

**PUBLIC CONSULTATION ON THE EU POSITION FOR THE 2012
UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT**

**DRAFT RESPONSE FROM CBSS EXPERT GROUP ON SUSTAINABLE
DEVELOPMENT – BALTIC 21**

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Do you agree to the listing of the name of your organisation in the report that the Commission will draw up on the results of this public consultation? (Tick the appropriate box)

YES

NO

INTRODUCTION

At the end of 2009, the United Nations General Assembly decided to organise a United Nations Conference on Sustainable Development at the highest possible level, to take place in 2012¹. This Summit ("UNCSD") should be seen in the context of related previous UN summits, in Stockholm (1972), Rio de Janeiro (1992) and Johannesburg (2002).

The aim of the Summit will be to secure renewed political commitment for sustainable development, by assessing progress to date, identifying remaining gaps in the implementation of past commitments and addressing new and emerging challenges. The Summit's focus will be on two major, intertwined themes: "a green economy in the context of sustainable development and poverty eradication" and "the institutional framework for sustainable development".

The EU has a strong interest in both UNCSD themes. As part of its key 2020 objectives, the EU wants to move towards a sustainable, resource-efficient and low-carbon economy and the Summit offers an opportunity to pursue this objective at global level. UNCSD also offers a platform to move forward the EU's long-standing agenda to improve global governance.

The Commission will publish, towards the middle of 2011, a Communication containing the proposed EU position for the Summit. This Communication will be the basis for discussions with the other EU Institutions, to arrive at an agreed EU position.

This public consultation serves to provide the Commission with initial views from stakeholders. These views will be taken into account in the Communication on the EU position and in subsequent discussions with the other EU Institutions.

In this connection please note that the European Economic and Social Committee will be organising an all-day hearing for civil society participants on 23 March. For further information see: <http://www.eesc.europa.eu/?i=portal.en.sdo-events> .

For further details about the UNCSD preparatory process, including official statements, background material, etc. please see: <http://www.uncsd2012.org/>

A. PROGRESS AND REMAINING CHALLENGES

Introduction

UNCSD aims to review the implementation of outcomes of past summits on sustainable development and to identify remaining and new challenges.

Following publication of the groundbreaking report of the World Commission on Environment and Development in 1987, the UN held a Conference on Environment and

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United Nations General Assembly Resolution 64/236

Development (UNCED or 'Earth Summit') in Rio de Janeiro in June 1992. The Summit endorsed an understanding of “development” that supports socio-economic progress while at the same time preventing the continued deterioration of the environment. It also laid the foundation for a global partnership between developing and industrialized countries to help the former implement the sustainable development model.

Ten years later, at the August 2002 World Summit on Sustainable Development in Johannesburg, governments reviewed progress in implementing the commitments made at Rio. While progress had been made since 1992, the review also showed dissatisfaction at the actual rate of implementation and it expressed concern about the continuing deterioration of the global environment. The Johannesburg Summit reconfirmed a commitment to sustainable development, underscored the importance of multilateralism and emphasized the need for implementation.

The past two decades have thus shown a mixed picture. On the one hand, the twenty years since Rio have witnessed a number of positive trends, most notably in terms of income growth, access to education, and improved access to healthcare and drinking water. In addition, important steps have already been taken by countries, regions and at global level, creating institutions, introducing far-reaching legislation and investing considerable public and private resources to tackle environmental problems.

At the same time, however, considerable implementation gaps and challenges remain. Around 1.4 billion people still live in extreme poverty and one sixth of the world’s population is undernourished. Many environmental challenges have not been solved and have actually become more acute. The overall footprint of the developed – and increasingly also emerging – economies on the rest of the world through resource depletion and related environmental impacts, remains unsustainably high. Existing international environmental governance structures are fragmented, weak and too slow in delivering the necessary results.

Predicted future socio-economic trends will not make it easier to address these challenges. In a business-as-usual scenario, further economic growth, the bulk of which will take place in emerging economies, will continue to lift people out of poverty, but will at the same time increase the use of natural resources and environmental degradation.

Questions

- 1. What do you consider to have been the main achievements of past Sustainable Development Summits (Rio 1992, Johannesburg 2002)? What are the remaining challenges? What concrete lessons can be learned from these previous Summits, e.g. in terms of "do's and don'ts"?**

From the perspective of CBSS and its Expert Group on Sustainable Development – Baltic 21, here after called Baltic 21, the following main achievements can be noted as regards to Rio Summit in 1992:

- High-level recognition of sustainable development throughout the world.

- Agreement on two legally binding instruments on biological diversity (UNCBD) and climate change (UNFCCC).

- Clear sector agenda with a road map towards sustainability, Agenda 21.

- Strong emphasis on multi-stakeholder involvement, in particular at the local level through local Agenda 21 processes in many parts of the world.

As regards to the Johannesburg Conference in 2002, focus shifted from a strong sector approach to sustainable development toward a more cross-sectoral approach and emphasis on the integration of sustainable development into other globally important issues such as globalisation, poverty alleviation, financing for development and trade. Sustainability involves a holistic, integrated approach; interrelationships and interdependencies must be ascertained, described, and borne in mind in order to identify long-term and stable solutions for existing challenges. Some of the highlights regarding the achievement of the Johannesburg conference in 2002:

- Partnerships for sustainable development. Currently, 300 voluntary partnerships are registered as a result of the Johannesburg conference.

- Agreement on target of safe drinking water and safe sanitation.

- Many developing countries taking an active part in the Conference, well attended conference with strong delegations from African countries.

In terms of Do's and Don'ts Baltic 21 would like to emphasise the need for stronger sub-regional processes leading up to the Summits. Sub-regional structures, such as Baltic 21, should be used as a way to collect good practices and policy recommendation. Exchange between sub-regional networks within EU and beyond could be facilitated by the EU Commission as a means to safeguard both governmental and non-governmental involvement in the preparations for global summits.

2. To what extent have EU policies contributed to global sustainable development? What have been the EU's main achievements in this respect and what are the major remaining challenges?

Baltic 21 would not be in a position to answer as regards to global sustainable development but would like to limit its response to contribution to sustainable development in the Baltic Sea Region.

A majority of the members of Baltic 21 are also members of EU and it is clear that EU policies have impacted these countries in a very direct way. As regards to achievements policies and strategies such as EU Strategy on Sustainable Development, EU 2020, EU Strategy for the Baltic Sea Region or the EU Innovation Flagship initiative have all emphasised sustainability and therefore had a positive impact on

sustainability work in the region and in particular those members of EU. On a more practical level for Baltic 21 the EU funding programmes in particular EU Baltic Sea Region Programme 2007-2013 has been instrumental for funding of Baltic 21 Lighthouse projects. These projects are our most visible and concrete way to demonstrate sustainable development in practice. Since the funding programme has put great focus on sustainable development 7 out of 8 of our on-going Lighthouse projects receives funding partly from this programme. Together these projects have mobilized more than 15 million € and involve more than 200 partners to promote sustainable development ranging from topics such as eco-innovations, education for sustainable development, promoting sustainable bio-energy, adapting to climate change and urban-rural linkages.

Challenges still remain in that some EU policies and strategies are conflicting to overall sustainability objectives, such as the Common Fisheries Policy and Common Agriculture Policy that both contributes to over fishing and eutrophication of the Baltic Sea.

3. What new developments and trends should be taken into account in an updated sustainable development agenda in the context of UNCSA (for instance globalisation, the economic and financial crisis, the increased demands for food and energy, the emergence of new economic and political powers and a changing geopolitical balance etc.)?

From the Baltic 21 perspectives some of the unsustainable trends to tackle include better strategies to adapt to climate change, how to prepare and handle increased natural disasters, demographic changes such as increased migration and aging populations. Baltic 21 would also like to stress the importance to work closer with private sector and in particular with SMEs to take greater responsibility for sustainable development through corporate social responsibility, green public procurement and promotion of eco-innovations and green entrepreneurship. Moreover, on the more social side issues of sustainable lifestyles, particularly among youth as well as education for sustainable development should be taking into account when updating the sustainable development agenda in the context of UNCSA and other sustainable development processes around the world.

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

Introduction

"Green economy in the context of sustainable development and poverty eradication" is the first main theme that UNCSA will focus on. The choice for this theme reflects the growing awareness around the globe that to respond to the major challenges that the world faces today current economic models need changing. What is needed is an economy that while securing development and growth, also improves human well-being, provides decent jobs,

tackles persistent poverty and prevents significant environmental degradation and risks (e.g. biodiversity loss, climate change, exposure to hazardous substances) and unsustainable use of natural resources.)

Such a green economy demands, among other things, that future growth be pursued on the basis of a more efficient use of (limited) natural capital and reliance on new, cleaner sources of growth. Green economy is an essential stepping stone towards eradicating poverty and achieving sustainable development. Development towards a green economy would be accelerated by the coordinated use of a number of instruments, fiscal, economic, regulatory and others.

The EU itself is already taking concrete steps towards a greener economy. One of the key objectives of the *EU 2020 strategy*² is to move towards sustainable growth, by promoting a greener, more resource-efficient and low-carbon economy. The Strategy puts forward the "Resource efficient Europe" flagship initiative whose aim is inter alia to help decouple economic growth from the use of resources, increase the use of renewable energy sources, modernise transport systems and promote energy efficiency.

UNCSO can play a key role in recognising the importance of greening the economy as an appropriate response strategy to the seemingly conflicting demands for economic growth and development, providing more and better jobs and preserving a healthy environment. In addition, it can be used as a platform to promote and agree at global level on the use of a number of policies and instruments to further the greening of the economy.

Questions

- 4. Which specific action or policy measure under the heading of green economy holds the biggest potential for concrete and measurable results? Which elements should be emphasised to maximise the contribution of a green economy to poverty eradication? Which aspects should be brought to the fore in relation to job creation and swift transitions in the labour markets?**

From the perspectives of Baltic 21 and the CBSS Strategy on Sustainable Development 2010-2015 the most important elements for green economy are:

- Eco-innovation and sustainable production by SMEs - Green Entrepreneurship**
- Green Public Procurement**
- Corporate Social Responsibility**

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See for more details: http://ec.europa.eu/europe2020/index_en.htm

- Public-Private Partnerships for sustainable development

All of these elements should also include aspects of transfer of knowledge, capacity building and education as well as emphasis on women and gender balance.

Greening the economy requires policy reform at all levels, both within countries and globally. Prices will have to include environmental and other external costs if they are to steer public and private investment in the right direction. To achieve this, several initiatives can be taken involving a mix of regulatory, market-based, financial and/or information tools. Furthermore, investments in education and training are necessary to ensure appropriate skills in the green economy, and adequate support to the workforce is needed in order to secure swift transitions in the labour markets. Also, barriers that stand in the way of a green economy need to be removed. In addition, schemes and indicators to measure progress towards a green economy need to be introduced.

5. What should be the concrete deliverables of UNCSD. (e.g. legally binding agreements on specific issues; the use of taxes and tradable permits; performance-based subsidies; labelling schemes etc) and areas (e.g. reducing environmentally-harmful subsidies, beyond GDP schemes etc)? Which specific commitments, objectives and time bound targets should be adopted in relation to them? In addition, what type of deliverables would you suggest to ensure socially just transitions to the green economy?

Baltic 21 are in favour of concrete deliverables. However, there is no agreement on whether these deliverables should be legally binding nor time bound. Again as regards to areas where concrete deliverables should be agreed upon in order to ensure transition to green economy, Baltic 21 would highlight the following areas:

- Eco-innovation and sustainable production by SMEs - Green Entrepreneurship**
- Green Public Procurement**
- Corporate Social Responsibility**
- Public-Private Partnerships for sustainable development**
- Education for sustainable development on green economy (universities and further education)**

In addition to cross cutting legislation or economic instruments, greening the economy may require a focus on particular *sectors* too. The 2002 Johannesburg launched two EU-backed initiatives in the areas of water and energy. Ten years on from Johannesburg it would be an appropriate time to consider whether renewing or revising these initiatives is appropriate. Other sectors that may be considered in the green economy context are agriculture, chemicals, forests, soils, marine, food, etc.

6. Should UNCSO launch new sector-specific initiatives? If so, in which sectors should efforts be concentrated and what should be proposed concretely?

More important than sector-specific initiatives, Baltic 21 believes that sub-regional cooperation and knowledge exchange on sustainable development needs to be enhanced. While sustainability is our long-term goal globally, sub-regions experiences very different challenges to sustainable development. Strengthening sub-regional cooperation can help mobilize support to for instance to the transition to green economy. The Road Map towards Green Economy in the Baltic Sea Region may look very different to other parts of the world since challenges and opportunities differ. Baltic 21 believes it is important to strengthen existing sub-regional platforms for cooperation rather than launching new sector-specific initiatives.

Public, private and public-private investments will be crucial in determining whether economies remain locked-into traditional growth paths, or whether they can embark on a low-resource growth trajectory. It would therefore seem important for UNCSO to pay attention to the way financial resources are invested in the world's economy. In developing countries, "Official Development Assistance" is part of that picture (as it can for instance be used to invest in resource efficient technologies and practices for instance in energy production, agriculture, or water management).

7. What should be the contribution of public money, in particular Official Development Assistance, to progress towards a green economy?

From the perspective of Baltic 21, we do not work with ODA. However, in terms of public money such as those made available by EU in its transnational funding programmes Baltic 21 would like to see clearer focus on cross-sectoral issues that aim at integration of sustainability, urban-rural interactions, integrated natural resource management, renewable energy, sustainable tourism and education for sustainable development. It will also be important to match the public money with private investments so increased focus should be put on strengthening public-private partnerships towards sustainability. However, in the current EU Baltic Sea Region Programme 2007-2013 private entities can not participate in projects directly themselves due to funding rules.

Because of its nature and volume, increasing attention should also be paid to *private* investment and *public-private* investment. UNCSO might play a role in creating stable, positive investment conditions, amongst others by pursuing a regulatory environment conducive to investment in a green economy and by proposing innovative financing schemes.

8. How can the Summit promote a positive role of private and public-private investment, e.g. through innovative financing schemes?

Positive change often comes about through sharing good examples, Baltic 21 would welcome that in the process leading up to the Summit good examples of private and

public-private investments towards sustainable development is shared but also lessons are learned from examples where PPP have been neither financially viable nor sustainable. Possibilities to get financing for innovative and sustainable cooperation between public and private actors is important and shall be seen as a complementary initiative to public investments and should always be emphasis sustainability.

9. Would there be merit in UNCSO promoting or reinforcing specific actions by the private sector, taking account of existing initiatives such as the "Global Compact"? What form should such commitments take?

From the Baltic 21 perspective, Corporate Social Responsibility and Green Public Procurement are tools to push private sector in a more sustainable direction. As regards to CSR Baltic 21 would like to stress the importance to facilitate and guide SMEs to take a greater responsibility. Larger multi-national companies involved in Global Compact already are quite far. However, there is a lack of understanding of CSR in SMEs. Sharing good practices and raising consumer awareness can be powerful tools in this regard. The new ISO Standard 26000 should be promoted.

10. What other elements should the EU consider in its position on green economy for UNCSO?

From Baltic 21 perspectives, the major element in green economy are:

Eco-innovation and sustainable production by SMEs - Green Entrepreneurship

- Green Public Procurement

- Corporate Social Responsibility

- Public-Private Partnerships on sustainable development

- Education for sustainable development on green economy (universities and further education)

These areas should from our point of view also be tackled by UNCSO.

C. INSTITUTIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

Introduction

The second theme for UNCSO is "the institutional framework for sustainable development". Both to facilitate a transition towards a greener economy and as an issue in its own right, UNCSO can help to accelerate progress in reforming governance structures.

Challenges lie in two areas. Firstly, international *environmental* governance: the system of international treaties and institutions dealing with a range of environmental topics that has emerged over the last 40 years. Secondly, governance for *sustainable development*: the international activities to steer policy comprehensively across all the component elements of sustainable development.

Questions

The current global environmental governance system has developed over the last 40 years, not least as a result of decisions taken at Rio+20's predecessor summits. A very significant number of international agreements have been concluded, steering policy making and delivering results in a wide variety of environmental and sustainable development domains. However, as a result of this long period of incremental expansion, the present international environmental governance is fragmented and weak, misses a strong central node and takes too little account of the changing balance of power in the world.

It should be possible to make efficiency gains, for instance by merging conventions by sector, by creating synergies in the area of science for policy making, or by reviewing the overall efficiency or indeed added value of institutions and treaties put in place. Reforms are being discussed in a [ministerial-level process](#) led by UNEP³ but progress is slow.

11. How should the EU pursue improvement of international environmental governance? Which areas should be targeted? Is strengthening UNEP a necessary element of stronger international environmental governance?

Baltic 21 does not have any views regarding how sustainable development should be governed at the global level. However, Baltic 21 would instead stress strong national and sub-regional cooperation as important building blocks for international environmental governance. Sustainable development is in many ways a bottom up process. Within Baltic 21 we work along a project-to-policy approach to sustainability. We build projects from a concrete idea or challenge we see in the region. The project implements a set of actions to tackle the challenges and out of these actions good practices are generated that is the basis for forming policy recommendations that can be applied in the Baltic Sea Region and beyond. These recommendations are introduced and promoted on different political levels including the EU and UN. We would like the UN Conference on Sustainable Development in 2012 to recognize the importance for sustainable development to work in this cyclical manner involving not only different

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See for more details: <http://www.unep.org/environmentalgovernance/>

stakeholders but also different levels of society from local and national through transnational and sub-regional to regional and international levels. Good international environmental governance can only be achieved if the other levels of governance are in place.

Considering sustainable development as an overarching objective of the global community, begs the question whether the current governance structures for sustainable development are sufficiently strong to steer policy decisions. At present the UN Economic and Social Council and the Commission on Sustainable Development play their respective roles in providing guidance but they are arguably under-resourced and not sufficiently effective in coordinating efforts of relevant other UN bodies.

12. Should the EU have the ambition to help create a new institution within the UN system dealing with sustainable development or, alternatively, should there be stronger coordination of existing UN bodies?

Baltic 21 sees this as a question for EU member countries to answer individually.

13. What other elements should the EU consider in its position for UNCSD on the institutional framework for sustainable development, such as enhanced stakeholder involvement, more effective financial support for governance and capacity building?

Baltic 21 would like to reiterate the need for sub-regional cooperation involving not only governments but all relevant stakeholders, including NGOs, academia, local authorities and private sector. Financial support could be given to facilitate exchange between sub-regional networks and capacity building efforts to learn from each other.

THANK YOU!
