



RIO+20 SUMMIT: THE KEY ISSUES

By Martin Khor

Executive Director, South Centre

The biggest international event this year is the UN Conference on Sustainable Development or Rio+20 on 20-22 June. It was meant to celebrate the Earth Summit of 1992, to reaffirm the political commitments made then, and to come up with up-to-date action plans to counter the crises which have become much more serious than 20 years ago.

But the negotiations to produce an outcome document got bogged down with new concepts, especially the 'green economy', and now the developed countries appear reluctant to a simple reaffirmation of the original Rio equity principle, or to re-commit to provide finance and technology transfer.

A big breakthrough to tackle the world's environmental and economic crises is now beyond the reach of the Rio+20 Summit. But it can still be a success if it reaffirms old commitments and launches new processes to strengthen institutions and to initiate new goals and action plans. This article summarises the key issues that are being fought over and that will have to be resolved at Rio+20.

The Earth Summit in Rio in 1992 (known officially as the UN Conference on Environment and Development) was a landmark event which launched "Sustainable Development" as an internationally accepted concept .

Environmental problems would be seen in relation to and in the context of the development needs of developing countries. Sustainable development would have three pillars or dimensions – economic, social and environmental.

The Rio Principles, adopted after marathon negotiating sessions, achieved the integration of environment, development and equity elements. There were environmental principles such as precautionary and polluter pays, development principles like the right to development, and equity principles like the common but differentiated responsibilities.

The Commission on Sustainable Development was set up to follow through on Rio 92. It did well initially but it had a design flaw – it meets only 2 to 3 weeks in a year and has too small a Secretariat. That has proven to be far too weak institutionally to address sustainable development's three pillars. As crisis after crisis hit the world, the CSD was too weak to rise to the challenge.

Twenty years later, diplomats and political leaders meet again at Rio+20., known officially as the UN Conference on Sustainable Development. Diplomats will finish the negotiations on 13-15 June (and if not

they may be continue their negotiations or take part in informal consultations) to conclude an outcome document, that will be an action plan for the years ahead.

For four days, 16-19 June, there will be Sustainable Development Dialogues on ten themes, the summaries of which will be presented to the heads of government and state that are to attend the Summit proper, on 20-22 June.

And on the sidelines of these official events will be the People's Summit and other activities of social movements and NGOs, that will attract many thousands of people. But some feel these are not the sidelines or side events after all. They may be the real thing, the getting together of civil society that can change the existing order, rather than the stuffy events going on inside the Rio Conference Centre.

There is a general sense of disappointment that the official Summit will not deliver an Earth-shaking or game-changing outcome, or even an earth-saving one. The crises after 1992 – environmental and economic -- have grown bigger and more serious, this time posing real threats to the economy and to Earth as well.

Obviously the solutions have not been found in the 20 years after Rio 1992. And, seeing the way the official negotiations have gone, there may not be any major breakthrough either in Rio+20.

But neither should Rio+20 be a failure. If it cannot announce any breakthroughs, it can at least initiate new processes that can lead to stronger institutions and new methods of tackling the world's crises.

For this to happen, trust has to be rebuilt by reaffirming the principles and action framework of Rio 92. The commitments made on providing finance and technology transfer to developing countries have to be renewed and made relevant to the present needs. Action plans for various subjects should be endorsed. A commitment to bring about new or at least stronger institutions has to be made. And agreement has to be reached on the new issues that has taken a lot of the energy and time of the Conference preparation – the green economy and sustainable development goals (SDGs).

The following is a short summary of the key issues at Rio+20, and the differing views on them.

1. REAFFIRMING THE POLITICAL COMMITMENTS?

- For developing countries, a “must” in Rio is reaffirming the Rio principles, especially the common but differentiated responsibilities (CBDR), which brings equity in the centre of the obligations to save the world. All have the duty to take environmental action, but developed countries (due to their role in contributing to much of the pollution, emissions and resource depletion, and to their higher economic standing) have the leading role in reducing their own environmental impact, and in providing finance and technology transfer to developing countries to move towards sustainable development paths. Failure to fully reaffirm these principles is taken to be a retreat by the North from the global understanding of the environment-development nexus.
- Developed countries are showing reluctance to update their endorsement of CBDR. Most of them only want a reference to reaffirming the Rio Principles but not have a special mention of CBDR.

One or two countries don't even want any mention of CBDR. They want developing countries (except perhaps the poorest) to take on similar obligations as the North.

- Absence of CBDR references would make developing countries reluctant to take on new concepts that may imply new obligations, such as green economy and SDGs. They are also worried that with the removal of the equity principle, the basis for international cooperation and for development assistance is threatened, with major consequences for future North-South relations.

2. THE GREEN ECONOMY: WHAT IT IS, WHAT IT IS NOT?

- When this topic was placed on the agenda of Rio+20 as one of two priority issues, few if any officials of developing countries had knowledge of its meaning in international negotiating terms. Much of the energy of the process has gone into defining what it is not and what it is. Although the "green economy has been a concept in academic circles, it is still a new term in international diplomacy.
- Developing countries are concerned that the 'green economy' will replace 'sustainable development' as the key paradigm in the environment-development nexus, with the loss of the Rio 92 consensus on the three pillars and the international commitments on finance and technology. They are also worried that the term may be misused as grounds for trade protection, loan/aid conditionality and new obligations on developing countries. They have thus been reluctant to give high status to the green economy term, insisting it is one of several concepts and tools that can be used to achieve sustainable development, and that it should not be used as policy prescription or a new international policy framework. They have thus tried to reduce the role of the green economy in the outcome document, which should state the principles or elements, and that each country should make use of the concept as a tool in its own way.
- Some developed countries believe the green economy is a new important concept that can lead to changes in the way economies are organized. For example, greening the economy through government spending on environmental programmes such as clean energy and the creation of "green jobs" was seen as an important element for fiscal stimulus packages to counter the economic crisis. From this national use of 'green economy', some countries, especially in Europe, wanted Rio to endorse a UN green economy roadmap with environmental goals, targets and deadlines. However this faced resistance from developing countries and a few other developed countries.
- The negotiations are still intense on the meaning of what a green economy is, and how the term could be used and should not be used. The roadmap idea has diminished, with the green economy goals transferred to the sections on sectoral actions, and to the SDGs. However the green economy will remain a hotly contested issue in Rio.

3. SUSTAINABLE DEVELOPMENT GOALS (SDGs)

- This is also a "new issue" in that it was not in the terms of reference in the General Assembly resolution that gave the mandate for Rio+20. It was proposed last year mainly by Colombia, and many saw it as a kind of alternative to the Green Economy roadmap. It has now gathered steam and is expected to be one of the key "deliverables" in Rio.

- The developing countries have accepted SDGs as a concept and an operational tool. They have engaged in putting forward principles and elements that should frame the SDGs. A key principle should be common but differentiated responsibilities, so that any obligations arising from the SDG process would be treated with in an equitable manner. The G77 and China also want the three pillars (social, economic, environment) to be represented in a balanced way in terms of selected goals, and they are concerned that the EU has put forward only environment goals.
- Rio+20 will launch a post-Rio process to decide on the goals and their details, since it is too late to come up with a definitive list. However, most developed countries, especially the EU, want a selected number of SDGs to be listed as priority goals, and to have some details if possible, so that Rio+20 can have some tangible results. They proposed the areas of energy, water, oceans, resource efficiency, land and ecosystems (including forests) and insist on having them in a list of “indicative” priority issues. The EU also proposed having many goals with target years in the texts on sectoral actions. However, the G77 and China do not want to mention any issues, since any list of SDGs have to have balance among the three pillars and there has not been mature discussion yet on how to select SDGs or how many there should be. It is critical of developed countries for only mentioning environment goals. It has refrained from naming any issues of its own.
- Another key contested area is the nature of the SDG post-Rio process at the UN. Developed countries want the UN Secretary General to take charge of a process for experts to come up with the SDGs, whereas the G77 and China want the governments to drive the process and decide on the SDGs, so that whatever goals are selected are decided on by the governments, while inputs can be given by the UNSG and experts.
- How the SDGs and the post-Rio process will relate to the MDGs and the post-2015 development agenda process is another issue. The “development community” has already started discussion on the follow up to the MDGs, and do not want a decision on SDGs to pre-empt the development agenda. Many developing countries are worried that a high status given to SDGs at summit level may marginalize the MDG-linked development agenda. Thus, how the SDGs and MDGs and their processes interface will have to be sensitively handled.

4. INSTITUTIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT (IFSD)

- This is perhaps the most important issue because it is the lack of strong institutions dedicated to sustainable development that has enabled other agendas (such as WTO and bilateral trade and investment agreements, and deregulation and liberalization of finance) to have precedence over the environment and social development.
- There is agreement that the Commission on Sustainable Development has been too weak and needs to be transformed into a more powerful body such as a Sustainable Development Council (proposed by EU, Norway, Switzerland) which meets more regularly and has more authority. The G77 and China has proposed a high-level political forum on sustainable development with annual Ministerial meetings, and with terms of reference to be decided on after Rio. There is also broad agreement that ECOSOC should be strengthened to take on the challenge of sustainable development. The negotiators have had matured discussions on the functions of an institutional framework, and in Rio the form will be intensely debated.

- There is also broad agreement that UNEP has to be strengthened, with universal membership in a governing council, and more resources, and a bigger role in having some coordination among the large number of environment agreements. However there is an on-going dispute as to whether UNEP should become a UN specialized agency (which is strongly advocated by European countries and by Africa) or retain its status as a programme but be strengthened (which most other countries prefer).

5. THE MEANS OF IMPLEMENTATION (FINANCE AND TECHNOLOGY TRANSFER): RE-COMMITTING TO SUPPORTING THE SOUTH OR A RETREAT FROM RIO 92?

- The means of implementation (MOI) was a centerpiece of Rio 1992. Developing countries successfully argued that they could switch to environmentally sound development paths only if there was **financial and technology-transfer support** from developed countries. This was a much fought over area in 1992 and is shaping to be an equally hotly contested issue in Rio+20.
- The developing countries insist that Rio+20 should at least renew the original commitments of developed countries to provide **new and additional financial resources**, and that once again they pledge to make efforts to meet the aid target of 0.7% of their GNP. However even these minimal aspects are being resisted by some developed countries, especially US and Canada.
- The G77 and China has proposed that developed countries provide new sustainable development funding to developing countries, at least US\$30 bil a year in 2013-17 and US\$100 bil a year from 2018 onwards, and to set up a sustainable development fund. Actually this is not a new or big demand, since in 1992 the UNCED secretariat estimated that the Agenda 21 programmes would cost at least \$600 bil a year for developing countries to implement, and that they should obtain new international funding of \$100 bil a year. The developed countries have however objected to the G77/China proposals of figures or a fund.
- On **technology transfer**, the situation is equally bleak. All major developed countries have objected to reaffirming the 1992 commitments to provide technology transfer on concessional and preferential terms to developing countries. For Rio+20, they have even objected to the term “technology transfer” in the title of the technology section. And if they propose to use “voluntary transfer of technology on mutually agreed terms” which implies sale of equipment on commercial terms, which is opposite to the technology transfer concept. Even mild language to have a balanced approach to IPRs has been rejected, as has the concept of enhanced access by developing countries to environmentally sound technology.
- Should developing countries agree to new concepts like green economy and sustainable development goals, which carry the prospect and implication of new obligations, if there is no longer even the promise of international support, and if there is a retreat from and denouncement of the original global pact of 1992? This is one of the big issues that Rio+20 may have to confront.

SUCCESS IN RIO: WHAT WOULD IT TAKE?

A successful outcome from Rio would include:

- A reaffirmation of the original Rio principles and commitments adopted 20 years ago in the original Rio Summit. At the least this would mean that the political leaders and especially the developed countries are not retreating or backtracking from what they agreed all these years ago. The most important Rio principle that needs reaffirming is the common but differentiated responsibilities, which means that the developed countries agree they have to do much more in terms of reducing pollution and emissions and in their use of natural resources, and that they have to provide finance and technology to developing countries, so that every country has the means to move towards sustainable development pathways.
- A recognition that the crises in environment and economy are even more serious today than 20 years ago, and adoption of new commitments by the political leaders that are adequate enough to tackle these crises in a systemic and systematic way.
- An agreement to significantly strengthen the institutions for addressing sustainable development in a serious and adequate manner. The present UN Commission on Sustainable Development showed early promise but turned out to be too weak as it only meets 2 to 3 weeks in a year, and it has a small secretariat. It has to be radically reformed or else transformed into a new Council or Forum on Sustainable Development which can meet the challenges thrown up by the global crises in the three dimensions – environmental, economic and social. Meetings must be scheduled regularly, and not just for a few weeks, and the secretariat must become a strong organisation with more staff and dynamism. The Rio summit should adopt a decision to have this strong institution to and launch a process to determine the details. The UNEP meanwhile should be given a mandate to strengthen its organization and operations, with more resources, so that it can work more effectively to build a strong environment pillar.
- There must be clear commitments to support developing countries to take on more responsibilities in addressing environment, economic and social problems. Thus the summit cannot backtrack on the “means of implementation.” There should be a re-commitment to new and additional financial resources for sustainable development, and to technology transfer on concessional and preferential terms, as was committed 20 years ago in Rio and on many other occasions since then.
- The Summit should launch a process to decide on and flesh out sustainable development goals. However the goals should also be backed up by concrete action plans, with details on the financing and technology transfer aspects to implement these plans. The SDGs should interface properly with the post-2015 MDGs process. Meanwhile there should be a strong implementation plan for the actions recommended in the section on sectoral issues in the outcome document.

(Paper written in 2012.)