on Sustainable Development.....</i>	7
<i>Some regional initiatives.....</i>	7
4. Rio+20 – discussing ‘a green economy in the context of sustainable development and poverty eradication’	8
5. The ‘blue economy’	10
6. Suggestions for Rio+20 outcomes.....	10
7. Australian initiatives	12
8. Questions the Forum may wish to consider.....	13
9. For further information on Rio+20	13

1. Purpose

The Forum ‘Rio+20: Towards Sustainable Development’ will focus on one of the two themes of Rio+20, ‘a green economy in the context of sustainable development and poverty eradication’. The Forum is presented by the Fenner School of Environment & Society with support from the HC Coombs Policy Forum at the Australian National University.

The Forum will discuss forward-looking and achievable ideas, exploring both a strategic framework for, as well as practical initiatives to help give effect to, the Rio+20 ‘green economy’ theme. The strategic framework will need to build on existing conceptual work and be informed by existing international initiatives such as the Organisation for Economic Co-Operation and Development’s Green Growth Strategy, the United Nations Environment Programme’s Green Economy Initiative and the proposed 10-Year Framework of Programmes on Sustainable Consumption and Production. One of the key challenges in this regard is to ensure that we have a framework that is meaningful both to developed and developing countries. In discussing practical initiatives, the Forum could identify those areas where Australian experience could make a significant contribution globally and regionally.

This Background Paper provides information on the Rio+20 conference, a brief overview of conceptual work and practical projects being undertaken internationally and regionally, and a summary of key issues and emerging challenges in sustainable development that relate to the ‘green economy’ theme.

2. Background to Rio+20

Humanity has the ability to make development sustainable – to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs.

Our Common Future, also known as the Brundtland Report, 1987¹

The United Nations Conference on Sustainable Development (Rio+20) will take place in Brazil in June 2012 marking the 20th anniversary of the 1992 United Nations Conference on Environment and Development, in Rio de Janeiro, and the 10th anniversary of the 2002 World Summit on Sustainable Development, in Johannesburg.

¹ www.un-documents.net/wced-ocf

The 1992 and 2002 summits were headline international events and key drivers of the sustainable development agenda.

The 1992 Earth Summit adopted Agenda 21² as a blueprint for sustainable development. The Earth Summit also delivered the Rio Declaration on Environment and Development, the Convention on Biological Diversity, the Forest Principles and the Framework Convention on Climate Change.

The 2002 World Summit on Sustainable Development further pledged to strengthen the pillars of economic development, social development and environmental protection. The *Johannesburg Plan of Implementation*³ acted to protect natural resources, address poverty, unsustainable production and consumption, globalisation, health, and the situations of small island states and Africa.

Rio+20 represents the most significant global environment and sustainable development event in the past ten years. Its outcomes are intended to guide the international sustainable development agenda for the next decade and beyond. Rio+20 will feature a high-level segment, with participation by heads of state and government, and presents an opportunity to re-direct and re-energise political commitment to the three pillars of sustainable development: economic growth, social improvement and environmental protection.

The sustainable development agenda provides a compelling model for generating prosperity on a planet under multiple pressures: climate change, species loss, desertification and pollution, food crisis, lack of water and other challenges. At Rio, next year, our vision must be clear: we need to move quickly toward a sustainable economy that is equitable and inclusive.

*United Nations Secretary-General Ban Ki-moon, 11 October 2011*⁴

This opportunity comes at a time when human activity is pushing ecosystems towards the limits of what they can sustainably bear – against what some scientists have called ‘planetary

² <http://www.un.org/esa/dsd/agenda21>

³ <http://www.un.org/jsummit>

⁴ <http://www.un.org/>

boundaries⁵ in areas such as climate change, biodiversity loss, stratospheric ozone depletion, chemical pollution, ocean acidification, and depletion of fresh water reserves. At the same time, as the world attempts to improve social and economic conditions across developed and developing countries, the world has emerged from a Global Financial Crisis to face, yet again, the prospect of a waning global economy.

Human pressure on the Earth System has reached a scale where abrupt global environmental change can no longer be excluded. To continue to live and operate safely, humanity has to stay away from critical 'hard-wired' thresholds in Earth's environment, and respect the nature of planet's climatic, geophysical, atmospheric and ecological processes.

Transgressing planetary boundaries may be devastating for humanity, but if we respect them we have a bright future for centuries ahead.

Professor Johan Rockström, Director of the Stockholm Resilience Centre, Stockholm University⁶

The objective of Rio+20⁷ is to secure renewed political commitment for sustainable development, assess the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development, and address new and emerging challenges.

Rio+20 will focus on two themes:

- (1) A green economy in the context of sustainable development and poverty eradication;
and
- (2) The institutional framework for sustainable development.

3. International Initiatives on the 'Green economy' – a brief survey

While there is not an agreed definition for a 'green economy', there is general consensus that a 'green economy' is a means to attain sustainable development, rather than an alternative to sustainable development.

⁵ Johan Rockstrom *et al*, "Planetary Boundaries: Exploring the Safe Operating Space for Humanity' (2009) 14(2) *Ecology and Society* 32; Johan Rockstrom *et al*, "A Safe Operating Space for Humanity' (2009) 461 *Nature* 472.

⁶ www.stockholmresilience.org

⁷ The objective and themes of Rio+20 were determined by the United Nations General Assembly in 2009 under Resolution 64/236.

At the core of the 'green economy' concept is a recognition that the sustainable management of environmental resources can be a source of economic growth and social cohesion. Furthermore the concept recognizes that such linkages should be an inherent component of public and private decision-making. The concept is potentially powerful in encouraging both sustainability and collaboration in resource efficiency and technology exchange. It offers opportunities for new markets, new investments and new employment, but also raises challenges of fair distribution of costs and benefits.

Discussions are occurring in a number of international fora as summarised below. Many elements are common across these discussions, including the issue of sustainable consumption and production.

The United Nations Environment Programme (UNEP) Green Economy Initiative

We are entering an era of rising risks from fuel and food crises, from increasing freshwater scarcities and challenges such as climate change that will test the resilience of our economies, countries and communities as perhaps never before.

But we also have a collective body of inspiring experiences, analysis, technological and scientific know-how, smart public policies and creative market instruments that can allow the world to move forward on a far more intelligent, fair and ultimately sustainable path - if we want to take it.

*Achim Steiner, United Nations Environment Programme Executive Director,
21 September 2011⁸*

The United Nations Environment Programme (UNEP) has launched a Green Economy Initiative⁹ to support global transition in aligning business investment and infrastructure to deliver better returns on natural, human and economic capital. For the purposes of the Green Economy Initiative, UNEP has developed a working definition of a green economy as "one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. In its simplest expression, a green economy can be thought of as one which is low carbon, resource efficient and socially inclusive".¹⁰

As a component of the Green Economy Initiative, the Economics of Ecosystems and Biodiversity (TEEB) study draws attention to the global economic benefits of biodiversity, to highlight the growing costs of biodiversity loss and ecosystem degradation, and to draw

⁸ <http://www.unep.org/newscentre/>

⁹ <http://www.unep.org/greeneconomy/>

¹⁰ <http://www.unep.org/greeneconomy/>

together expertise from the fields of science, economics and policy to enable practical actions moving forward. The intent of TEEB is to sharpen awareness of the value of biodiversity and ecosystem services and facilitate the development of effective policy, as well as engage business and communities¹¹.

The Organisation for Economic Co-operation and Development's (OECD) 'Green Growth Strategy'

The success of green growth will depend on whether it is a shared global agenda. Many developing countries are not yet fully equipped to introduce new 'greener' policies and tap into the benefits of a green future. Tremendous institutional and capacity development efforts are needed to help them get ready.

Remarks by Angel Gurría, OECD Secretary-General, delivered at the Global Green Growth Summit, Seoul, Korea, 20 June 2011¹²

The Organisation for Economic Co-operation and Development (OECD) has developed a 'Green Growth Strategy'¹³ to demonstrate that green growth can deliver important economic benefits from improvements in resource productivity and new sources of growth and jobs from the emergence of green markets and activities.

The OECD is seeing increasing demand for policy guidance focussed on translating green growth into practice and for drawing lessons learned as implementation efforts progress. The OECD plans to 'mainstream' green growth in areas such as development, where it will assess the links between green growth and poverty reduction and identify the changes needed to make sectors such as agriculture and infrastructure more supportive of 'pro-poor' green growth.

The OECD is working in collaboration with UNEP, the World Bank, the International Energy Agency and the Republic of Korea's Global Green Growth Institute to develop a Green Growth Knowledge Platform¹⁴ to facilitate the coordination, creation and dissemination of research to support the design and implementation of green growth strategies. The OECD is defining and organising its substantive contribution for Rio+20 and the Secretariat is planning to develop a green growth 'framework' for developing countries to be ready in time for Rio+20.

¹¹ <http://www.teebweb.org/>

¹² <http://www.oecd.org>

¹³ <http://www.oecd.org>

¹⁴ <http://www.greengrowthknowledge.org>

19th session of the Commission on Sustainable Development

Moving towards improving consumption and production patterns is considered a significant factor to achieving sustainable development and sustainable consumption and production patterns form an integral component of 'green economy' discussions.

The 2002 World Summit on Sustainable Development called for the development of a 10-Year Framework of Programmes in support of regional and national initiatives to accelerate the shift towards sustainable patterns of consumption and production that will promote social and economic development within the carrying capacity of ecosystems.¹⁵

At the 19th session of the Commission on Sustainable Development (CSD 19, May 2011), a 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns was negotiated. While the final outcomes document was not formally adopted, the successful negotiation of this chapter demonstrated that countries are prepared to cooperate on a clear set of agreed programmes, and within a set timeframe.

Some regional initiatives

APEC Leaders recently agreed to reduce tariffs on environmental goods and services, facilitating greater access to affordable environmental technologies, and to reduce energy intensity in the region by 45 per cent by 2035¹⁶.

... APEC has broken into a new frontier and that is the frontier of green growth...

[Leaders have agreed to] reducing energy intensity by 45 per cent by 2035 from 2005 levels - leaders have agreed to that knowingly, understanding that if we can reduce our energy intensity then we are doing the right thing by our environment and our world, it means less carbon pollution.

It also means more efficient production and more efficient products for people. If we look at the modern iteration of household products, they use less energy than the products of the past. That's a good thing all round - a good thing for the environment, cost-effective for the people who make them and cost-effective for the Aussie households that use them. We want to see that kind of approach more broadly.

*Prime Minister Julia Gillard, Press Conference at the 2011 Asia Pacific Economic Cooperation Forum, Honolulu, Hawaii, 13 November 2011*¹⁷

¹⁵ Chapter 3, Johannesburg Plan of Implementation: <http://www.un.org/jsummit>

¹⁶ http://www.apec.org/Meeting-Papers/Leaders-Declarations/2011/2011_aelm.aspx

The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) has initiated a Green Growth approach¹⁸ that seeks to harmonize economic growth with environmental sustainability, building on commitments from the World Summit on Sustainable Development.

The UNEP Regional office for Asia and the Pacific in Bangkok has recently published a detailed picture of resource use patterns in the Asia-Pacific region from 1970 to 2005. *Resource Efficiency: Economics and Outlook for Asia and the Pacific*¹⁹ prepared by an international consortium of research institutes and universities, led by CSIRO Ecosystem Sciences, presents an analysis of past, present, and future resource use patterns, including material, energy, water, land use, carbon emissions and air pollutants in the Asia-Pacific region. Using economic modelling the publication presents a range of possible scenarios for the future and explores ways in which policy can support sustainable development.

4. Rio+20 – discussing ‘a green economy in the context of sustainable development and poverty eradication’

We should say upfront what a green economy is not. It is not:

- a top-down, one-size-fits-all model of development;
- an excuse for green protectionism or new green conditionalities on ODA and other finance;
- a way of putting nature’s wealth under corporate control.

A green economy is or should be:

- a means to accelerate progress with implementation of sustainable development commitments;
- a vehicle for integrating the three pillars of sustainable development;
- and a way of reinforcing coherence among economic, environmental and social policies.

*Mr. Sha Zukang, Under-Secretary-General for Economic and Social Affairs, Secretary-General of the 2012 UN Conference on Sustainable Development, Regional Preparatory Meeting for Asia Pacific Region, Seoul, Republic of Korea, 19 October 2011*²⁰

¹⁷ <http://www.pm.gov.au/press-office/transcript-press-conference-honolulu-0>

¹⁸ <http://www.greengrowth.org/>

¹⁹ [http://www.earthprint.com/](http://www.earthprint.com;); *Resource Efficiency: Economics and Outlook for Asia and the Pacific*, United Nations Environment Programme, Bangkok. Published October 2011.

²⁰ <http://www.un.org/en/development/desa/usg/statements/rio20-regional-preparatory-meeting.html>

Discussions among countries in preparatory meetings for Rio+20 have focused on a range of practical areas where a transition to a 'green economy' can support sustainable development. These areas include:

- *Energy access, efficiency and sustainability* - access to secure, affordable, reliable and sustainable energy is critical for fostering social and economic development and improving livelihoods. There is a need for universal access to energy, a reduction in energy intensity and an increase in renewable energy.
- *Water scarcity and sound water management* - access to safe water and sanitation, and water for food production, are necessities for sustainable development. Progress is required to adequately price water services and promote water use efficiency, including in food production. A consistent theme in discussions to date has been the linkages between energy, water and food security.
- *Food security and sustainable agriculture* – various challenges to food security include rising demand for food, increasing degradation of resources and competing uses for land, climatic risks, unstable global supply and prices for agricultural products. As well as the need to deliver practical measures to make agriculture, including irrigated agriculture, and fisheries more productive and sustainable, the global community needs to address the structural impediments which cause persistent and chronic food insecurity.
- *Resilience and disaster preparedness* – Natural disasters can have severe impacts on people, economies and the environment. Discussions have focussed on how to build resilience in communities and systems to minimise the impacts of disasters and maximise the ability to recover.
- *New Sustainable Development Goals* - akin to the Millennium Development Goals (MDGs), have been proposed, aiming to ensure the integration of environment, economy and society. The goals would be universally applicable, balanced in their response to all three aspects of sustainable development, verifiable and time bound. They would be developed in close concert with the MDG review process to ensure their complementarity.

5. The ‘blue economy’

The international community has on a number of occasions recognised that the oceans are critical for food security, and for sustaining economic prosperity and the well-being of many communities and national economies, particularly small island and coastal developing states²¹.

Furthermore, a wide range of countries have highlighted the importance of oceans issues to the Rio+20 theme of ‘a green economy in the context of sustainable development and poverty eradication’. While recognised in Agenda 21 and the Johannesburg Plan of Implementation, the nature and scale of the challenges now facing the oceans, and the implications for sustainable development, make oceans a key emerging issue and priority challenge for the future.

Under the concept of a ‘blue economy’ or ‘a green economy in a blue world’, small island developing states have called for oceans, fisheries and marine resource management issues to feature prominently at the Rio+20 conference. This approach is being supported by Australia and others. More specifically, Pacific island countries²² are calling for Rio+20 to promote more marine protected areas, improved sharing of the benefits of marine resources, more sustainable fisheries, and actions to address the impacts of climate change on oceans and coasts.

Blue Economy discussions to date have been heavily focused on global issues and solutions – notably high seas governance and management of tuna fisheries. While these issues will be important to small island and coastal developing states, sustainable development in many small island and coastal developing states is also significantly dependent on near-shore marine resources supporting livelihoods and food security at local scales.

6. Suggestions for Rio+20 outcomes

Member States and other stakeholders have submitted their preliminary suggestions for Rio+20 outcomes. These are publicly available at www.uncsd2012.org/rio+20

In the coming months the United Nations secretariat will review the submissions and a draft Rio+20 outcomes document will be prepared. This draft, to be known as the ‘zero draft’ will be refined at a series of international negotiation meetings in the lead-up to the Rio+20 conference in June 2012. Australia will be an active player in this negotiation process.

²¹ For example, paragraph 30 of the Johannesburg Plan of Implementation.

²² Including Fiji, the Marshall Islands, Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Australia's Submission to the Rio+20 Compilation Document seeks to: improve regional approaches to marine resource and ecosystem management (the 'blue economy'); strengthen food security and water use efficiency; improve biodiversity conservation; promote sustainable mining practices; better measure sustainability; and reform the United Nations institutional framework to drive and support sustainable development efforts. The full Submission is at www.environment.gov.au/rio/

Australia's particular areas of interest relating to the theme of 'a green economy in the context of sustainable development and poverty eradication' include:

- *Going beyond issues of definition* – there is no single globally agreed definition of the green economy. Australia is focussed on looking at practical ways of transitioning to a more sustainable economy, in the context of sustainable development and poverty eradication.
- *Marine, or "Blue Economy" aspects* - marine resources and ecosystems are a foundation for sustainable development for many countries, particularly for Australia's Pacific neighbours, where they are an important source of food, livelihoods, income and culture. An example of an initiative under this theme is the Coral Triangle Initiative (CTI), for which Australia is a development partner. The CTI aims to improve marine conservation and management and, through this, food security and sustainable livelihoods.
- *Creating efficient markets* - in which the real environmental costs of production are accurately reflected in the prices of products and services. For example, in countries without carbon pricing fossil fuel prices do not incorporate the cost of the negative externalities associated with the production and burning of such fuels. Additionally, in many countries, the lack of pricing of externalities is further exacerbated by inefficient subsidies for certain sectors of the economy.
- *Valuing the natural environment and ecosystem services and measuring change over time* - through for example national accounting schemes and their extensions (ie the System of Environmental-Economic Accounting), and the use of relevant indicators. Examples of relevant initiatives in Australia include the Measuring Sustainability program, Measuring Australia's Progress, the National Plan for Environmental Information, and development of a framework for the production of national environmental-economic accounts.

7. Australian initiatives

Australia is undertaking a range of initiatives domestically of relevance to the Rio+20 theme of 'a green economy for sustainable development and poverty eradication'. Some, such as the Measuring Sustainability Program and the development of a framework for the production of national environmental-economic accounts, are initiatives that Australia is proposing for wider adoption through their inclusion in the Rio+20 outcomes document. A few examples of current domestic initiatives include:

- *Securing a Clean Energy Future Plan* – which combines existing and new initiatives to begin decoupling carbon pollution from growth in the economy. The Plan comprises four elements: a carbon price; renewable energy, including the Renewable Energy Target and funding for innovation in clean energy; energy efficiency; and action on the land to reduce carbon pollution and increase carbon storage.
- *National Waste Policy* – which was agreed by the Council of Australian Governments and sets Australia's direction for waste management and resource recovery until 2020. The National Waste Policy has six key areas:
 - Taking responsibility – for reducing the footprint of products and materials across the manufacture-supply-consumption chain and at end-of-life
 - Improving the market – efficient and effective markets operate for waste and recovered resources, with local technology and innovation being sought after internationally
 - Pursuing sustainability – less waste and improved use of waste to achieve broader environmental, social and economic benefits
 - Reducing hazard and risk – reducing potentially hazardous content of wastes
 - Tailoring solutions – increasing capacity in regional, remote and indigenous communities to manage waste and recover and reuse resources
 - Providing evidence – access by decision makers to meaningful, accurate and current national waste and resource recovery data to measure progress and inform the behaviour and choices of the community.

8. Questions the Forum may wish to consider

1. Noting the areas of focus above, in what areas does Australia have particular experience or expertise that could contribute to 'green economy' initiatives, globally and regionally?
2. How can current Australian sustainability initiatives translate at the national, regional or global scale; what are the challenges in adapting them to support sustainable development elsewhere?
3. What further opportunities exist to make significant progress towards domestic, regional and global sustainability through Rio+20?
4. What impediments to a 'green economy' exist, and how could they be overcome?
5. What gains could be achieved quickly, and for which initiatives will more time or consideration be required?
6. What are the priorities for pursuing the 'blue economy' which will benefit Australia?

9. For further information on Rio+20

For up to date information you may wish to consult the Rio+20 website:

www.uncsd2012.org/rio20/

In addition, information concerning Australia's preparations for Rio+20 will be included on the following website as it becomes available: www.environment.gov.au/rio