GLOBAL DEAL AT RIO: NOT ONLY AN OPPORTUNITY, BUT A MUST

Several environmental and socio-economic challenges threaten the wellbeing of citizens of the globe today, which call for a structural change in the global economy.

In the past 20 years the global sustainable development process has become a unique policy making platform under the umbrella of the United Nations. Notwithstanding all the efforts made in its framework, there are several symptoms today, which warn us that we need more significant changes in the way we tackle socio-economic and environmental issues on global levels. We see worsening trends both in social and environmental fields. Since the world’s carrying capacity was exceeded, we have been accumulating ecological debt with many-decade-long payback period. This has led to the degradation of 60% of ecosystem services globally, which, however, underpin wellbeing for all. Population boom, expected to result in a population of 9 billion people within four decades further lowers the chance of stepping to the path of sustainability within the current framework and poses far bigger challenges to tackle.

These phenomena prove that we manage our common goods (natural resources and land) in an unsustainable way and we cannot share the benefits arising from these resources equitably at national, as well as global levels. This has serious consequences not only for the global ecosystems, but also for poverty eradication, international relations, security or long term economic viability. Even though these problems have been apparent for many decades, our responses failed to tackle the problems within the current socio-economic framework. As the recent report of the International Resource Panel points out, in order to tackle to resource overuse on global level and not to put further pressure on ecosystems, an absolute and radical reduction is needed. This requires new paradigms and holistic approach, since one cannot solve the problems with the same kind of thinking one used when creating them.

CEEweb’s recommendations for the Rio+20 Conference outcome

1. The urgency of the global environmental and social problems shall result in a global deal on development, which can ensure that economic activities stay within the global carrying capacity, the access to resources and land is ensured to all, and the generated benefits are shared equitably. Such a global deal shall be translated into concrete actions underpinned by strong political will, and regularly monitored with an active involvement of the civil society. A green economy roadmap shall provide a framework for these actions.

2. The actions shall bridge implementation gaps through adopting a new paradigm. For this aim the Conference shall provide an assessment why previous efforts have failed to deliver global targets on sustainable development. While it is a common objective of countries to ensure and increase human wellbeing for all on the principle of equitability, we cannot solve this aim as long as we deal with economic, social and environmental issues separately, which was a main reason of past failures. The Conference shall reveal the complex interrelations among the only seemingly independent sectoral challenges. For this aim all aspects of the DPSIR model developed by the European Environmental Agency.

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3. UNEP, 2011, Decoupling natural resource use and environmental impacts from economic growth
framework (drivers, pressures, state, impacts and responses) have to be considered within the context of these environmental and socio-economic problems. These challenges, such as growing social inequalities and the associated hunger and poverty, the financial and economic crisis and the fragility of the financial system and the economy, the environmental crisis including climate change and biodiversity loss, international disputes over trade, resource use and benefit sharing are all interrelated on the level of the cultural, institutional and structural levels of the drivers. Addressing them requires finding the most effective intervention points of the drivers, such as the regulatory framework of land and resource use, which can greatly contribute to tackling environmental, economic and social problems.

3. The assessment of the complex interrelations among environmental, social and economic issues helps redefining the concept of development globally. Societies, including economies, need to adapt to the environmental conditions and changing circumstances, which shall orient development pathways. Within a green economy current economic growth models need to be changed urgently.

4. The Rio principles and spirit, including the principle of common but differentiated responsibilities, and the precautionary principle should be the basis for the international community to strengthen cooperation and move forward on sustainable development. Actions shall be firmly based on sound science and ethics to fully take into account both environmental and social considerations.

5. Transition to a green economy requires that total environmental pressures (originating from resource use, land use and from pollution and alien genotypes) are absolutely limited and reduced to stay within the carrying capacity of the Earth. If this is not achieved, environmental degradation continues. For this aim changing the boundary conditions of the economy and more specifically reducing the resource use globally is inevitable in line with the recommendations of the International Resource Panel. This shall be realised together with ensuring equal access to resources and equitable sharing of benefits for all.

6. Reducing resource use addresses the drivers on institutional level, while radically changes production and consumption patterns and the values of people. It also balances human and machine labour and thus increases employment. It results in a structural change in the global economy, and, if properly realised, can reduce social inequalities nationally and globally.

7. Actions to address production and consumption patterns shall include an energy quota scheme. This introduces an incentive system, which can ensure the access to resources, reduce the differences in resource use and help realising resource efficiency investments for all. It can also boost research, innovation and employment in sectors that contribute to the efficient and sustainable use of resources. The four pillars an energy use quota system\(^5\) shall cover all non-renewable energy sources, and they should be applied on national and global levels:

- **Resource use quota system** introduced for countries on international level and for each individual, public and private consumer on national level. The quota system ensures the yearly reduction of all non-renewable energy resources on global level. Those, who save part of their allocated annual quotas, can sell their remaining quotas through the quota managing organization to those who have consumed more than their allocated quotas. The quota managing organization sells the quota in the national currencies, and buys the remaining quota for quota money.

- The **market for environmental goods and services** is an open market operating according to environmental and ethical rules including aspects of sustainability and market considerations. The quota money received from selling energy quotas could be exchanged to products in this ‘eco-labelled’ secondary market.

- The **Revolving Fund** provides the opportunity for everyone, both energy producers and consumers, to be able to achieve savings through energy efficiency and renewable energy investments. The Revolving Fund provides interest free loan in quota money with a payback period adjusted to the energy savings or income generation realised through the investment.

- The **Support Service** aims to provide advice on lifestyle, planning, social and environmental issues, as well as information on the functioning of the scheme to consumers.

8. The global quota scheme enables the necessary radical change in developed countries, as well as leapfrogging in developing countries. Applying the quota scheme at international level can generate funds for innovations, technology transfer and capacity building in developing countries from the trade of energy quotas.

9. Sustainable land management shall be another cornerstone of green economy as a basis of food security and agriculture, sound water management and improved resilience and disaster prevention among others. This shall also specifically consider the significant role of ecosystems (e.g. water related ecosystems (such as peatlands, lakes and marine habitats) and all forests) in climate change adaptation and mitigation due to their enormous capacity in carbon storage, and the need to make them part of national and international climate change policies. Actions to realise a green economy shall include effective measures to integrate green infrastructure in development planning.

10. Existing international governance arrangements are not up to the task in their current framework and thus cannot deliver implementation, integration and coherence among the various parts of the system. Within an improved structure increased coherence is needed among Multilateral Environmental Agreements (MEAs), intergovernmental bodies and international organizations to address sustainable resource and land use as the basis of green economy.

11. Current global governance and institutions for sustainable development need to be reformed and improved, including the upgrading of UNEP and the International Resource Panel to support its work and strengthening the Commission on Sustainable Development.

12. Regional cooperation needs to be strengthened for common policy responses, experience exchange, common projects and other means in order to realise international commitments.

13. Arrangements to improve participatory democratic governance at national and sub-national levels are essential to make global commitments work. New arrangements shall ensure that the voice of all stakeholders, including the civil society, NGOs and the private sector are heard. This also requires the active engagement and empowerment of underrepresented groups of the society such as women, youth, the unemployed and vulnerable.