



## **Preliminary comments by Third World Network on the zero draft of the Rio+20 outcome document<sup>1</sup>**

The zero draft of the outcome document for the 2012 UN Conference on Sustainable Development (Rio+20) is clearly an attempt by the Secretariat to produce a document that can be widely accepted in time for adoption in June, with the hope that its generality will not give rise to difficult intergovernmental negotiations. The desire of the UN and some governments, including Brazil as host country, to attract heads of States and Governments to attend the Conference is a driving factor and the draft is premised upon the Rio+20 conference being at a Summit level as seen in para. 1. The actual time allocated for negotiations of the document is very limited, compared to the 1992 Rio Summit and the 2002 World Summit on Sustainable Development that produced the Johannesburg Plan of Implementation. Thus what is presented in the zero draft looks like a compromise text that tries to please everyone with something of concern to them.

The main outcomes of the internationally agreed sustainable development agenda under the UN auspices are reaffirmed throughout the document but the implementation aspect of the zero draft is weak. This is disappointing since the failure of implementation is clearly evidenced by the multiple crises facing the world as we head towards Rio+20. The outcome of the 2009 UN conference on the impacts of the financial and economic crisis on development is surprisingly absent from the zero draft.

In view of the positions and proposals submitted and articulated by the groupings of countries in the preparatory process so far, the overall thrust of the zero draft favours an outcome along the lines of the Green Economy Roadmap of the European Union (with some caveats regarding what the GE should not be in para. 31) and the Sustainable Development Goals proposal of Colombia/Guatemala (paras. 105-110).

An important outcome of the Conference will be the shaping of the International Framework for Sustainable Development over the next few years and the zero draft captures the options that have emerged in the preparatory process.

In line with the current state of discourse, para. 111 in the sub-section on “Accelerating and measuring progress” recognizes “the limitations of GDP as a measure of well-being” and agrees “to further develop and strengthen indicators complementing GDP that integrate economic, social and environmental dimensions in a balanced manner.”

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<sup>1</sup> This comment does not cover the sectoral priorities in the zero draft.

It does not go the distance by replacing GDP with new metrics for sustainability and societal progress but can build on several tracks of valuable work such as the report of the Stiglitz-Sen-Fitoussi Commission, the Gross National Happiness Index of Bhutan and the current revision of the System of Environmental-Economic Accounts (SEEA) coordinated by the Statistics Division of the UN Secretariat.

However, the more fundamental question is what are the indicators supposed to measure?

The zero draft proposes the launching of a process to devise by 2015, a set of **Sustainable Development Goals** (para. 105) that will be part of the post-2015 UN Development Agenda (para. 108). It asks the UN Secretary-General to propose indicators to measure, and specific target to evaluate, progress towards those Goals with 2030 as a possible deadline (para. 109).

The 1992 Rio Summit mandated further work on the definition of indicators of sustainable development which would be the basis both for defining the concept and establishing common international goals. Two decades later, more progress has to be achieved. Links have to be established to the human rights framework which sets clear goals, for instance on the rights to food, to health, and to education. Therefore, the debate should not be about these goals, as they have already been agreed upon, but about the “when” and the “maximum available resources” (including those of international cooperation) to ensure their progressive realization.

The priority areas identified in para.107 are environment-heavy and do not adequately address the human rights aspects and the socio-economic sustainability aspects. Unless these are addressed simultaneously and in a balanced way we risk derailing the comprehensive sustainable development agenda without any compensatory gains.

Furthermore, if the Sustainable Development Goals are envisaged to be part of the post-2015 UN Development Agenda, there appears to be still a lack of integration of the 3 dimensions. And if the Sustainable Development Goals are indeed to be comprehensive then the systemic economic issues need to be addressed and the social and economic dimensions need better balance.

At the same time there is a significant section in the zero draft (paras. 25 to 43) on the green economy in the context of sustainable development and poverty eradication with its own road map (more below). How will this interface with the Sustainable Development Goals and post-2015 UN Development Agenda in terms of the balance, reform and integration of the 3 pillars?

The overall “Framework for Action” (paras. 22-24) in section I on “Renewing political commitment for sustainable development” is worrisome. It effectively dilutes and opens the door to a reshaping of the fundamental basis for international cooperation – most developed countries are already backtracking from the commitments that they have undertaken in UN action plans and legally binding agreements (treaties) related to sustainable development. There is already express rejection by many of these countries (in particular the US) of their historical responsibility for environmental damage and the principle of common but differentiated responsibilities in the shift to sustainable development as seen in the climate negotiations. Many developing countries and civil society are very concerned that the Rio+20 Conference will mark the rewriting even reversal of the Rio Principles and the agreed international framework on sustainable development. Paras. 22 to 24 appears to confirm those concerns.

*[22. We commit to improving governance and capacity at all levels - global, regional, national and local – to promote integrated decision making, to fill the implementation gap and promote coherence across institutions.*

*23. We commit ourselves to reinvigorating the global partnership for sustainable development. We recognize that States must work together cooperatively and join with all stakeholders to address the common sustainable development challenges we face.*

*24. We call for a global policy framework requiring all listed and large private companies to consider sustainability issues and to integrate sustainability information within the reporting cycle.]*

The zero draft calls for “bold and decisive action on the objective and themes of the Conference” and states that taken together, the actions of all States “should fill the implementation gaps and achieve greater integration of the three pillars of sustainable development” (para. 5).

However, the text in section II on “Renewing political commitment for sustainable development”, the objective of the Conference, is too general and the document is weak on implementation.

While the title in section II A reads: “**Reaffirming the Rio principles and past action plans**” the text in paras. 6-9 does not explicitly do so. Para. 7 talks about reaffirming commitment “to advance progress in implementation of the Rio Declaration on Environment and Development” (emphasis added) and para. 9 merely “recognizes” the need “to reinforce sustainable development globally in accordance with the principle of common but differentiated responsibilities and the principle of the sovereign right of states over their natural resources”. The Group of 77 and China and many civil society organisations have asked for reaffirmation of the Rio principles because one of the key principles, **common but differentiated responsibilities** (CBDR), is under increasing attack by most developed countries. CBDR is the basis for the equitable sharing of the efforts to shift from unsustainable to sustainable development – developed countries accordingly committed in the 1990s in a series of UN action plans and multilateral environmental treaties to take the lead in changing their consumption and production patterns, and to provide new and additional finance, technology and capacity building.

Given the vehement rejection by the United States of any reference to equity and CBDR in the climate negotiations in Durban last December on the “Durban Platform” for “a protocol or other international instrument or an agreed outcome with legal force” the zero draft appears to seek to provide compromise language from the beginning. Therefore CBDR as an operating principle for international cooperation to achieve sustainable development is weakened in several parts. For example, para. 14 “acknowledge the particular responsibility in nurturing sustainable development and consumption and production patterns” when the agreed commitment is that developed countries take the lead. And on finance, the notion of “triangular cooperation” is effectively prioritized in para. 115 though the usual exhortation on developed countries’ aid commitments is repeated in para. 112.

Para. 44 on strengthening and reform of the institutional framework for sustainable development uses the term “*keeping in mind* the Rio Principles, in particular CBDR” (emphasis added).

Stronger language is seen in para. 25 of section III on Green Economy in the context of sustainable development and poverty eradication – that this “should be based on the Rio principles, in particular the principle of common but differentiated responsibilities, and should be people-centred and inclusive, providing opportunities and benefits for all citizens and all countries.”

The title of section II B is promising: “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 (Integration, Implementation, Coherence)”.

However, while para.13 acknowledges that “**Sustainable development remains a distant goal and there remain major barriers and systemic gaps in the implementation of internationally agreed commitments**” the assessment in section II B is highly inadequate. The strongest statement is in para. 11 but that is still too general. For example, income and social inequality within many countries (in the developed countries of the OECD and developing countries that experienced rapid economic growth in the past 2 decades) has worsened dramatically since 1992 but the word “inequality” does not appear at all in the draft and there is only a general call to “strive for societies that are inclusive and equitable” in para. 2 in the Preamble/Stage Setting section.

*[Para. 11 reads: “We acknowledge, however, that there have also been setbacks because of multiple interrelated crises – financial, economic and volatile energy and food prices. Food insecurity, interrelated crises – financial, economic and volatile energy and food prices. Food insecurity, climate change and biodiversity loss have adversely affected development gains. New scientific evidence points to the gravity of the threats we face. New and emerging challenges include the further intensification of earlier problems calling for more urgent responses. We are deeply concerned that around 1.4 billion people still live in extreme poverty and one sixth of the world’s population is undernourished, pandemics and epidemics are omnipresent threats. Unsustainable development has increased the stress on the earth’s limited natural resources and on the carrying capacity of ecosystems. Our planet supports seven billion people expected to reach nine billion by 2050”.]*

Section II B and the rest of the zero draft does not directly deal with the structural flaws and instabilities of the current international economic system (finance and trade) that are major obstacles to achieving sustainability. The outcome of the 2009 UN conference on the impacts of the financial and economic crisis on development is not even included in section II A that reaffirms past action plans.

Section III on “**Green Economy in the context of sustainable development and poverty eradication**” attempts to capture the unresolved debate on the topic that has dominated the Rio+20 preparatory process so far. Para. 31 is designed to allay the repeated concerns of developing countries but this section essentially promotes the European Union’s proposal and roadmap.

The zero draft suffers from the same lack of common understanding of a “green economy” that is characteristic of the inter-governmental debate so far. Para. 26 views “a green economy as a *means to achieve sustainable development*, which must remain our overarching goal” (emphasis added). Para. 27 states that “green economy is not intended as a rigid set of rules but rather as a

*decision-making framework* to foster integrated consideration of the three pillars of sustainable development in all relevant domains of public and private decision-making.” Then para. 30 states that “*a transition to a green economy will require structural adjustments* which may involve additional costs to their economies” while para. 30 refers to “*transformation to a green economy*” and para.32 acknowledge that “*countries are still in the early stages of building green economies*” with para. 42 setting out the types of support needed “to make significant progress towards *building green economies*” (emphases added). All these imply that green economy is a goal and this is reinforced by the detailed actions proposed in section III. As discussed above, it is unclear how the detailed proposals in this section interface with the Sustainable Development Goals proposals. Given the uncertain and possibly far-reaching implications of these proposals any follow-up if agreed to must be driven by Member States through the General Assembly and not be left to the Secretary-General as proposed in paras. 33 and 43.

A clearer set of principles of green economy in the context of SD and poverty eradication is needed and the list of what it is not should be more comprehensive along the lines of the submission of developing countries.

Section IV on **International framework for sustainable development** reflects the various proposals of Member States. The option that will generate most debate will be the establishment of “a UN specialized agency for the environment with universal membership of its Governing Council, based on UNEP”.

Many developing countries and NGOs are concerned that a new environmental organization that is sectoral in nature would not serve the goal of sustainable development that requires integration of the 3 dimensions. Given the current state of play in international relations and the possibility of “green protectionism” aimed to protect economic interests, an environmental organization at the global level could be “misused” to selectively enforce obligations to the detriment especially of developing countries.

At the same time the approach taken by UNEP on capitalizing natural resources and incentivising the private sector to operate within the limits of the environment and depleting resources has raised doubts and debate because the use of financial instruments that are problematic has been proposed – this was evident in the UNEP exposition of the green economy. There are also concerns over the trend to apply market approaches to biodiversity and ecosystem services that may lead to commodification of nature and violation of the rights of indigenous peoples and local communities to land and resources. Therefore, the zero draft option of a new environmental agency based on UNEP creates problems.

The EU supports a new global environmental organization, as do some developing countries. The US does not support any new international institution.

The upgrading of the existing Commission on Sustainable Development (CSD) to a high level Council on Sustainable Development is gaining support from a number of Member States and many civil society organisations. The zero draft proposes a process for consideration of this upgrading, where the President of the General Assembly is mandated to “conduct open, transparent and inclusive negotiations, with the aim of establishing the mandate, modalities, functions, size, composition, membership, working methods and procedures of the Council” (para. 49 alt ter).

If there is to be the establishment of a new global environmental organization as part of the UN system, the mandate and principles should be on the basis of sustainability, the 1992 Rio Principles, Agenda 21, the Johannesburg Plan of Implementation etc. Moreover, the process should be handled inter-governmentally, via the General Assembly or the office of the President of the General Assembly as proposed for the Sustainable Development Council in para. 49 alt ter.

Member States can condition their support for the specialized agency on the following: that the new agency is not based on UNEP as the other 2 pillars are needed too; the Sustainable Development Council is a necessary component to ensure that all 3 pillars are intact and integrated; the terms of reference and mandate have to be negotiated by Member States via intergovernmental process of the General Assembly and not be left to the Secretary-General or UNEP; the right to development should remain a strong emphasis; the environment pillar should be supported by finance, capacity building and transfer of technology; social and economic pillars should not be left out and the new organisation should not be at the expense of losing the CSD (hence the need to upgrade the CSD to the Sustainable Development Council as a package).

Paras. 112-117 on **finance** focuses on official development assistance, South-South cooperation (and accordingly triangular cooperation) and private sector investment but is silent on the flawed financial system that creates global instabilities and that continues to result in net South-North flows of resources through various pathways.

The issue of aid effectiveness and the references in para. 114 relate to the OECD-led process and are not the outcomes of a UN process. In the last meeting at the end of 2011 that adopted the Busan Partnership for Effective Development Cooperation, China and India were participants (joining the process at a late stage) and after intense negotiations a paragraph was included as follows: "The principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis." This came after considerable debate on the issue of South-South cooperation and other issues. In light of this, it may not be appropriate for the Rio+20 outcome document to endorse or legitimise this aid effectiveness process and its outcomes without the matter being addressed by the full UN membership.

*[para 114 reads: We call for increased aid effectiveness, taking into account the Paris Declaration, the Accra Action Agenda and the Busan Partnership for Effective Development Cooperation, in ensuring that aid is effective, accountable and responsive to the needs and priorities of developing countries. There is a need for greater coherence at both the international and national levels, including effective oversight of resources to ensure that developing countries have steady and predictable access to adequate financing, including by the private sector, to promote sustainable development.]*

*[para 2 of the Busan Partnership for Effective Development Cooperation reads: "The nature, modalities and responsibilities that apply to South-South co-operation differ from those that apply to North-South co-operation. At the same time, we recognise that we are all part of a development agenda in which we participate on the basis of common goals and shared principles. In this context, we encourage increased efforts to support effective cooperation based on our specific country situations. The principles, commitments and actions agreed in the*

*outcome document in Busan shall be the reference for South-South partners on a voluntary basis.]*

The section on **trade** (paras. 124-127) is familiar general language that does not reflect the lessons learnt from the past 20 years of inappropriate trade liberalization and emerging new forms of protectionism.

The **private sector** especially transnational corporations has been instrumental in unduly influencing domestic policies and laws as well as global norm setting, but the zero draft looks to the private sector as a key player in achieving sustainable development, and specifically talks about leadership by the private sector in para.19. This is particularly ironical given the scandals involving corporate influence in the past 30 years that led to deregulation of the financial sector and the persistent challenge by transnational corporations of various environmental and social policies laws necessary to achieve sustainable development – the most recent is the legal challenge by Philip Morris (tobacco giant) of the tobacco control laws of Uruguay and Australia.

Para. 116 in section V on the **Framework for action and follow-up (Means of implementation)** has general language about public policy creating a “regulatory framework conducive to long-term investment and socially and environmentally responsible behaviour by business and industry” with the main thrust of the para. reaffirming “the key role of the private sector in promoting sustainable development”.

This runs counter to increasing public calls in many countries across the world for the State to take on more responsibility in safeguarding public and long terms interests of society to achieve sustainability. The Occupy Wall Street movement that is spreading all over testifies to this emerging public demand.

Para. 24 calls for “a global policy framework requiring all listed and large private companies to consider sustainability issues and to integrate sustainability information within the reporting cycle” – it is not clear what this means in operational terms, but it is clear that the endorsement and promotion of public-private partnerships based on voluntarism that was encapsulated in the 2002 Johannesburg Plan of Implementation and touted in the UN system since then have not yielded the kind or scale of actions needed for a paradigm shift to sustainable development as envisaged in Agenda 21. In almost every sector, the most powerful and influential of the private sector continue to put profit over sustainability in each of the 3 pillars.

The tendency to group the behaviour and actions of all actors together without differentiating the types of responsibilities, obligations and commitments can result in dilution of official State commitments. The failure to distinguish the actions expected of the private sector from the contributions and efforts of civil society organisations, communities and indigenous peoples further weakens corporate accountability.

Thus para. 128 in which the Conference is to “welcome the voluntary commitments made at Rio+20 and invite the Secretary-General to compile them in a registry/compendium that will serve as an accountability framework” can create an illusion of action and divert from unmet promises and commitments of developed countries. What “accountability framework” is envisaged is not clear when the commitments are voluntary.

(It is understood that the four days of dialogue roundtables before the Conference where Nobel Laureates, leaders of NGOs/indigenous peoples/communities, corporate leaders, Hollywood personalities and heads of States will be invited to participate will generate “voluntary commitments” referred to in para.128.)

The section on **Science and Technology** (paras. 118-120) is silent on technology assessment, an issue that is gaining growing public concern in light of the debates around nuclear power (especially since the Fukushima incident), genetically modified organisms, geo-engineering etc. The reaffirmation, in para. 118, of commitments on S&T made in the Rio Declaration 1992, Agenda 21 and other major UN conferences and summits covers technology assessment capacities but this generality does not pave the way for concrete action on technology assessment.

Throughout the document the **UN Secretary-General** is given a prominent role in the future discussions and mandated to develop key normative aspects of the development agenda and institutional follow-up (paras. 34, 43, 106, 109, 111). There needs to be a distinction made on follow-up actions that should appropriately be led by UN Member States via the General Assembly, including from the possible Sustainable Development Council. (The Council is an option in the section on Institutional Framework for Sustainable Development para. 49 alt, reflecting growing support from Members States on upgrading the existing Commission on Sustainable Development). For example, if a green economy roadmap is accepted, the process and modalities must be intergovernmental, i.e. via the General Assembly, or under the Sustainable Development Council if this is established, or the President of the General Assembly (see the process in para. 49 alt ter regarding the Sustainable Development Council establishment).

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