

**UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT
(RIO + 20)
Rio de Janeiro, 4-6 June 2012**

**Contribution by the European Union and its Member States
to the UN Department of Economic and Social Affairs**

I. GENERAL INTRODUCTION

The European Union (EU) and its Member States consider that the United Nations Conference on Sustainable Development (Rio+20), to be held in Rio de Janeiro on 4-6 June 2012, offers a unique opportunity for our mutually interdependent world to secure renewed political commitment to sustainable development at all levels. The Conference will also provide an opportunity to assess the progress made to date, identify remaining implementation gaps and address new and emerging challenges since the UN Conference on Environment and Development in Rio de Janeiro in 1992 and the World Summit on Sustainable Development in Johannesburg in 2002.

The EU and its Member States are putting forward the present contribution in response to the invitation from the Second Preparatory Committee of Rio+20 to provide inputs and contributions in writing by 1 November 2011 for inclusion in a compilation document to serve as a basis for the preparation of the "zero draft" of the outcome document. Our contribution focuses on the two main themes of Rio+20, i.e. green economy in the context of sustainable development and poverty eradication (GESDPE) and the institutional framework for sustainable development (IFSD), as means of achieving the objectives of the Conference.

While some progress has been made in advancing sustainable development over the last decades, around 1.4 billion people, mostly in South Asia and Sub-Saharan Africa, still live in extreme poverty and one sixth of the world's population is undernourished. Unsustainable economic growth has increased the stress on the earth's limited natural resources and on the carrying capacity of ecosystems, with 60% of the world's natural resources already being used unsustainably or at their limit. Many environmental problems have not been solved and have become more acute, and economic, social and environmental problems are closely linked.

Rio+20 should include democratic development and respect for human rights to achieve sustainable development at every level and recognize democracy, the rule of law, transparency and accountability as means of meeting social, economic and environmental challenges, as well as the importance of gender equality and the vital role that women have in achieving sustainable development.

Rio+20 should focus on strengthening the coherence and enhancing the linkages between the environmental, economic and social dimensions of sustainable development and contribute to the achievement of the Millennium Development Goals (MDGs) by 2015 and of other relevant internationally agreed goals in the context of major UN conferences, in particular Agenda 21 and the Johannesburg Plan of Implementation. In this context, the two themes of Rio+20 offer promising ways to tackle remaining challenges.

Rio+20 should accelerate and broaden the world-wide transition towards a green economy that promotes sustainable development and contributes to poverty eradication around the world. The EU and its Member States consider that a green economy offers win-win opportunities to all countries, regardless of the structure of their economy and their level of development. Green economy is more than the sum of existing commitments: it has the potential to lead us to a new development paradigm and a new business model where growth, development and environment are seen as mutually reinforcing each other. Increasing resource efficiency, promoting sustainable consumption and production patterns, tackling climate change, protecting biodiversity, combating desertification, reducing pollution as well as using and managing natural resources and ecosystems in a sustainable and socially

responsible manner are both requirements and key vehicles in ensuring a just transition to a green economy.

The EU and its Member States consider that strengthening international environmental governance is central to the pursuance of sustainable development, and that the necessary reform of the IFSD also requires a bottom-up perspective, drawing on lessons learned at all levels.

The EU and its Member States support a forward-looking and focused political document capable of giving renewed impetus to sustainable development. In order to do that, Rio+20 needs to agree on a shared vision for change, able to deliver results within agreed time frames. The EU and its Member States consider that the agreed political document should be supported by operational outcomes that should include a green economy roadmap with specific goals, objectives and actions at international level as well as a package of reforms which includes transforming the UNEP into a specialized UN agency for the environment, leading to a strengthened international environmental governance (IEG) as part of a more balanced and effective IFSD.

In spite of implementation efforts by governments and non-State actors in all countries, implementation barriers such as low political priority for integrated decision-making, missing or conflicting targets and measures or insufficient coordination between ministries still remain. In order to address implementation gaps, we need to promote integrated strategies, public interest, awareness and participation, good governance and coordination and cooperation mechanisms between government departments and between government, local government, civil society and the private sector. The key role of the private sector in the transition to sustainable development needs to be recognized and made full use of.

The experience and solutions found among the largest generation of young people in history will be important for Rio+20. The EU and its Member States therefore consider the involvement of young people as agents for change vital for a successful outcome of Rio+20 and for the continued implementation process.

With a view to strengthening intergovernmental action, we propose to build a new alliance with stakeholders through their enhanced participation in the decision-making, implementation and follow-up of Rio+20 outcome, as well as by launching sustainable development initiatives, networks and innovative partnerships at all levels.

We acknowledge that funding for the implementation of sustainable development policies and actions will have to come from a variety of sources, both public and private. A joint approach by traditional donors, emerging economies, international financial institutions (IFIs) and the private sector is needed, addressing the 'silo' approach to channelling funds and ensuring a more effective identification and use of existing resources, as well as mobilisation of available and innovative sources of finance.

The EU and its Member States remain strongly committed to playing an active and constructive role in the preparatory process of Rio+20 with a view to contributing to a successful outcome.

II. GREEN ECONOMY IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT AND POVERTY ERADICATION

a. Introduction

1. A just transition to a green economy will speed up the implementation of existing sustainable development commitments and help address the implementation gaps, while being fully committed to respect for human rights and gender equality and contributing significantly to eradicating poverty. It will improve environmental justice and reduce inequalities, environmental scarcities and the stress on ecosystems by investing in and preserving natural capital, securing sustainable and efficient use of resources and addressing social concerns, while maintaining competitiveness. Democracy, transparency, good governance and accountability are essential means of meeting social, economic and environmental challenges and protecting people's right to live in a healthy environment, in dignity, and free from hunger and from fear of violence, oppression and injustice. A sustainable, green economy will provide goods and services to all and supports access to food, energy and sanitation for all. Education for sustainable development, including awareness-raising and consumer information, is of primary importance in changing behavioural patterns.
2. The transition to a green economy has great potential to promote long-term sustainable growth, create decent jobs and hence eradicate poverty, focussing on inclusiveness and avoiding equity gaps. The need for a just transition to a sustainable system of production and consumption that results in lower pressures on natural resources and the environment while improving the quality of life, prosperity and social well-being is now widely recognised. This requires that economic development be oriented to remain within the regenerative and absorptive capacity of the planet and contribute to eradicating poverty by shifting consumption and production patterns onto a sustainable path. Various green-economy tools and defining necessary measures will help all stakeholders to implement the policies and actions needed to achieve sustainable development. The transition to a green economy will be a global challenge, which both developed countries and developing countries should embark on with ambitious national and international action. A commitment to open markets is important. The transformation to a green economy should not be used to introduce new trade barriers.
3. To strengthen the linkages between social and economic areas, strategies at all levels should address all sectors in a horizontal way with a view to benefiting from cross-sectoral policy coherence while maintaining competitiveness. To this end, framework conditions should be established, primarily at national and sub-national level, making use of policies and actions able to establish favourable regulatory frameworks and a level playing field for green markets such as fiscal incentives, emissions trading, gradual elimination of subsidies that have considerable negative effects on the environment and are incompatible with sustainable development, green public procurement, the promotion of eco-innovation and clean technology, green entrepreneurship, knowledge-building schemes, etc. Social policies to reconcile social goals with economic policies are also necessary. These initiatives should build on good governance, a dynamic and innovative private sector, efficient regulation, reduced bureaucracy and market instruments. Ratification of the relevant ILO conventions is of utmost importance to ensure that growth is not only economically and ecologically sustainable, but also fair, just and equitable, taking into account social issues and contributing to poverty eradication.

4. The EU and its Member States emphasise the importance of improving resource efficiency and sustainable material management through full implementation of life-cycle assessment and of management of Low Carbon Development Strategies as agreed in Cancun. It is important to reflect environmental externalities in prices for resources and services and apply negative incentives with regard to negative external costs and diseconomies, and to encourage activities with positive external effects.
5. International action should be promoted and existing commitments reaffirmed in key sectors such as water, food and agriculture, fisheries, forestry, energy, the marine environment and chemicals, as well as in areas relating to the sustainable management and restoration of natural resources and ecosystem services and the sustainable management of waste along with both climate-change mitigation and adaptation processes. The aim is to foster favourable framework conditions for *sustainable development*, preserving and - where necessary - restoring natural capital and securing the functions of ecosystems, hence ensuring benefit to all and contributing to poverty eradication, social development and environmental integrity.
6. Special efforts are needed to enable poor people to participate in, contribute to, and benefit from economic development. People who live in conditions of poverty and social exclusion are more directly dependent on (local) natural resources and ecosystem services. As key actors they should have a vital role in a green economy which promotes decent work with effective respect for fundamental principles, rights at work, social development, full freely chosen and productive employment for both women and men and combats child labour and forced labour by taking into account the implementation of the International Labour Standards and the ILO Declaration on Social Justice for a fair Globalization with a view to integrating social development through global sustainable development. Improved water resource management and access to safe food, water, sustainable and affordable energy, shelter, basic sanitation, education, infrastructure, health and jobs with decent working conditions for the poor are central issues for sustainable development, as these are fundamental rights for everyone. In this regard, the vital role of women in achieving sustainable development needs to be underlined.

b. A key role of the private sector

7. Through (fair) trade, investment, public-private partnerships and research and innovation, the private sector and civil society play key roles in delivering green growth and promoting sustainable consumption and production, inter alia through corporate social responsibility and technology diffusion. Private sector activities involving promoting and adopting a sustainable business model in their supply chain and including environmental and social concerns in their investment decisions, will make a concrete contribution to a green economy roadmap. The OECD Guidelines for Multinational Enterprises and the global framework for social responsibility, the Guiding Principles on Business and Human Rights, the Global Compact 10 Principles, the ISO 26000 standard on social responsibility and the Global Reporting Initiative are important tools in this respect that should be recalled and used in the Rio follow-up by the private sector. Further opening up markets for sustainably produced goods and services would boost trade in key technologies. The prospects of a global market, rather than regional or local markets, would also strengthen incentives for firms to invest in R&D.

c. Proposals for operational outcomes: elements of a green economy roadmap

8. In order to give renewed impetus to sustainable development, Rio+20 needs to agree on a shared vision for change that can help to put the world on track towards sustainable development and is able to deliver results within agreed time frames. The main operational outcomes of Rio+20 should include a green economy roadmap with deadlines for specific goals, objectives and actions at the international level as a significant contribution to sustainable development and poverty eradication.
9. For the green economy roadmap, the EU proposes a number of actions as outlined in this document. This includes a capacity development scheme for voluntary country-specific and, where appropriate, region and sector-specific actions and a limited number of cross-cutting and thematic international actions that contribute to a green economy in the context of sustainable development and poverty eradication in a specific area.
10. At Rio+20, the acknowledgement and encouragement of voluntary national commitments and actions by State actors as well as stakeholders to achieve a green economy in the context of sustainable development and poverty eradication should also take place as to ensure a bottom-up approach and the shaping of innovative partnerships.
11. The proposals made are not meant to be final proposals; they should rather be considered as a contribution to the international dialogue on the outcomes of the Rio+20 conference. The EU and its Member States are interested in sharing and exchanging ideas and look forward to further suggestions on the outcomes of the conference.

d. Proposals for cross-cutting actions

Measuring progress - models and indicators

Deliverables

12. **Further develop and strengthen indicators complementing GDP that integrate economic, social and environmental dimensions in a balanced manner.**
 - Such an approach should include the selection of headline indicators reflecting several aspects of sustainable development (e.g. a “dashboard” of indicators).
 - Indicators for sustainable development which have been elaborated since 1992 should be revised and validated through a participatory process of peer review and public discussion including different stakeholders. Specific indicators could be used in conjunction with goals, if these were to be decided at Rio+20. To implement work on indicators, support needs to be given to the on-going UN process of establishing environmental accounts.
13. **Provide global outlook and assessments on energy, water, food and other resource areas, based on a partnership of international and UN organisations.**
 - The aim is to publish a new World Resources Outlook [by 2015], akin to the first IPCC report and building on other relevant reports. This would consider the links between natural resources and climate change, and help assess global, national and sub-national needs for the green economy in the context of sustainable development and poverty eradication. Such a partnership should build on and extend the work of the UNEP Resource Panel.

Rationale

14. To accelerate and broaden the world-wide transition to a green economy that promotes sustainable development and contributes to poverty eradication, goals may be developed and set at different levels. Such goals would require measurable and steerable indicators. For the further development of sustainable development indicators, existing initiatives should be analyzed and built upon. Indicators should be developed in keeping with the commitments made by the international community in Agenda 21 and the JPoI.
15. Aiming at a set of indicators is in line with ongoing initiatives. The commitment of CBD Parties in Nagoya in 2010 to incorporate the value of biological diversity into national accounting and reporting systems provides an impetus and rationale for actions aimed at better integration of natural resources and ecosystem services into planning and poverty-eradication strategies. In addition, extensive international work has been conducted in recent years on measuring progress and wellbeing, including the deliberations by the OECD, Stiglitz Commission and many others.
16. Any new metrics need to add empirically sound value to the ongoing discussion and should be proportionate, reasonable and affordable and take into account existing work and data availability. To assure compatibility, differentiated benchmarks should be developed at international level according to countries' development priorities.

Sustainable Consumption and Production (SCP)

Deliverable

17. **Establish a 10-Year Framework of Programmes on SCP (10YFP), as elaborated in the negotiations in the United Nations Commission on Sustainable Development, based on Agenda 21, the Rio Declaration and the Johannesburg Plan of Implementation.**

Rationale

18. SCP patterns are key driving forces in achieving a just transition to green economies worldwide in a context of sustainable development and poverty eradication, and in promoting competitive, inclusive economies delivering full and productive employment and decent work for all and fostering efficient social protection systems.
19. The Johannesburg Plan of Implementation called for the development of a 10 YFP in support of regional and national initiatives to accelerate the shift towards SCP in order to promote social and economic development within the carrying capacity of ecosystems.
20. Current unsustainable patterns of consumption and production put a heavy stress on ecosystems and on critical life-support systems, and impact on the quality of life and social well-being.
21. Since Rio, substantial efforts have been made by governments and major groups to promote SCP patterns in all countries, and a number of developed countries have been taking the lead in accordance with the principle of “common but differentiated responsibilities” (CBDR). All these efforts have created new economic opportunities in both developed and developing countries which can be drawn upon.

22. The 2010/2011 CSD cycle highlighted the readiness of the international community to take action to accelerate this shift and to establish this 10YFP.

Capacity development scheme

Deliverable

23. **Establish a capacity development scheme - with input from the UN system, International Financial Institutions, bilateral and multilateral donors and the private sector - to provide country-specific advice, and, where appropriate, region and sector-specific advice to all interested countries on the transformation to a green economy in the context of sustainable development and poverty eradication and to assist them in accessing available funds**
- In the spirit of the bottom-up approach, it would be up to the interested countries themselves to specify the policy areas to focus on, based on their national priorities and institutional arrangements and respecting national differences.
 - This capacity-development scheme would rely on enhanced coordination between existing structures and a more efficient, better-coordinated use of existing resources. The task of improving coordination between existing structures would be mandated to those reformed and strengthened IFSD structures decided on at Rio+20.
 - A coherent approach would be facilitated, taking into account, inter alia, the MDGs Acceleration Framework and the ongoing work on poverty-reduction strategies and national sustainable development strategies. The work on the Low Carbon Development Strategies and Plans and national strategies for mitigation and adaptation actions (NAMAs) will be an essential component of this effort. Furthermore, green economy capacity development should go hand in hand with efforts to foster good governance and anticorruption policy.
 - In order to enable interested countries to choose from a menu of possible actions and best practices, a toolbox or best-practice guide could be compiled, providing information about appropriate legal, economic and other instruments and policies designed to help all key actors accelerate the transition to a green economy. This will also enable the sharing of national and regional experience of green economy policies. Management of natural resources should build on transparency and accountability, taking into consideration people in poverty and marginalised groups.
 - An ambitious but realistic timeframe for each country seeking advice would help with implementation. For example, all interested countries should be matched to the actors most appropriate to provide the country-specific advice and should have received such advice by 20XX (date to be specified). The essential implementation steps should be completed by 20XX (date to be specified).

Rationale

24. At present, the support provided by the UN system, International Financial Institutions, bilateral and multilateral donors and the private sector is not sufficiently coordinated to effectively accelerate the worldwide transition to a green economy in the context of sustainable development and poverty eradication. A stronger, more efficient and better-integrated multilateral architecture for sustainable development is needed in order to undertake this coordination effort, in line with what Delivering As One is promoting within the UN. The scheme described above, implemented by reformed and strengthened IFSD structures, would enable the UN system to deliver coordinated, demand-driven advice effectively and thereby drive substantial change.

Research and scientific cooperation

Deliverables

25. **Establish a mechanism for international research cooperation on major sustainable development challenges.**
The mechanism would aim to provide a robust knowledge base on sustainable development issues, including the basis of measurement. It would provide regular reporting based on the latest knowledge of the scientific community. The mechanism would build on and work in synergy with existing scientific panels and bodies. Work should start by 2013. In the longer term the mechanism could promote research and innovation programmes in different sectors, jointly with the private sector and other actors.
26. **Strengthen the development and implementation of GEOSS to include sustainable development aspects**
Starting in 2013, develop a long term strategy for the second implementation phase of GEOSS (2015-2025) that would review and reinforce those elements relevant to sustainable development and create linkages across GEOSS's social benefit areas.

Rationale

27. Unprecedented levels of scientific and technological cooperation are needed to overcome the major global challenges of the 21st century. Much information is available, but it is fragmented, and there is a need for a mechanism to systematically collect and process existing knowledge into authoritative and comprehensive reports on key sustainable development and green economy issues. This knowledge should be made freely available to the scientific community and policy makers, businesses and the public at large.
28. GEOSS, Global Earth Observation System of Systems, was founded as a follow-up to Rio+10. It is an example of how research cooperation has already substantially progressed towards meeting the needs for long-term global information as a basis for decision-making. GEOSS combines national, regional and global earth observation data and infrastructures to build global datasets necessary to understand and predict the functioning of the earth systems. In the future, there is an opportunity to channel GEOSS information and data to support sustainable development decision making.

Innovative finance and subsidies

Deliverables

29. **Launch an international process to promote the role of innovative and private instruments of finance, including by highlighting their importance in areas such as climate change and biodiversity, and stress the role of the Leading Group on Innovative Financing for Development.**
30. **Ensure commitments to gradually eliminate subsidies that have considerable negative effects on the environment and are incompatible with sustainable development, complemented with measures to protect poor and vulnerable groups, inter alia by expansion of existing G20 and APEC commitments regarding the rationalization and phasing out of inefficient fossil fuel subsidies in the medium term to all UN Member States and timely implementation of the strategic goal and targets on subsidies harmful to biodiversity set out in “The Strategic Plan for Biodiversity 2011-2020” decided in Nagoya 2010.**

Rationale

31. Innovative instruments of finance are likely to play a far more prominent role in international financing for development in the near future. In December 2010 UN Resolution A/RES/65/146 was adopted; it stressed that innovative mechanisms of financing can make a positive contribution in assisting developing countries to mobilise additional resources for development on a stable, predictable and voluntary basis.
32. In the area of climate change, emissions-trading schemes or levies on international aviation and maritime transport are examples of pricing carbon emissions. The Report of the Secretary-General's High-level Advisory Group on Climate Change Financing (UN AGF) and the G-20 report on mobilizing climate finance may be flagged as a reference in this respect. In the area of biodiversity, innovative financial mechanisms also have an important role to play, as is reflected in CBD COP 10 decisions for instance.
33. A recent study by the OECD found that removing consumer subsidies for energy over the next decade would reduce global greenhouse gases emissions by over 10 per cent in 2050.

e. Proposals for actions in specific areas

Water

Deliverables

34. **Strengthen the implementation of internationally agreed goals for water and sanitation and expand commitments and initiatives addressing the following main aspects:**
 - Renewing the commitment made at the Rio+10 Conference to the development and implementation of Integrated Water Resources Management at national level and for joint management of transboundary waters.

- Continuing commitment and support to accelerate access to sanitation and safe drinking water for all (MDG7) within reasonable timeframes, as well as other water-dependent MDGs.
 - Proposing a new commitment to reduce water pollution from households, industrial and agricultural sources and promote water efficiency and the use of wastewater as a resource, particularly in expanding urban and peri-urban areas.
 - Building on international partnerships on water and sanitation (such as the EU water initiative) and reinforcing the involvement of economic actors as well as participation of stakeholders, including people in poverty, marginalized groups and in particular women, who play a central role in water management at local level.
 - Scaling up investments and developing innovative financing mechanisms in the areas of water resources and ecosystems, sanitation infrastructure, water policy reform, prevention of water-related risks due to global changes, and the uptake of relevant new technologies to improve resource efficiency.
35. **Promote international initiatives and partnerships to better address the "water/energy/food security nexus", involving economic actors and promoting appropriate goals and concrete initiatives to foster action. This could create synergies with other initiatives such as the "Sustainable Energy for all" initiative or the "Global Soil Partnership".**

Rationale

36. By 2030, in a business-as-usual scenario, humanity's demand for water could outstrip supply by as much as 40 percent. This could cause increasing public health costs and could hinder economic development, lead to social and geopolitical tensions and cause lasting environmental damage. The world lags seriously behind in meeting the MDG target for sanitation. Water and sanitation are also closely linked to all other MDGs especially in poverty and hunger reduction and access to energy and health, all of which require water and the development of the water sector.
37. Pressures on natural resources are challenging the effectiveness of conventional planning and decision-making. Trying to meet demand through single-sector approaches in response to what are inherently interlinked processes limits our ability to provide basic water, food and energy services to the poorest. New approaches are needed to address inter-dependencies across the water, energy and food sectors.

Food and Agriculture

Deliverables

38. **Promote investments in food security by improving access to local and global agri-food markets for (small-scale) farmers, with special attention to women (e.g. by establishing a scheme).**
39. **Establish schemes that expand public-private partnerships and facilitate multi-stakeholder and certification initiatives to promote sustainable, climate-smart and high-productive agriculture and agri-food chains and markets.**

40. **Strengthen cooperation of International Organizations dealing with the issue of food security and support, inter alia implementation of the 2004 Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security.**
41. **Promote the implementation of the planned Voluntary Guidelines for the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security under the FAO Committee on World Security.**

Rationale

42. Today, over one billion people live in hunger and 2 billion people have a chronic lack of nutrient-rich food. The world population will grow to 9 billion people by 2050 and food consumption patterns in emerging economies are changing fast. According to the FAO, food production and productivity have to increase by about 50% or more on the existing land area. The efforts must focus on enlarging the sustainable agricultural production capacity and increasing the quality of food.
43. For the promotion of a high-production, sustainable agriculture, it is necessary that all stakeholders in the agri-food chain cooperate to improve access to local and global agri-food markets for farmers, with special attention to women. Business, primary producers, governments, traders, retailers and consumers each have different possibilities and responsibilities which need to be pooled in order to achieve sustainable agriculture and food security. Multi-stakeholder initiatives are best practices which facilitate sustainable agriculture through dialogue between the relevant stakeholders in the agri-food chain. These initiatives promote more equitable investment contracts as part of more sustainable business models. While the EU recognizes that private sector involvement and investment (by small holders as well as large entities) are essential to improve food security and support responsible investments, safeguards against undesirable social and ecological impacts of investments are also necessary.
44. It is however important to bear in mind that, according to UNEP (2009), enough food for 10 billion people is already produced. The problem is that half of this food is spoiled or thrown away as garbage. The raw material and food produced is thus harvested and consumed in an inefficient way and distributed unequally. In addition to high-production agri-food-chains it is important to give attention to more efficient and equal consumption of food and raw materials.

Sustainable energy

Deliverables

45. **Build on the Sustainable Energy for All initiative (SE4ALL) launched by the Secretary-General, including its concrete goals**
 - Provide universal access to a basic minimum level of modern energy services for both consumption and production uses by 2030.
 - Pursue the SE4ALL goal of doubling the share of renewable energy in the global energy mix by 2030 through promoting the development and use of renewable energy sources and technologies in all countries.

- Increase efforts to improve energy efficiency at all levels with a view to doubling the rate of improvement by 2030.
- Develop an accountability framework including timelines and benchmarks for progress and for tracking the provision, delivery and results of stakeholder commitments.

46. **Promote mechanisms for international dialogue and cooperation on developing and exchanging sustainable energy technologies between countries and between the public and the private sectors.**

Rationale

47. Energy services can provide crucial support to both social and economic development, thereby strongly influencing developing countries' ability to achieve the Millennium Development Goals (MDGs). For the 1.4 billion people without access to electricity and the 2.7 billion people in the world without clean cooking facilities, electrification or the availability of clean cooking fuels can reduce poverty, improve health conditions, and increase standards of living.
48. The 2030 global targets proposed under the SE4ALL Initiative are likely to form the basis of a new energy partnership between developed and developing countries. However, more discussion is needed internationally on the definition of modern energy services, as well as on the global CO2 emissions likely with such targets.
49. In this context, continued development and dissemination of sustainable energy technologies has an important role to play, while at the same time fostering synergies with international efforts and actions to combat climate change. Renewable energy and energy efficiency have the potential to contribute to social and economic development, ensure security of supply as well as to mitigate climate change and provide environmental and health benefits
50. Existing mechanisms for technology transfer that could be further developed and improved are for instance the new Technology Mechanism as decided in Cancun and IRENA.

Forestry

Deliverables

51. **Promote progress on REDD+ and FLEGT initiatives at all levels.**
52. **Promote horizontal policy frameworks as well as market instruments that effectively slow, halt and reverse deforestation and forest degradation and promote the sustainable use and management of forests, as well as their conservation and restoration. This should unleash the full potential of forests for sustainable development and improve the resilience of forest ecosystems to environmental risks and disasters.** Initiatives under this heading would address the following key issues:

- Promote public-private partnerships and strengthen dialogue and information flow between science and practice along the whole value chain. This would focus on innovation in the field of new forest-based products and responsibility for forest management that takes climate change, biodiversity and other global challenges, (such as water scarcity, poverty, hunger, and employment) into account. Step up efforts to address gaps in valuation of forest goods and services and to mainstream forest values in national policy making processes.
- Ensure transparency of value chains and markets for bio-based forest products and services through the enhanced use of certification systems and schemes for improved market access and consumer acceptance.
- Promote benefits for people through setting up legal and policy frameworks for the participation of forest rights holders groups and other stakeholders in decision- making, and in the design of benefit sharing mechanisms.

53. **Further develop the existing monitoring of the state of forests and harmonise reporting on sustainable forest management, forest function and forest condition for multipurpose usage with a focus on international reporting obligations by relevant international conventions and agreements. Support efforts of the FAO and GEOSS to strengthen and further develop remote sensing services for global forest monitoring.**

Rationale

54. Forests provide a variety of goods and services that support human well-being and poverty reduction, contribute to long-term social and economic development, and reduce environmental risks and ecological scarcities. They provide income and subsistence to hundreds of millions of people. Over 1.6 billion people depend on forest goods and services for subsistence. Sustainable Forest Management is an essential dimension of the green economy of many tropical countries, improving livelihoods and food security, eradicating poverty and strengthening the resilience of forest ecosystems. The Global Objectives on Forests, adopted at the UNFF session in 2006, should be important guiding principles in partnerships that discourage deforestation and safeguard forest ownership and user rights, especially for poor, forest-dependent communities and indigenous populations. The UNEP Green Economy Report highlights the need for further action on sustainable forest management, protected forests, payments for ecosystem services (PES and REDD+), reducing deforestation, recreation, forest certification, afforestation, agri-forestry and good governance and policy-making.

Soil and sustainable land management

Deliverables

- 55. **Enhance and foster the United Nations Convention to Combat Desertification as a global policy and monitoring framework.**
- 56. **Promote partnerships and initiatives for the safeguarding of soil resources for future generations such as the *Global Soil Partnership (GSP)* proposed by the FAO.**

57. **Promote scientific studies and initiatives aimed at raising wider awareness of the global economic benefits of healthy and productive land and soil such as the *Economics on Land Degradation (ELD) Initiative*.**

Rationale

58. The global dimension of soil degradation needs to be acknowledged internationally, because protecting, restoring and managing soils has an effect on biodiversity, forests, climate change, and thus the quality of soil can have an underlying influence on the ability to achieve MDGs targets.
59. The policy response to date in many cases has been limited to national actions, by laws on soils and national programmes and policies: the UNCCD is the only existing normative framework for soil and sustainable land management, providing those countries which are parties with a common instrument and a coordinated global response to these issues.
60. The UNCCD recognizes the needs of the most vulnerable populations and the poorest countries and can help find the tools to make land use in agriculture, energy and forestry sustainable and to achieve food security.
61. The Global Soil Partnership has the objective of addressing soil and land degradation at global level by improving global soil governance, soil data collection, validation, reporting and monitoring; establishing guidelines and indicators, and promoting targeted soil research. The ELD initiative aims to carry out a comprehensive assessment of land degradation that looks at both the costs of failing to prevent further land degradation and the economic benefits of addressing it through sustainable land management policies.

Marine Environment – oceans

Deliverables

62. **Ensure a commitment by those UN Member States that have not yet done so to become parties to UNCLOS.**
63. **Agree to launch the negotiation of a new implementing agreement under UNCLOS for the conservation and sustainable use of marine biological diversity, in particular addressing marine protected areas, environmental impact assessments and the access to and benefits of sharing genetic resources in areas beyond national jurisdiction (ABNJ).**
64. **Ensure a commitment to deliver and continue to support a more meaningful UN Regular Process for global reporting and assessment of the state of the marine environment, including socio-economic aspects.**

65. **Promote a holistic and integrated approach to the governance of oceans, seas and coasts by all States including through the development of cross-sectoral policy tools. Such an approach should include conservation and management measures and address cumulative environmental impacts, in areas within and beyond national jurisdiction, in a way that is coherent, compatible and without prejudice to the rights and obligations of all States under UNCLOS.**
66. **Develop a global action plan to combat marine litter and pollution.**
67. **Recognize the significant economic, social and environmental contribution of coral reefs to island and coastal States, including by promoting regional cooperation on the model of the Coral Triangle Initiative (CTI), and encouraging the International Coral Reef Initiative (ICRI).**

Rationale

68. Marine ecosystems are central to human well-being as a source of several important ecosystem services and the sustainable management of oceans and seas, including sustainable fisheries, is essential to achieve the goals of a "blue" economy in terms of sustainable economic growth, poverty eradication and job creation with decent working conditions. However, as economic activity increases in the oceans, pressures on coastal and marine ecosystems also increase, thus calling for an integrated, eco-system based management of human activities. An adequate prevention strategy is needed to counter the vulnerability of coastal States to the negative impacts of incidents directly related to maritime and coastal activities.
69. UNCLOS is the legal framework regulating all human activities in the oceans but some States are still not parties to this Convention. A new implementing agreement for UNCLOS is necessary to operationalize the provisions in UNCLOS with regard to the conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction, in particular questions on marine genetic resources, marine protected areas and environmental impact assessments. There is also a need to take forward the Regular Process for global reporting and assessment of the state of the marine environment, which was agreed on at the WSSD and is now being gradually implemented by the UN system. Ensuring the sustainable management of the oceans, seas and coasts requires reinforced application of an ecosystem-based approach supported by adequate tools to work across different sectoral policies affecting the oceans, seas and coasts. The increasing threats of marine pollution and litter require a global answer.
70. Coral reefs are essential to Small Island Developing States (SIDS) and several coastal countries. They provide direct economic benefits (fisheries, tourism, biodiversity), contribute to natural-disaster protection, sustainable coastal management, and are a rich and unique ecosystem, directly threatened by climate change, with high social and cultural value. Regional cooperation on the basis of the Regional Seas Convention is the relevant level for promoting best governance and mobilizing resources and commitments by State and non-State actors as shown by CTI. Created in 1994, ICRI is recognized (UNGA 2010 resolution on coral reefs) as the leading international initiative on coral reefs advocacy, uniting both developed and developing countries which are co-chairing it.

Fisheries

Deliverables

71. **Confirm existing commitments and step up all actions envisaged under paragraph 31 of the JPOI to achieve sustainable fisheries in particular the universal adoption of the UN Fish Stocks Agreement (UNFSA).** This includes: restoring and maintaining stocks at levels that can produce Maximum Sustainable Yield, ratification of the UN Fish Stocks Agreement, adoption and implementation of modern fisheries management principles such as the ecosystem and precautionary approaches as well as the need to improve scientific knowledge in order to base measures on the best available science, improved cooperation between States including through effective Regional Fisheries Management Organisations and other Regional Conventions, the reduction of fishing overcapacity and the reduction of significant adverse impacts on threatened species and vulnerable ecosystems.
72. **Eliminate illegal, unreported and unregulated (IUU) fishing by developing a common approach to combat it and by adopting and implementing effective tools including through the ratification of the FAO Agreement on Port State Measures Agreement and other relevant international agreements.**

Rationale

73. Despite targets previously agreed at Johannesburg and the adoption of measures by States and Regional Fisheries Management Bodies, the status of global fish stocks as reported by the FAO has continued to deteriorate. IUU fishing accounts for a large portion of the catch for some species and contributes to the failure of management and conservation measures. It penalises fishermen who play by the rules by giving an unfair advantage to those who ignore rules. The FAO Agreement complements the duties of flag States to ensure that their vessels do not participate in IUU fishing, and aims to block the movement of IUU-caught fish into ports and onto national and international markets. Currently, together with the EU, only three States have ratified the FAO Agreement, which requires 25 parties to the Agreement for entry into force.

Biodiversity conservation and sustainable use: Investing in natural capital for a Green Economy

Deliverables

74. **Strengthen the mainstreaming of biodiversity and ecosystem services in policies and decision-making processes at international, regional and national levels, including through promoting the valuation of biodiversity and ecosystem services in the economy and encourage investments in natural capital through appropriate incentives and policies which support a sustainable and equitable use of biological diversity and ecosystems. The aim is to protect and enhance biodiversity and ecosystem services.**

75. **Establish in this context an International Partnership amongst governments, international organisations, NGOs, financial actors and private companies to share and promote best practices relating to 'Investing in Natural Capital'**. Initiatives under this heading would address the following key issues:

- measuring natural capital (statistics and trends, indicators, research and development, valuation of ecosystem services);
- integrating physical and monetary natural capital values in accounting and reporting systems at national and international level (e.g. System of Environmental and Economic Accounting (SEEA), ecosystem accounting, economic and social progress reports, accounting and reporting rules for businesses);
- promoting incentives and policies to encourage investment in natural capital (market-based instruments and innovative financing instruments for ecosystem protection and restoration, promoting business models that integrate risks and opportunities relating to biodiversity and ecosystem services).

Rationale

76. The study on the Economics of Ecosystems and Biodiversity (TEEB) has demonstrated the strong links between the protection and enhancement of biodiversity and ecosystems on the one hand and economic opportunities and poverty alleviation on the other. Healthy ecosystems provide materials vital to rural livelihoods and increase the resilience of communities to climate change as well as to water and food insecurity. Progress in this area requires the valuation of biodiversity and ecosystem services and the integration of these values into policies, decision-making and economic processes. Currently, the value of natural capital is not fully reflected either in statistics and accounts or in markets and policies. Opportunities for investing in natural capital are not seized, even when they could provide prosperity and jobs with decent working conditions.

77. There are a number of national and international initiatives relating to the specific individual steps needed to promote investment in natural capital including TEEB and the World Bank's "Wealth Accounting and Valuation of Ecosystem Services" (WAVES). Specific activities to be undertaken under IPBES may also be of relevance in this context. A new impetus in Rio+20 would help to advance and synthesise these initiatives and promote best practices in developed and developing countries.

Chemicals

Deliverables

78. **Strengthening and building on the Strategic Approach to International Chemicals Management (SAICM), to step up efforts towards a more robust, coherent, effective and efficient international regime for chemicals throughout their lifecycle.** Taking into account increasing and shifting global production and use of chemicals as well as trade in products containing chemicals, the WSSD commitments on chemical management should be strengthened, and their implementation better monitored, in order to reflect the developing knowledge base as well as new policy approaches recognising the need for greater transparency and industry responsibility. Further international efforts should build on and strengthen the multi-sector, multi-stakeholder dimension of SAICM, and further develop and broaden ongoing efforts to increase coordination and cooperation within the chemicals and waste cluster, ensuring that hazardous substances that have been identified as being of global concern can be addressed rapidly through agreed processes. Sustainable and adequate long-term funding will be important. In this connection, the EU and its Member States will give consideration to UNEP's forthcoming proposals on financing to assist developing countries with sound chemical and waste management and seeks an integrated approach that combines nationally mainstreaming such management, including in national development strategies, involving the private sector and providing external support for the incremental costs of achieving global environmental benefits.
79. **Further develop and broaden ongoing efforts to increase synergies and coordination and cooperation within the chemicals cluster and the waste cluster.**

Rationale

80. Compared to the ambitions established at the WSSD, progress has been uneven and insufficient, making it likely that the WSSD chemicals target will be missed. Information on chemical hazards remains incomplete and scattered, and the international system fragmented.
81. Many developing countries have a chronic lack of capacity for sound management of chemicals. Unsound management of chemicals throughout their lifecycle can lead to the contamination of air, water and soil, leading to increased human exposure and associated risks to health and the ability to work and make a living. Chemical pollution also negatively affects the natural resource base which is fundamental to economic development. Chemical management is closely related to waste handling, since reuse and recycling become difficult if products contain hazardous chemicals.

Sustainable management of materials and waste

Deliverables

82. **Foster the development of policy and planning instruments enhancing resource efficiency and encouraging waste prevention, minimisation, reuse and recycling, based on the polluter-pays principle and extended producer responsibility (e.g. take-back schemes, fee systems), enabling better resource allocation and improved conditions for the poor.**

83. **Improve the quality and reliability of waste-related data and indicators for better inventories, monitoring, implementation, policy development and general access to information.**
84. **Promote public - private partnerships aiming to enhance capacity and technology for environmentally sound waste management, based on international standards, as well as to mobilize financial resources and investment, while ensuring coherence and avoiding duplication with already existing partnerships and other relevant work at international level.**

Rationale

85. Sustainable management of materials and waste is expected to generate substantial economic, environmental and social benefits, which include natural resource and energy saving, creation of new businesses and jobs, biological treatment such as digestion or compost production supporting agriculture, energy production from non-recyclable waste, reduced greenhouse gas emissions, contributions to equity and poverty eradication. Sustainable recycling requires improved information on the presence of chemicals in products during the entire life cycle in order to enable risk management and for the consumers to choose greener products and a more sustainable lifestyle. Improved health, avoidance of health costs, avoidance of water and soil contamination, and the consequent cost of alternative water supply and of soil remediation are also important benefits. Greening the waste sector implies: avoidance of waste through sustainable community practices; the eco-conception and the minimisation of waste generation through the lifecycle approach; design for recycling remanufacturing, reuse or recycling of waste into usable products, then recovery of materials and energy from non-recyclable waste; treating any remaining unusable waste in an environmentally friendly or in the least damaging way; and integrating informal waste collection and recycling into formal, better-regulated systems, following environmental guidance, labour-protection measures, as well as the recognition of women's needs and roles in "green job" creation programmes. It is essential to move towards a recycling society, that productively uses what is now discarded, through environmentally sound effective and efficient management of waste.

Sustainable urban development

Deliverables

86. **Mobilise a renewed process at local level in order to ensure that urban development is sustainable by integrating in the work of the whole UN system the agenda for sustainable urban development as well as the good practices, lessons learned and partnerships implemented by cities.**
87. **Promote an integrated and holistic approach to building sustainable cities**
88. **Support the scaling up of successful experiences as a means to achieve sustainable development and eradicate poverty globally.**

Rationale

89. It has been reported that cities accommodate more than half of the world's population and that they are experiencing rapid spatial expansion leading to the emergence of mega-cities, mega-urban regions and increasing spatial and social fragmentation, poverty and inequality. Furthermore, globalization, climate change, rising urban insecurity and crime, increasing destruction of human settlements by disasters and conflicts of natural or human origin, and rising informality within cities all pose major challenges that should be the object of renewed global attention.
90. A just transition to a green economy therefore cannot be achieved without a strong involvement of cities. They have several means of action arising from their responsibilities in the fields of urban governance, transport, city planning and social services. Cities create added value (wealth) and increase investment capacity, which is essential for changing production processes.
91. Urban governance is key for an effective response to local needs but also for solutions to social, economic and environmental concerns at the global level.
92. The setting up of partnerships between local officials and economic actors optimizes funding and makes it possible to better use the opportunities offered by the action plans to combat climate change with a view to economic development and social concerns.

III. INSTITUTIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

Introduction / background

1. Governance structures are crucial in helping to deliver sustainable development, green our economies and eradicate poverty. However, **current arrangements for Sustainable Development Governance are not effectively responding to the challenges before us.**
2. Despite the commonly recognized inter-linkages between poverty, natural resource use and ecosystem degradation, fragmentation, lack of co-ordination between UN agencies and the international financial institutions (IFIs), and silo-type responses still occur . At the same time, effective mechanisms for monitoring or ensuring implementation of agreed commitments need to be enhanced. Current governance arrangements are very complex but nevertheless often lack coherence. Over the last 4 decades, well over one hundred multilateral environmental agreements (MEAs) have been concluded and around 50 UN bodies have the environment as part of their remit. They are also resource- heavy: it was estimated by the UN Joint Inspection Unit that the cost of the International Environmental Governance (IEG) system in 2006 was \$US 1.6bn.
3. **Against this background, it is clear that governance arrangements in all three pillars of sustainable development need to be strengthened, better coordinated and made more coherent. We need to ensure that the economic, social and environmental dimensions work closely together. The Rio+20 Conference provides a unique opportunity for forward- looking IFSD discussions contributing to better implementation and greater integration of sustainable development at all levels and in all countries.**
4. The recent economic and financial crisis offers an opportunity for global collective rethinking to facilitate a transition to a green economy, including improving institutional tools to accelerate the implementation of sustainable development.
5. The EU and its Member States have identified the following **broader considerations and key functions we expect to see reflected in and performed by an improved institutional framework for sustainable development post Rio+20 and which are relevant for consideration at all levels. Improvements are needed in**
 - political leadership and direction; high-level visibility and political clout for sustainable development topics
 - coherence and co-ordination, by taking a systemic approach to interlinked issues with environment, social and economic impacts, such as food security, climate change, unemployment, social protection, competitiveness etc; and an interdisciplinary approach to policy analysis, i.e. by applying balanced and coherent assessment techniques, by ensuring that reports on cross-cutting issues are produced collaboratively and presented by institutions jointly; and through support of joint efforts in areas such as outreach and consultation,

- effectiveness and efficiency, i.e. build on existing institutions, improve synergies between existing processes, avoid duplication, eliminate unnecessary overlaps, maximize effective use of financial resources, reduce administrative burdens, avoid proliferation of sub-groups and meetings etc;
 - transparency and accountability i.e. strengthen the co-operation and communication between institutions and stakeholders.
 - participation, i.e. ensure better utilization of the expertise and resources of all stakeholders including non-state actors (from civil society and the private sector) and especially women;
 - flexibility and risk management, i.e. improved capacity for quick responsiveness and evidence-based analysis– especially in light of newly emerging issues and in periods of crisis.
 - decision-making through an efficient mix of regulatory and market-based instruments,
 - scientific evidence base through more integrated and inter-disciplinary scientific research and reports.
 - progress monitoring and review i.e. clear goals and objective setting, capacity transfer, knowledge building etc.
6. It will be important, as a general principle, that the **options that are being put forward are practical and take into account financial, structural and legal implications. New arrangements should make clear improvements upon existing arrangements, enable more efficient use of existing resources and funds, and** be able to promote work on sustainable development metrics.
7. **Implementation should be streamlined into the various options for reform**, in particular by facilitating the implementation of national and sub-national sustainable development policies and strategies through policy exchange or peer reviews to promote implementation of national strategies for sustainable development, as well as practical and action-oriented guidance and advice and capacity building by the UN System and by bilateral, and multilateral donors. The role of business and civil society in the implementation phase is key, and can be promoted by establishing partnerships and networking platforms.
8. There is a strong **functional link between IFSD** and the other theme of Rio+20 “a **Green Economy in the context of sustainable development and poverty eradication**". In addition to effective rules and regulations, and adherence to them , properly functioning global markets also need effective multilateral institutions. The strengthening of international governance structures for sustainable development will help the transition to a green economy. Long-term economic resilience is dependent on sustainable use of natural resources. We need to reflect on which UN agencies and bodies could best support, and by what means , the transition towards a green economy in the context of sustainable development and poverty eradication in compliance with the framework of UN reform.

Global Sustainable Development Governance

9. Reinforcing the architecture for sustainable development governance at **the global level will require, in particular, strengthening of and better co-ordination and coherence between the UN organizations responsible for sustainable development in order to ensure better linkages between the three pillars and to improve implementation of existing commitments. This will also require reinforcing and mainstreaming environmental issues in a balanced manner.**
10. During the preparatory process for Rio+20 a number of reform options have been suggested. These include, inter alia, reform of the United Nations General Assembly, the Economic and Social Council (ECOSOC), the Commission on Sustainable Development (CSD) and the possible establishment of a Sustainable Development Council. **The position of the EU and its Member States on all these reform options remains open and we welcome the views of others on how to best achieve an ambitious outcome for IFSD at Rio+20.** The outcome of the joint Executive Committee on Economic and Social Affairs (EC-ESA) study on IFSD will serve as an important source of information for comparing the various options, for assessing possible interrelatedness and interdependence between options and for evaluating the extent to which options would fulfil the required functions.
11. Governance aspects of the economic and social pillars of sustainable development must be taken into account as well. **There is a need to ensure strong involvement in and coherence between the activities of the International Financial Institutions,** especially the World Bank Group and the International Monetary Fund, the regional development banks, G20, and the World Trade Organization in regulating global trade.
12. **Initial/preliminary considerations by the EU and its Member States** on some of the options put forward for global sustainable development governance reforms are set out below. **These options are not mutually exclusive and could be pursued as a combination of options.**
 - As the main deliberative organ of the UN, the **UN General Assembly** provides a unique forum for multilateral discussion and political guidance at the highest level. The main aim should be to ensure that sustainable development issues are mainstreamed on its agenda, thereby effectively providing overall political direction to the implementation and review of the UN's sustainable development work. Consideration could be given to the practice of scheduling high-level meetings and thematic debates that are interactive and inclusive in nature as important tools for facilitating in-depth discussion on current issues of critical importance.

- **ECOSOC** has a pivotal role to play in ensuring coherence, coordination and implementation in the area of sustainable development through its mandate on 2 of the three pillars, high-level coordination with the UN specialized agencies, funds and programmes, its link with the Bretton Woods Institutions and its oversight role vis-à-vis the functional commissions. Different options could be considered for strengthening the way it performs this function, including:
 - Using the coordination segment of ECOSOC as an effective way of strengthening integration, monitoring implementation of decisions/resolutions on sustainable development, including those coming from its functional commissions, as well as fostering coherence and coordination across the UN system. The ECOSOC Spring meetings “Special high-level meeting of ECOSOC with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development” provides an opportunity to build upon for strengthening the link with the Financial Institutions and the UN System Chief Executives Board for Coordination (CEB);
 - Using the ECOSOC operational activities segment to promote mainstreaming of decisions/resolutions on sustainable development into programmes of UN agencies and funds which would translate into concrete actions on the ground;
 - A possible revision of the roles and division of responsibilities of the ECOSOC and the CSD as regards sustainable development.

- 20 years after the **Commission for Sustainable Development (CSD)** was created, there is broad agreement that the role of the CSD needs to be reviewed. As it stands, CSD no longer delivers a satisfactory dialogue with the governing bodies of implementing entities, is unable to support the incorporation of decisions into UN country-level assistance frameworks, and lacks the authority for an effective integration of the three pillars of sustainable development. Different scenarios could be considered for improving the effectiveness, efficiency and flexibility of activities currently performed by the CSD, including:
 - Enhancing and strengthening the CSD by endowing it with a sharper, more focused, balanced and responsive engagement with a more limited set of issues, resulting in a more strategic and manageable approach, as well as an enhanced implementation of its decisions.
 - Reorienting its role by focusing on the part of its mandate in support of sustainable development partnerships and dialogue and removing its ‘negotiation’ function
 - Enhancing the review dimension of the CSD by facilitating voluntary peer review mechanisms for progress monitoring using best practice and/or establishing linkages with regional level peer review mechanisms.
 - Abolishing the CSD, and transferring those functions that should be continued to another organ within the UN system.

The **establishment of a Sustainable Development Council under the UNGA** has been highlighted as a way to improve the UN's work on Sustainable Development. The key function of such a body could be to improve visibility of Sustainable Development topics. However, considerations about the possible establishment of a Sustainable Development Council must avoid any concrete or potential overlap in the functions and mandates of existing organizations.

- A **Special Envoy or Representative** could be the high-level voice and advocate for sustainable development with various policy makers at the national level and could promote an integrated approach in the UN system and at country level.
13. Another key aspect of a improved IFSD pertains to **interagency improvements**. Policy coordination needs to be strengthened and the coordinating mechanisms such as the CEB, the UN Development Group (UNDG), the Environmental Management Group (EMG) and others made more effective in support of sustainable development. In order to strengthen the integration of environmental issues into the activities of the various UN organs, the EMG should become more closely linked to the CEB. This could be ensured by, for example, integrating it into the CEB. In order to enhance ownership of the EMG, a rotating chairmanship could be considered.
 14. Fragmented support from the international system for national-level implementation should be avoided. UN Country Teams need to improve their support for sustainable development implementation at the national level. The delivery of services needs to become more efficient and effective. Lessons learned from the “**System Wide Coherence**” exercise and “**Delivering as One (DaO)**” as well as from cross-sectoral approaches such as the “**Poverty and Environment Initiative**” and **UNAIDS** can provide valuable input for the discussions on IFSD. In this regard, the EU looks forward to the results of the independent evaluation of the “delivering as one” pilots, to be presented in May 2012. The DaO model could be further developed to help strengthen sustainable development at the national level. Organizations engaged in practical implementation, as well as governments where the UN is present on the ground, are encouraged to come forward with and articulate observations that may advance the discussions on the IFSD.

International Environmental Governance (IEG)

15. Reinforcing the architecture for sustainable development governance at **the global level will also make it necessary to reinforce the environmental pillar in a balanced manner.**

16. **Strengthening of IEG forms a crucial part of the strengthening of overall sustainable development governance.** The EU has been a keen supporter of the growing consensus for strengthening the environmental pillar and supports the overall conclusions on system-wide responses for strengthening IEG as debated within UNEP, including:
 1. Science-policy interface
 2. System-wide strategy for the environment,
 3. Synergies between compatible MEAs
 4. Global environmental policy making and finance
 5. System-wide capacity building framework for the environment
 6. Strategic engagement at the regional level.
17. Setting up system-wide responses would also entail creating activities that span all three dimensions of sustainable development and would thus ground IEG within the wider IFSD architecture.
18. **The EU and its Member States actively support the incremental improvements of IEG that were identified in the Nairobi-Helsinki process and consider that they should be rigorously implemented. Our views are set out more fully in paragraph 19. Furthermore, the EU and its Member States are convinced that, at the same time, more ambitious and broader reform is necessary to respond to the fundamental problems of the current system. A key outcome of Rio+20 should therefore include the upgrading of UNEP into a Specialized Agency for the Environment as part of the reform of IFSD, and our detailed views on this are set out in paragraph 20 below.**
19. With regard to **synergies among compatible MEAs**, the EU and its Member States believe that the work on streamlining and reinforcing the MEA system needs to be accelerated. While respecting the autonomy of different MEAs, there is much scope for making their administration more effective through inter alia, coordination, cooperation and avoidance of duplication – thus creating a better platform for securing coherent and focused political oversight and leadership, thereby freeing up resources for better implementation and for promoting favourable conditions for green growth. Such synergies could include cooperation and coherence with regard to financial aspects. If the political will exists among Parties, the MEA system can be streamlined and reinforced. Rio+20 may provide the momentum for all of us to commit to and kick-start such reforms and strengthened synergies between MEA's, for example:
 - The EU and its Member States welcome the work already undertaken to improve the co-operation and co-ordination between the **chemicals and waste cluster** and consider that more work in this area could be undertaken for, e.g., significant steps towards further advancing cooperation and coordination between new and existing instruments within the chemicals and waste cluster, where a future proof governance structure and an integrated approach to financing options need to be key components.

- We also welcome further efforts for enhancing synergies between the **biodiversity-related Conventions**, international and regional agreements and other relevant bodies, which, without prejudice to their specific objectives or mandates, and with a view to, inter alia, considering joint activities and identifying areas for Party-driven collaboration regarding biodiversity, climate change, land degradation and ecosystem based approaches, would support the transition to a green economy.
 - We also note the need to strengthen **coordination between the three ‘Rio Conventions’** (the UN Framework Convention on Climate Change, the UN Convention on Biological Diversity, and the UN Convention to Combat Desertification) and promote joint activities for Party-driven collaboration on ecosystem -based "win-win-win" solutions.
20. The EU has over the years developed its thinking on **IEG**. The 2005 Council Conclusions from EU Heads of State and Government support *‘the establishment of a UN agency for the environment, based on UNEP, with a revised and strengthened mandate, supported by stable, adequate and predictable financial contributions and operating on an equal footing with other UN specialized agencies. This agency, based in Nairobi, would make it possible to develop the environmental dimension of sustainable development in an integrated and consistent manner, and would cooperate closely with multilateral agencies, each using its comparative advantages to best effect.’*
21. **The EU view of a UN Specialised Agency for the environment is as follows:**
Pursuant to Articles 57 and 63 of the UN charter, a Specialised Agency of the UN (a “World Environment Organisation or “United Nations Environment Organisation”) would be established as the global body for the environment with its seat in Nairobi. It would be based on the models of some of the existing, medium-sized UN specialised agencies such as the International Labour Organization (ILO), the World Meteorological Organization (WMO), or the World Intellectual Property Organization (WIPO).

General objective

It would be recognized as the leader on matters relevant to the environment and would perform a coordination function with regard to other UN bodies. It would represent "the UN voice for the Environment", and be a designated body with a strong mandate so that the UN response to the outstanding issues in the area of environment reflects the size of the challenges.

The added value of a Specialised Agency over an enhanced UNEP would be:

- an adequate position within the UN system to fulfil the tasks that governments have, in 1972, entrusted to a body too low in the UN family to exert its influence;.
- better positioning to help developing countries reinforce capacity and environmental policies.

Mandate and key functions of the Specialized Agency

The Specialised Agency would:

- Be the designated agency of the United Nations system on environmental issues.
- Have a clear policy advice and guidance function as well as authority on assessment and early warning on the global environment.
- Build strong links between science, policy and decision-making to support evidence-based and coherent decision-making inside and outside the UN.

- Offer specific capacity building and technical assistance to countries to assist in the process of implementing international environmental norms, standards, guidelines, or guidance. It would respect the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, and be in line with the System-Wide Coherence and "Delivering as One" initiatives. It would also have to fully respect the Bali Strategic Plan (amended as necessary to take into consideration the establishment of the Agency). This country support will pass via its regional centres not own -country offices, and also through close institutional links with other UN bodies that would make it possible to work through existing institutions in their efforts to achieve compliance and enforcement of environmental law, taking into account the specific needs of developing countries. Although not a resident agency, an Agency would support UN Country Teams when developing the UN Country Assessments and Development Assistance Frameworks.
- Promote the coherent implementation of the environmental dimension of sustainable development within the UN system by building on efficient coordination mechanisms within UN system, such as the strengthened EMG.
- Identify and bring new and emerging global environmental issues to the political agenda so as to be responsive to challenges as they arise. For example, it is not enough to focus international action solely on climate change-related issues: swift responses are also needed to problems such as loss of biodiversity, land degradation and sound chemical and waste management, management of natural resources or disaster -risk reduction.
- Develop global, regional and thematic environmental outlooks and contribute to environmental outlooks at the country level to support the transformation of economies from the perspective of a sustainable development.
- Disseminate environmental information worldwide, raise awareness and mobilize public opinion on critical environmental issues. Achieve strong and visible dialogue/advocacy on environmental issues involving major companies and the business world at large.
- Give guidance for better environmental performance by integrating normative environmental policy into UN operational activities. In this context, provide regional level technical and technological support to focal-points pursuant to MEAs.
- Undertake efforts to improve efficiency and effectiveness of MEAs at national, regional and international levels.
- Enhance synergies among existing MEAs where this is feasible and desirable, as one way of making implementation more efficient and effective. Contribute to ensuring that any new MEAs are truly synergistic and future- proof instruments. Facilitate the creation of synergies between the MEAs and other relevant international treaties.
- Provide support to MEA secretariats in technical, logistical and programmatic areas in a synergetic way. A well-resourced and fully -equipped "environment house" should be able to provide the professional services that Parties need to efficiently implement MEAs.
- Have a role in enhancing coherence and political oversight of global environmental finance.

- Ensure an open political decision-making process and enhance transparency through the involvement of civil society and the private sector. Similarly, the matter of giving citizens a more powerful voice at global level should be addressed: reinforced governance structures are needed to make sure that the voice of citizens is heard in international, national and local decision-making. There are several ways to enable broad, innovative participation on the part of the various stakeholders, and to move beyond the current model where civil society has limited, unsatisfactory opportunities to participate.

Funding

- Its funding basis needs to be “adequate, predictable, and stable”. The Agency could therefore work inter alia with assessed contributions as one of its funding sources
- The widening of the funding basis to include other sources is essential.
- No new funding structures would be set up as part of the creation of such an Agency.
- The agency would play a role in the necessary efforts to dovetail financial streams for the environment, including the GEF. It would continue to fulfil UNEP's existing mandate to provide policy guidance, and cooperate with the COPs of the Conventions which are the competent bodies for the financial mechanisms of the Conventions. This will be part of a better realignment of the multilateral policy-making and the international funding mechanisms.
- The Agency would be created through the transformation or upgrading of UNEP - so cost evolution can be followed and controlled gradually.
- The Agency would moreover provide cost savings if the administrative and financial functions for both some of the MEAs and the Agency are successfully streamlined.

Relation with the MEAs

- Resolving in a mutually supportive and balanced way the relationship between the Specialised Agency and the MEAs is central to resolving the issue of the creation of an Agency.
- The Agency would provide guidance and cooperate in this respect with the COPs of the Conventions.
- The legal autonomy of the conventions would be fully respected.
- Formulas would be worked out, without creating new structures, to closely associate MEAs with the Agency, their high-level presence at the decision making bodies being one example.

Multilevel SD governance: the role of regional, national, subnational and local authorities

22. The strengthening of IFSD needs to be addressed across **multiple levels of governance. Regional, national, sub-national and local-level institutions** are at the forefront when it comes to dealing with the challenges and opportunities related to the implementation of sustainable development. **Promoting effective institutions and appropriate framework conditions at these levels should be recognized as an indispensable complement to efforts aimed at strengthening IFSD at global level.** Taking into account lessons learned, proposals should build further on the valuable work that is already taking place, notably with regard to the implementation of sustainable development policies and strategies (National Sustainable Development Strategies (NSDS)), Poverty Reduction Strategies (PRS), Local Agenda 21), the work of local governments and the work of intersectoral coordination structures.

23. **Regional cooperation and South-South cooperation** is a powerful tool for bridging the gap between the global and national levels of sustainable development decision-making and implementation. UN regional commissions have a role to play in facilitating technical assistance, regional coordination, mobilizing financing and implementation.
24. Overarching **sustainable development strategies** are key instruments for the implementation of sustainable development commitments at regional, national or sub-national level. Rio should provide incentives to countries or regions which already have such strategies in place for updating the existing strategies and ensuring that all relevant line ministries and stakeholders are involved in this process. Countries without national sustainable development strategies or poverty reduction strategies in place could be provided with the supportive measures (including mechanisms to secure public and private funding) necessary for developing and implementing the strategies that will allow them to tackle in a holistic manner the complex and interrelated economic, financial, environmental, climate and social crises and challenges.

The role of non-state actors

25. One of the fundamental prerequisites for the achievement of sustainable development is **broad public participation** in decision-making. The IFSD package, therefore, should include measures that encourage and facilitate an active and meaningful involvement of **all major groups and stakeholders** as central actors in both policy development and implementation. Possible measures could include:
 - The promotion of dynamic **partnerships** and flexible alliances aimed at ensuring an efficient and effective participation of major groups and stakeholders, acknowledging in particular the role of business and the private sector, non-governmental organizations and trade unions.
 - Promoting and strengthening **national Sustainable Development Councils** (as set out in Agenda 21) composed of stakeholders from the different major groups that are active in pushing forward the sustainable development agenda. Integrative and trans-disciplinary in nature, Sustainable Development Councils can be seen as a model for efficient and effective multi-stakeholder involvement.
 26. Similarly, reinforced governance structures are needed to make sure that the voice of **citizens** is heard in international, national and local decision -making.
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