



Distr.: General
7 January 2013

Original: English



**Governing Council
of the United Nations
Environment Programme**

Twenty-seventh session of the Governing Council/

Global Ministerial Environment Forum

Nairobi, 18-22 February 2013

Item 4 (b) of the provisional agenda*

Policy issues: emerging policy issues

Background paper for the ministerial consultations

Environmental challenges within sustainable development and the contribution of the United Nations Environment Programme to the sustainable development goals and the promotion of sustainable consumption and production

Discussion paper by the Executive Director

Summary

Delivery of sustainable development goals and their targets at the national level should be tied to providing results on such issues as poverty eradication, food and nutrition security, the empowerment of women, equity, human well-being, stable and inclusive economic performance and the reversal of environmental degradation in terms of ecosystems and resource use. The complexity, magnitude and interconnectedness of environmental change do not mean that policymakers are faced with a stark choice between either doing everything at once in the name of an integrated approach or doing nothing in the face of complexity. The ministerial round tables will discuss the ways in which the international community can build on a track record of existing global environmental goals, the Millennium Development Goals and other internationally recognized goals to feed into the preparation of sustainable development goals in the context of the United Nations post-2015 sustainable development agenda that puts people and planet first. It will examine the ways in which global environmental goals can be integrated together with social and economic goals into sustainable development goals that place people at the centre of sustainable development, identifying potential goals, targets and indicators that track over time improvement in human well-being and reduction in human vulnerability.

Governments present at the United Nations Conference on Sustainable Development (Rio+20), held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, adopted the ten-year framework of programmes on sustainable consumption and production patterns, underlining once again that making a shift to sustainable consumption and production patterns is a prerequisite for sustainable development. The ministerial round tables will identify key elements and programmes to form part of the framework. The programmes are expected to deliver effective responses to promote a shift to sustainable consumption and production patterns. The ministerial round tables will gather national and regional experience on sustainable consumption and production policies to guide the design of such programmes, and will offer ministers the opportunity to define their strategic objectives.

* UNEP/GC.27/1.

Partnerships between stakeholders are an effective way to deliver such support. The ministerial round tables will therefore secure more extensive experience and greater cooperation on developing effective partnerships to promote sustainable consumption and production across the full range of economic sectors, using a variety of policies and voluntary measures to help implement the framework and attain sustainable development.

I. Environmental challenges within sustainable development and the contribution of the United Nations Environment Programme to the sustainable development goals

1. The outcome document of the United Nations Conference on Sustainable Development (Rio+20), entitled “The future we want”, provides guidance for the development of sustainable development goals. The guidance outlined is inclusive and transparent, and calls for a process that is open to all stakeholders for agreement by the General Assembly. In the outcome document, heads of State and Government underscored that sustainable development goals should be action-oriented, concise and easy to communicate, limited in number, aspirational, global in nature and universally applicable to all countries. The goals will build on past agreements, including Agenda 21 and the Johannesburg Plan of Implementation, and will fully respect the principles of the Rio Declaration on Environment and Development. The goals should address and incorporate in a balanced way all three dimensions of sustainable development and their interlinkage. The review process for the sustainable development goals and the Millennium Development Goals should together contribute to the post-2015 development agenda. The outcome document requested the Secretary-General to ensure all necessary input and support to this work from the United Nations system.
2. This paper highlights a number of opportunities and challenges related to the preparation of a new generation of policy-relevant sustainable development goals that fully integrate environmental sustainability. The paper recognizes that goals, targets and indicators (including, where appropriate, gender-sensitive indicators), are valuable in measuring and accelerating progress on sustainable development.
3. In the 20 years since the United Nations Conference on Environment and Development in 1992, progress has been uneven. One in five people – more than one billion people globally – still lives in extreme poverty, and one in seven – or 14 per cent – is undernourished, while public health challenges, including pandemics and epidemics, remain a constant threat. Efforts to slow the rate or extent of change, including enhanced resource efficiency and mitigation measures, have resulted in moderate success, but have not succeeded in reversing adverse environmental change. According to the fifth Global Environment Outlook, the international community has made very uneven progress in achieving such goals and improving the state of the environment.
4. While ecosystems are the cornerstone of economies, their real value remains effectively invisible in national profit and loss accounts. Energy for much of the global population comes from biomass; hydropower depends on significant and regular water flow, and is affected by deforestation and siltation of catchments; and fresh water is critical for drinking, sanitation, cooking and agriculture. Overall, the global economy has quadrupled in the past 25 years, yet 60 per cent of the global major ecosystem goods and services that underpin livelihoods have been degraded or used unsustainably. Between 2000 and 2010, over 130 million hectares of forest were lost globally. Deforestation and forest degradation may produce attractive short-term returns, but the cost of annual losses of natural capital due to deforestation and degradation has been estimated at \$2 trillion to \$4.5 trillion per year.
5. The world failed to achieve Millennium Development Goal target 7.B of significantly reducing the rate of biodiversity loss by 2010. Ever more species are threatened by extinction, including almost 20 per cent of vertebrate species (comprising birds, mammals, amphibians, reptiles and fish). Expansion of agriculture is the primary reason for the loss of habitat on land, with more than 30 per cent of the Earth’s land surface now used for agricultural production. Soil erosion in conventional agricultural systems is now over three times that in systems practising conservation agriculture and over 75 times that in systems with natural vegetation. It is therefore clear that the yield gains achieved by modern conventional agriculture come with ecological costs. The threats posed by climate change include more frequent heatwaves and severe storms, shifts in rainfall patterns, rising sea levels, ocean acidification, and threats to fresh water supply, agricultural productivity and human health. The number of flood and drought disasters has risen since the 1980s, as have the total number of people affected and the level of damage.
6. The fifth Global Environment Outlook contains many examples of policies that could accelerate achievement of global environmental goals. Many national policies are based on commitments under more than 500 international treaties and other agreements that relate to the environment, of which 323 are regional and 302 date from between 1972 and the early 2000s. The fragmented international framework has also resulted in a heavy burden for many countries in terms of reporting and fulfilling their obligations.

7. Tackling the interlinkage of social, economic and environmental issues – past, present and future – is central to the defining and delivery of sustainable development goals that are policy-relevant at different levels to meet the expectations of Member States. An approach based on interlinkage is strategic to developing policy-relevant sustainable development goals, providing for verifiable action to achieve multiple results across different levels and within a given timeframe of at least 5-15 years. However, reliable trend data and information, and monitoring systems critical to defining and delivering on interlinked sustainable development goals pose an even greater challenge.

8. The complexity, magnitude and interconnectedness of environmental change do not mean that policymakers are faced with a stark choice between doing everything at once in the name of an integrated approach or doing nothing in the face of complexity. Identifying interlinkage offers opportunities for more effective responses at the national, regional and global levels.

9. Delivery of sustainable development goals and their targets at the national level should be tied to providing results on such issues as poverty eradication, food and nutrition security, the empowerment of women, equity, human well-being, stable economic performance and the reversal of environmental degradation in terms of ecosystems and resource use. The ability to implement will depend on an effective institutional framework for sustainable development at all levels – local, national, subregional, regional and global. Sustainable development goals, therefore, are central to governance goals.

10. The Secretary-General's Initial Input to the Open Working Group on Sustainable Development Goals of 12 December 2012 was based on input provided by 63 Member States to a questionnaire on sustainable development goals. The overarching priority areas of poverty eradication and sustainable management of natural resources were high on the list of many respondents. The report highlights a number of priority issues, including climate change, sustainable management of natural resources, sustainable consumption and production, employment, macro-economic stability and a more effective integration and balancing of the three dimensions of sustainable development. The report also makes reference to respondents explicitly stating that all three dimensions should be reflected within each of the sustainable development goals, with each dimension having an associated target or indicator.

II. Questions for discussion

11. Building on the Rio+20 outcomes, the post-2015 development agenda, the work of UNEP on global environmental goals and other indicators, the Millennium Development Goals and other internationally recognized development goals, what are the opportunities for ensuring that environmental sustainability is at the core of the process of developing sustainable development goals?

(a) How can UNEP contribute effectively to the United Nations post-2015 sustainable development agenda at the national, regional and international levels, ensuring that environmental sustainability is fully interlinked in the final set of sustainable development goals?

(b) How can UNEP support the creation of a decentralized networked capacity for trend data sets to monitor progress and provide visual indicators?

(c) What message can the Global Ministerial Environment Forum transmit to the co-facilitators of the General Assembly Open Working Group to ensure that environmental sustainability is fully taken into account in the deliberations on the sustainable development goals and the development of the post-2015 development agenda?

(d) What examples of putting sustainable development into practice can Member States share with participants in the round-table discussions to provide lessons learned and inspiration for the further design and implementation of both the sustainable development goals and the post-2015 development agenda?

III. Promoting sustainable consumption and production

12. Governments present at the United Nations Conference on Sustainable Development (Rio+20), held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, adopted the ten-year framework of programmes on sustainable consumption and production patterns. The framework is a global framework for action which will enhance international cooperation to accelerate the shift towards sustainable consumption and production, and the adoption of more sustainable lifestyles to achieve absolute decoupling in all countries; it will also provide capacity-building, technical and financial assistance to developing countries to support them in making that shift. Adoption of the framework constitutes a concrete operational outcome of Rio+20. The sixty-seventh session of the General Assembly recalled that the United Nations Environment Programme serves, within its current

mandate, as the secretariat of the framework; designated the Economic and Social Council as the ad interim Member State body to receive reports from the board and secretariat as elaborated in the framework; and defined the composition of the ten-member board that will guide the development of the framework, and decided to establish a ten-member board to guide the development of the framework, consisting of two members from each United Nations regional group, to be nominated for an initial two-year term no later than 31 January 2013 (A/C.2/67/L.45).

13. Projections from the 2011 Human Development Report showed that the steady rise in the Human Development Index since 1980 will level off by 2030 if resource depletion and environmental impact are not addressed (UNDP, 2011). The shift to sustainable consumption and production and resource efficiency promoted by the framework will effectively expand the resource base available for development by “doing more with less”. Gains in resource efficiency will also serve as an important economic buffer for all countries, and particularly developing countries, which are facing growing market instability and generally rising prices for many vital commodities, including food and energy.

14. Case studies on sustainable consumption and production in developing countries, set out in the recent UNEP paper entitled “Sustainable Consumption and Production for Poverty Alleviation” show significant win-win outcomes from such a shift (UNEP 2012). For example, sustainable farming practices can increase net incomes between 10 per cent and 50 per cent, reducing chemical inputs and associated costs; renewable energy production (solar and biogas) in rural areas reduces household energy expenditure, creates new jobs, and turns farm and human waste into a valuable agricultural resource; and the recycling industry in Brazil generates \$2 billion per year, adding 0.3 per cent to its GDP. The framework will stimulate, replicate and scale up such economic, social and environmental gains. National and regional initiatives, such as SWITCH Asia, the Partnership for sustainable consumption and production in Africa, and national and regional sustainable consumption and production round tables, will be instrumental in delivering such support, complementing other framework activities. Those same initiatives will also enhance local ownership of and participation in framework programmes.

IV. Programmes at the core of the ten-year framework of programmes on sustainable consumption and production patterns

15. Core framework programmes will bring together and catalyse existing initiatives and partnerships working in similar areas, combining and providing a focus for the efforts of stakeholders in key sectors. The programmes will respond to needs, priorities and circumstances at both the national and regional levels. They will address the three pillars of sustainable development, taking a life cycle approach to increasing resource efficiency and reducing pollution from production and consumption. The framework programmes will focus primarily on building the capacity of Governments, business and civil society to apply policies, management practices and voluntary measures to make the shift to sustainable consumption and production. These will include measures that enhance the dissemination and application of resource-efficient and clean technologies, so that the programmes will also contribute to the implementation of the Bali Strategic Plan on Technology Support and Capacity Building.

16. An initial open list of programmes identified for the framework builds on the experience gained through the Marrakech Process, namely (i) consumer information; (ii) sustainable lifestyles and education; (iii) sustainable public procurement (SPP); (iv) sustainable buildings and construction; and (v) sustainable tourism, including ecotourism. Significant and mature partnerships already exist between a broad range of United Nations agencies, Governments, private sector stakeholders, academics and non-governmental organizations that could contribute to, or even be central to, the framework programmes, such as the Global Partnership for Sustainable Tourism; the Sustainable Buildings and Climate Initiative; the Agri-food Task force on Sustainable Consumption and Production, a joint programme led by FAO in partnership with UNEP; and the Resource Efficient and Cleaner Production Programme, jointly managed by the United Nations Industrial Development Organization and UNEP.

17. The text of the ten-year framework includes a requirement for monitoring and evaluation of the contribution that the framework will make towards the shift to sustainable consumption and production patterns. The indicators of enhanced resource efficiency, increased productivity and reduced pollution from economic activities that are being developed for that purpose could provide important guidance and monitoring for the achievement of the planned sustainable development goals. A broad and integrated application of sustainable consumption and production indicators across the sustainable development goals could play a major role in ensuring that the establishment of sustainable consumption and production patterns, one of the prerequisites for sustainable development, is secured

through the sustainable development goals. Such indicators could also be important in the context of the post-2015 development agenda, should that also be required to help deliver sustainable development.

V. Sustainable public procurement

18. Sustainable public procurement, which forms part of the initial list of programmes identified for the framework, is emerging as a key policy instrument to support sustainable consumption and production and greener economies, contributing to the achievement of sustainable development. As public procurement represents an average of 15 per cent of GDP in the countries of the Organization for Economic Cooperation and Development and an even higher proportion in developing countries, it offers a remarkable opportunity to drive markets towards innovation and sustainability.

19. Sustainable public procurement has already transformed a number of sectors and has contributed to the growth of markets for more sustainable products, including recycled paper and sustainable timber. It has also fostered social and environmental improvements across global value chains. There are, however, a number of barriers to overcome, such as the perception that SPP is too complex and that it may increase the cost of public procurement. Other challenges include the level of cooperation needed across ministerial departments and the potential impact on small and medium-sized enterprises.

20. Following the conclusion of the Marrakech Task Force on Sustainable Public Procurement in 2011, the International Sustainable Public Procurement Initiative, launched on 18 June 2012 at Rio+20, has already gathered over 40 Governments, local authorities, business actors and civil society organizations interested in collectively promoting the supply and demand of sustainable products through SPP. The activities of the Initiative focus on accelerating uptake and improving knowledge of SPP with a view to increasing its effectiveness as an enabling tool for sustainable consumption and production and the green economy in order to overcome the barriers set out above.

21. It is clear that the private sector has a vital role to play in promoting the shift to sustainable consumption and production patterns, both as a key stakeholder and as a source of finance, technology and know-how. “The future we want” specifically calls on businesses to play their part in achieving sustainable development and sustainable consumption and production patterns, and recognizes the importance of corporate sustainability reporting in that regard. Sustainability reporting has the potential to develop a better understanding of the impact and footprint of companies and their supply chain on the environment and to strengthen their interaction with stakeholders and the community. To date, the estimated 5,000 companies which measure the sustainability impact of their operations and investment through corporate sustainability reporting represent only a small fraction of the more than 45,000 publicly traded companies and 82,000 transnational corporations in existence. The promotion by Governments of mandatory or voluntary instruments for corporate reporting and transparency can have a positive influence on corporate behaviour and promote long-term and sustainability-oriented decision-making by Governments, businesses and the investment community. A number of countries, such as the Members of the “Group of Friends of Paragraph 47”, are leading by example and providing a range of instruments intended to achieve that result. More broadly, the active participation of businesses – from large corporations to small and medium-sized enterprises – in the shift towards more sustainable consumption and production patterns has long been an integral part of many initiatives; such efforts will be upscaled and will be central to the delivery of the framework and its programmes.

22. The programmes of the ten-year framework are still in the construction phase, and the ministerial round table represents an important part of the consultative process that will develop, orient and launch them. Outputs from the round table will be used to shape actions at the national and regional levels on the design of the programmes, and to help secure the broad interministerial coordination and multi-stakeholder engagement required to make the shift to sustainable consumption and production patterns. Ministerial opinions and subsequent actions on securing the engagement, coordination and buy-in of the broadest possible range of actors will be critical factors in achieving the vision and objectives of the framework.

VI. Questions for discussion

23. Which ten-year framework programmes are most relevant to your country and what additional programmes would you like to see established?

(a) What are the most important and promising sustainable consumption and production policies and initiatives in your country or region that could be scaled up and/or replicated by further cooperation within the framework?

(b) Are the sustainable consumption and production policies and initiatives in your country integrated with national development strategies? If so, what is the added value of such integration?

(c) What are the main challenges in implementing effective sustainable public procurement at the national level in your country?

(d) What role can Governments play in supporting businesses, including small and medium enterprises, to take competitive advantage of the transformation of their production and consumption practices, including through corporate sustainability reporting? Which are the models and best practices which can be identified and followed by Governments to enhance sustainability reporting by businesses?
