



UNEP

United Nations Environment Programme

Policy Statement

by Achim Steiner

United Nations Under-Secretary-General and Executive Director of the
United Nations Environment Programme

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Editor:
Nick Nuttall

Design and Layout:
Amina Darani

Sub-Editor:
Joanna Benn

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THE IMPERATIVE TO ACT IN A DRAMATICALLY CHANGED WORLD **ROAD TO RIO 2012** 21 February 2011

Honourable Ministers, Ladies and Gentlemen,

Welcome to the 26th Session of the UNEP Governing Council/Global Ministerial Environment Forum (GC/GMEF).

Nearly 20 years on, we are again travelling the Road to Rio.

The twin themes here echo to the agenda next year in Brazil.

The Green Economy within the context of sustainable development and poverty eradication and an International Framework for Sustainable Development, including International Environment Governance (IEG).

Thus this week's meeting of the ministers responsible for the environment takes on special meaning and a special responsibility.

It is no longer a question of if we should act, or that it would even be sensible to act, we live an age of the imperative to act.

Your deliberations and decisions taken here are key – key to shaping, scripting and sharpening the issues to be considered at the numerous preparatory meetings taking place across the globe in 2011 towards the UN Conference on Sustainable Development or Rio+20.

These meetings and discussions will require intellectual and analytical engagement to ensure that when nations meet in Brazil next year, a success is registered in transformational terms rather than an endorsement of the status-quo.

That engagement will benefit from the dialogue and directions transmitted from Nairobi this week.

Rio+20 represents a real opportunity to mature and to evolve the sustainable development landscape from a 20th century of potential threats to meet a 21st century of real and all too tangible challenges – economic, environmental and social.

The decisions taken over this year and next are also likely to define in whole or in part the future of UNEP within the UN system and beyond.

In doing so, it will define not only the direction of sustainable development for many years to come, but the scope and contribution of environment ministers to sustainable development and the Millennium Development Goals (MDGs).

So this GC/GMEF – this early milestone on the Road to Rio – is no small or routine matter.

It should and must echo to the realities of the here and now and the emerging issues of today and tomorrow – firmly grounded in science, but science that is allowed to fully graduate to decisively inform and shape national and international policy choices.

In 1992, many of the sustainability challenges were still glimpsed as future concerns.

In those days it was still prudent to act in advance of likely possibilities – it was a world of the precautionary approach.

Today we live in the age of the imperative to act because so many of those scenarios have – or are fast becoming – realities.

These realities do not so much imply a failure of Rio 1992.

But they point to a need to mature and evolve the policies and institutions responsible – nationally and internationally – to keep pace with a fast changing world.

As a result we are rapidly reaching the real risk of tipping points and irreversible changes to ecosystems and life support services – services that underpin economies, employment and the possibility of life on this planet in the first place.

The policy statement looks down this Road to Rio and spotlights what is at stake, alongside the opportunities for aligning the three pillars of sustainable development into a mutually, re-enforcing whole.

In a way envisaged by the architects of Rio 1992, but also in a way that builds upon those foundations in a world where environmental change is no longer a notable or rare phenomenon.

But is a phenomenon increasingly undermining the economic and social pillars of sustainable development and making countries, communities and companies ever more vulnerable to the kinds of shocks and crises that swept the world in 2008.

A phenomenon that is perpetuating and aggravating inequalities for this generation and is likely, if unaddressed, to deepen inequity for those generations to come.

The tragic floods last year in Pakistan and Colombia, and more recently in Australia, and the heat waves in Russia are just some of the latest manifestations of a rising tide of extreme weather events that no longer impact just within national borders.

In the past, such events were seen as 'local tragedies' triggering national and international relief efforts.

Today however we can see how such events can impact both locally but also globally, affecting ever more lives by dramatically moving food markets and supply chains world-wide.

Such is our mutual inter connectedness; the increasingly fine balance between plenty and scarcity and a fundamental reliance on the environmental security or vulnerability of places and people hundreds or thousand of kilometers away.

In this policy statement I would also like to reflect on not only the prospects for Rio but on the way UNEP – with your support and leadership – has been laying the paving stones towards and up to Rio+20 in 2012.

- How part of that road is being given direction and meaning through the analysis and opportunities inherent in the Green Economy and how the determination to move along such a pathway to sustainable development could be accelerated and scaled up at Rio+20
- Provide some reflections on where we are with International Environment Governance in the context of the Rio meeting and where this debate can be evolved and matured



HIGHLIGHTS OF 2010: PAVING THE WAY TO RIO

Excellencies, Ladies and Gentlemen,

Firstly I would like to cover some of the highlights of 2010 that underline how the work programme and Medium-Term Strategy of UNEP has – at your request – responded to bridging some of the governance gaps and still unfulfilled promises made almost 20 years ago.

Gaps that relate to the way the world is managing – or mismanaging – the natural or nature-based capital whose importance to the economic and social dimensions of sustainable development have all too often been invisible in international ledgers of profit and loss.

Gaps that also point to the need to better and more intelligently manage global public goods – from the atmosphere to the oceans – and shared resources – from forests to fresh waters – in far more honest, equitable, productive and ultimately sustainable ways.

It is beyond this statement, and perhaps your time-tables Honourable Delegates, to cover all the bases.

If there are areas that perhaps are not covered, or not covered in sufficient depth, can I please refer to our new Annual Report that is a rich seam of UNEP's activities over the past year.

And our web site, which you may be pleased to know broke new records in 2010 with over 16 million visitors.

Science in Service of Policymaking – From Climate Change to Biodiversity and Ecosystems

2010 began on a muted note.

The world was struggling to grasp the implications of the UN Climate Convention meeting in Copenhagen where there was a general mood among the public and many policymakers that failure had been snatched out of the jaws of success.

Despite these less than auspicious beginnings, environment ministers and ministers responsible for climate change can rightly take credit for exercising leadership, commitment and recognizing the imperative to act 12 months later in Cancún.

This bodes well for the challenges and opportunities presented this year on the Road to Rio+20.

The Emissions Gap Report

The pledges, intentions and ambitions made by both developed and developing nations at and after the UN climate convention meeting in Copenhagen in 2009 were complex and contingent.

Will they keep a global temperature rise under 2 degrees C – or 1.5 degrees C?

UNEP in collaboration with experts from over 20 centres including Mexico's National Institute of Ecology, interrogated and documented the world's 'emission gap.'

Two conclusions, presented prior to and at Cancún, emerged:

1. Copenhagen may prove to have been more a success than some presumed. If all the pledges are fully met including on finance for developing nations, around 60 per cent of the emission reductions needed may be realized.
2. But that a significant 'emissions gap' remains: In 2020 this could be an average of 5 Gigatonnes of CO₂ equivalent – equal to the emissions from all the world's cars, trucks and other vehicles.

The UN Climate Convention meeting in Cancún got the world back on a negotiating track – no small feat after the difficulties and surprises that confronted the UN Climate Convention meeting in Copenhagen in December 2009.

Let me also take the opportunity to congratulate the government of Mexico and the new Executive Secretary of the UN Framework Convention for what they achieved.

Existing measures and policies, allied to new ones such as the Green Fund, will also assist in bridging the emissions gap and the urgent need to assist vulnerable countries adapt.

But can success be guaranteed in respect to climate change – do the current economic structures, existing enabling policies and international governance arrangements really allow us to reach our goals in full?

2010 also commenced as a year of concern in terms of biodiversity and ecosystems.

As the *Global Biodiversity Outlook-3* report confirmed not one country had met the target to substantially reverse the rate of loss of biodiversity.

Yet the year ended on a far higher note than perhaps many might have thought, with progress on several fronts including on bringing the economic 'invisibility' of nature into national accounts.

- In Busan, in the Republic of Korea governments gave the green light to the establishment of an Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)
- In Nagoya, Japan, during the Convention on Biological Diversity (CBD) COP10, governments set new and more ambitious targets for 2020 in areas from Endangered Species to Protected Areas
- Here an agreement was reached by parties to establish the Nagoya Protocol on Access and Benefit Sharing of Genetic Resources and their Fair and Equitable sharing of Benefits (ABS) after almost 20 years of debate and discussion
- The Economics of Ecosystems and Biodiversity (TEEB) partnership, hosted by UNEP, launched its synthesis report and recommendations at the Nagoya meeting too
- During the Nagoya meeting several nations including Brazil and India announced national 'nature accounting' strategies – building on the global TEEB work – with funding and technical support under a World Bank/UNEP partnership



IPBES

Calls to strengthen the bridge between science and policymaking intensified after the publication in 2005 of the Millennium Ecosystem Assessment.

In 2008 in Malaysia, UNEP facilitated the first discussions as to whether a platform such as IPBES was needed.

A second meeting was held in Nairobi culminating in a third and final meeting in the Republic of Korea in June 2010 where governments gave the green light to the establishment of an IPBES.

The 65th session of the UN General Assembly meeting in New York in December approved the decision taken in Busan.

The independent platform will in many ways mirror the Intergovernmental Panel on Climate Change (IPCC) which has assisted in catalyzing world-wide understanding and governmental action on global warming. The new body will bridge the gulf between the wealth of scientific knowledge —

documenting accelerating declines and degradation of the natural world — and the decisive government action required to reverse these damaging trends.

Its various roles will include carrying out high quality peer reviews of the wealth of science on biodiversity and ecosystem services emerging from research institutes across the globe in order to provide gold standard reports to governments.

These reports will not only cover the state, status and trends of biodiversity and ecosystems, but will also outline transformational policy options and responses to bring about real change in their fortunes.

An IPBES will achieve this in part by prioritizing, making sense of and bringing consistency to the welter of reports and assessments conducted by United Nations bodies; research centres, universities and others as they relate to biodiversity and ecosystem services.

I would like to thank the Republic of Korea for their able hosting of the UNEP-convened meeting in Busan whose decision was endorsed by the UN General Assembly in December.

Congratulations also to the Government of Japan and the Secretariat of the CBD for catalyzing such a positive series of outcomes, and to civil society for its important contribution to Nagoya's achievements.

- The GC/GMEF is the opportunity to maintain this momentum through clear guidance on preparations for the first plenary of IPBES in 2011.
- As in Cancún, governments did not walk or face away from the shortcomings or sub-optimal responses of past promises.
- There was recognition in Busan and in Nagoya of the imperative to act; a re-engagement on the issues and a conviction to set new and in some cases more ambitious aims.

TEEB — A Pioneer of the Green Economy Concept

UNEP's contribution to the biodiversity and development agenda also evolved in 2010 through its hosting of The Economics of Ecosystems and Biodiversity (TEEB) partnership — an important contribution to the Green Economy work too.

TEEB was requested by the G8+5 group of environment ministers and ministers from developing countries.

It has been supported by the European Commission and governments including Germany, Norway and the United Kingdom.

TEEB has:-

- Underlined the relevance of natural capital to economies and in particular to the 'GDP of the poor'
- Highlighted the shortcomings of our current economic models and the narrowness of existing indices of progress
- Highlighted the financial scale of 'environmental externalities' — perhaps well over \$4 trillion a year as a result of mismanagement of that natural capital.
- Illuminated the multiple roles, services and employment opportunities inherent in more intelligent management of the natural world
- Ignited world-wide interest in national assessments of the economics of ecosystems and biodiversity and their incorporation in national accounts

I am sure that the agreement on establishing IPBES and the Nagoya decisions will assist towards bridging the gaps between reality and ambition and take us further down the road from Rio 1992.

TEEB has transformed our global understanding of the value and the importance of natural capital to economic and social life – not by converting nature to a commodity, but by celebrating its richness and its value to human well-being.

And by identifying the risks we are running and the opportunities we are foregoing by sidelining nature in the big development decisions nations are taking every day.

- But can all this progress take us far enough? Can success be guaranteed in respect to not only reversing the loss of biodiversity and ecosystem services, but actually rebuilding and rehabilitating our natural, nature-based assets?

Nagoya and TEEB laid important paving stones on the way to Rio, but if the rest of our economies are pulling in the wrong direction can a sustainable management of nature achieve our full sustainable development aims?

- Again, do the current economic structures, existing enabling policies and international governance arrangements really allow us to reach our goals in full?

UNEP – A Contribution to Enhancing Environmental Governance and Cooperation

In terms of this institution, and its ability to support environment ministers and integrate environment into the wider sustainability agenda, 2010 has seen positive progress on many fronts.

This is happening through UNEP's Programme of Work (POW), based on the Medium-Term Strategy and its six thematic areas, and through evolution of UNEP's on-going reform process.

Medium-Term Strategy and Results-Based Management

As of 1 January 2010, UNEP is implementing a new results-based POW and to date 80 per cent of change management projects are completed.

- Programme and project review processes are achieving more synergy in UNEP's operations
- Projects are increasingly integrating gender concerns into their design and implementation
- UNEP's new Monitoring Policy, Programme Accountability Framework and Programme Information Management System (PIMS) are enhancing monitoring towards the achievement of measurable results
- UNEP's new Evaluation Policy has enhanced the independent nature of evaluation in order to continue improvements in areas of performance transparency and accountability
- Despite challenges, the progress and performance reports for 2010 indicate that UNEP is on track with delivering the 2010-2011 biennium results

Milestones and Highlights from 2010

Sustainable UN (SUN) and Climate Neutrality

UNEP's SUN team and the convening of the UN system through the Environment Management Group, chaired by UNEP, are directly contributing to the Secretary General's and the Chief Executive Board's decision to move the UN towards carbon neutrality.

- The first ever carbon assessment of the entire UN system was completed in time for the Copenhagen climate convention meeting
- UNEP has become a climate neutral organization since 2009 and other agencies are working on their goals and strategies
- A 'greening the blue' web platform has been created for mainstreaming environmental sustainability throughout the UN in areas ranging from peacekeeping to sustainable procurement
- Management is working on longer-term initiatives – including the capital master plan for the renovation of the UN HQ in New York

Poverty and Environment Initiative

The jointly established, staffed and managed UNDP-UNEP PEI team has evolved from a pilot project to a globally active team.

- PEI projects in over 20 countries. Advisors posted at regional level are also supporting UN Development Assistance Frameworks (UNDAFs) and Country Teams on three continents

Delivering as One at Country and Regional Level

UNEP committed in 2007 to actively support UN Country Teams in the One UN Pilot countries as part of our Strategic Presence concept and in support of UNEP's Bali Strategic Plan on Technology Support and Capacity Building.

We have also appointed One UN advisors in UNEP's regional offices to support UN Country Teams and UNDAFs.

- UNEP has engaged in approximately 40 UNDAFs during this period in countries ranging from Barbados, El Salvador; Ghana to Guyana; Mali, Mozambique; Peru and Yemen: this is also resulting in much closer cooperation among UN entities at country and regional levels

Mercury Convention and Chemicals

Negotiations for a new treaty on mercury have taken place in 2010 following the decision at the UNEP GC/GMEF in 2009 – all indications are that a new treaty will be agreed by 2013.

- The Strategic Approach to International Chemical Management (SAICM) is supporting 117 projects undertaken by close to 100 governments and 12 civil society organizations involving activities in 95 countries, with donations of over \$30 million

Strengthening Science/ Normative Work of UNEP

The new UNEP Science Strategy has been completed. UNEP's rapid appraisal series has produced key policy changing reports and initiatives on agriculture, ecosystems, blue carbon and bio-sequestration.

- The Atmospheric Brown Cloud Project which began in Asia is now expanding to Latin America and Africa, while the opportunities from addressing black carbon and other non-CO₂ gases are gaining increasing attention as a result of this project and related new assessments
- The *Global Environment Outlook 5* report process has also been initiated and is scheduled to be completed 6 months ahead of plan to feed into the Rio+20 conference

The International Panel on Sustainable Management of Natural Resources, chaired by Ernst von Weizsaecker and Ashok Khosla, has produced widely acclaimed reports on biofuels, mining and minerals including rare earth metals need for clean-tech and the decoupling concept.

Global Environment Facility (GEF)

UNEP is also evolving its work with and within the GEF:

- In late December, a decision was taken to redeploy staff working with our Division of the GEF into the existing UNEP divisions with a GEF Coordination Office – established within the Executive Office.

Strengthening Support and Synergies with Multilateral Environment Agreements (MEAs)

Since 2009, UNEP in consultation with MEA Secretariats has appointed regional MEA advisors – one each for the Chemicals and Biodiversity clusters – into UNEP's regional offices.

- This has enabled countries to interact more directly with MEAs and led to new opportunities for synergies between the UNEP Programme of Work and the work of the MEA Secretariats.

The series of reforms and working relationships, approved by member states at the simultaneous COP of the Basel, Rotterdam and Stockholm chemical and waste conventions last year, are progressing.

- UNEP also developed a coherent approach to the management of UNEP administered MEAs and is currently revising current management practices with a view to greatly improve efficiency and effectiveness in its relations with MEAs.

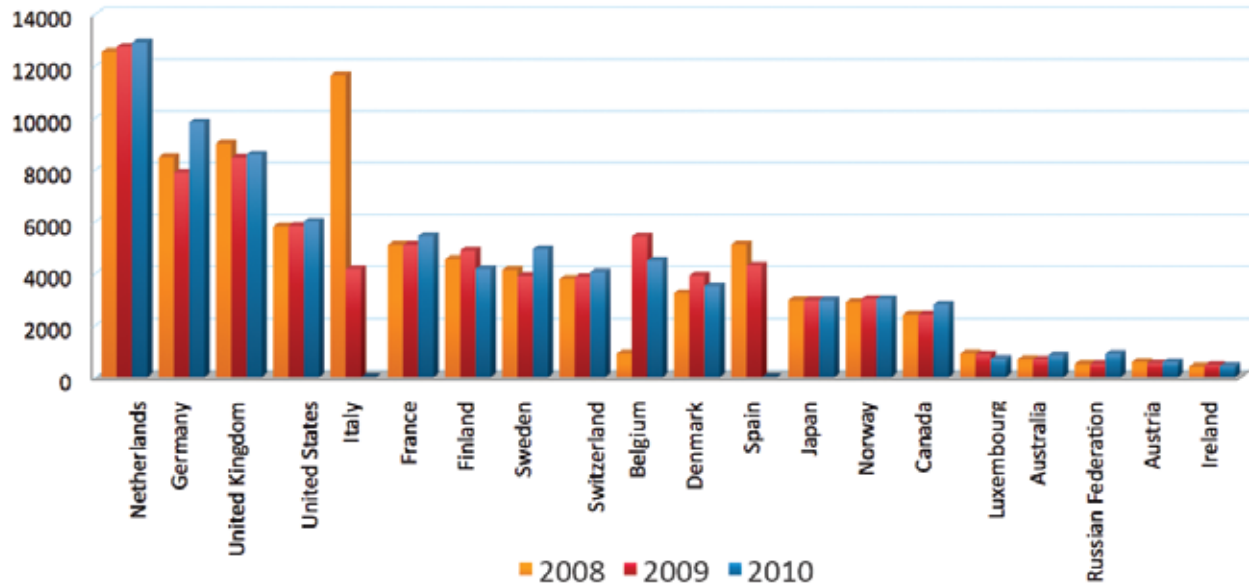
These strategic measures and reforms should strengthen and streamline further the overall delivery of the Programme of Work and the knowledge capital across the entire institution.

They are happening because of the support you are providing to UNEP through contributions to the Environment Fund and to the various Trust Fund that have been established.

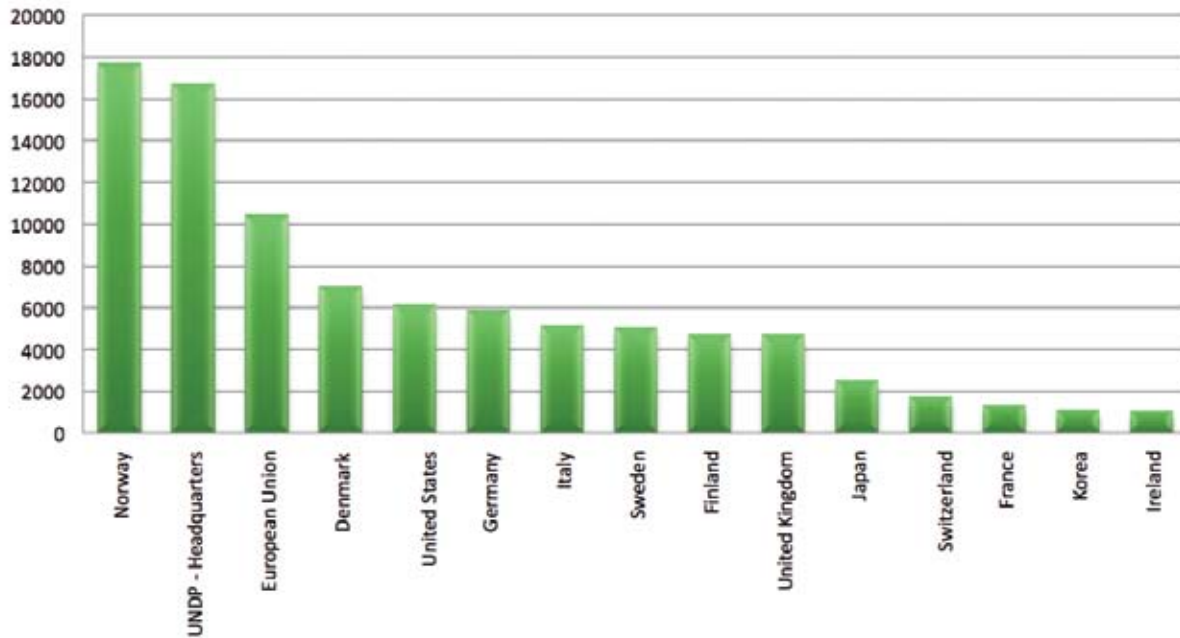
For many countries, the past year or more has been a difficult time financially. Let me thank you for your support including to those countries who have managed to increase their contributions.

There remains however a shortfall in the core Environment Fund funding, which in terms of overall national budgets is small, but in terms of UNEP's financing could prove challenging.

Environment Fund – Trend in Contributions in 2008-2010
Top 20 donors
(\$ '000)



Earmarked Contributions and Trust Funds Top 15 donors in 2010 (\$ '000)



Excellencies, Ladies and Gentlemen,

The UNEP of today represents the efforts and results so far of a UNEP+ agenda which I proposed to you three years ago.

The fundamental question you as environment ministers may wish to consider is whether all these efforts are sufficient to meet your aims and fulfill your expectations of the UN anchor institution for the environment.

Yes, these commitments will make UNEP fitter and more able to meet the challenges of the 21st century. But will this improving level of engagement; work practices and efficiencies deliver the programmatic and governance results expected of the UN?



LOOKING DOWN THE ROAD TO RIO — PAVED WITH GREEN INTENTIONS OR GREEN PARADIGM SHIFT?

There are clearly moments in time when there is an opportunity to leapfrog and to hurdle rather than continue at the measured pace of the long distance runner.

Rio+20 is one such moment in time, one such opportunity in the age of the imperative to act.

The two themes that have been agreed by the General Assembly for Rio+20 resonate and echo to your role as ministers responsible for the environment.

- The Green Economy in the context of sustainable development and poverty eradication
- And an institutional framework for sustainable development – which provides the context for the international governance discussions and directions we will have here

The Green Economy—Emerging as a Global Agenda

First the Green Economy – since 2008 UNEP has been bringing together the analytical and empirical pieces to inform a policy discourse on how to accelerate the implementation of the sustainable development agenda – or *Agenda 21*.

For some this has evolved over the past 12 months or so into a deeply attractive direction and perceived not as a replacement for sustainable development, but a way of achieving it including the social dimension.

January 2011

“In the coming five years, China will vigorously develop the Green Economy and low-carbon technologies to significantly bring down energy consumption and CO₂ emission per unit of GDP.”

Chinese Vice-Premier, H.E. Li Keqiang

September 2010

“We must see growth in the context of wider global challenges such as climate change. Rather than regarding this as an obstacle, Denmark sees great potential in the transition to a Green Economy. The greening of the economy is already underway. Governments, businesses, research institutions are all engaging. But there is a need to bring all this together.”

Danish Prime Minister, H.E. Lars Løkke Rasmussen

September 2010

“Sustainability also depends on our ability to mobilise 'green financing' to make environmentally friendly technology available to those for whom the latest technology remains financially prohibitive.”

Vice President of the Republic of the Seychelles,
The Honourable Mr. Danny Faure

September 2010

“We have partnered with the United Nations Environment Programme (UNEP) to promote a transition to a Green Economy...We believe that our experience in transitioning to a Green Economy will serve as a useful model for other SIDS and small economies... in the preparatory process for the Rio +20 summit in 2012.”

Minister of Foreign Affairs And Foreign Trade of Barbados,
Senator Maxine McClean

June 2010

G20 leaders meeting in Seoul and in Toronto and African Finance, Planning and Environment Minister meeting in Bamako called for...

“Sustainable green growth”; a “green recovery” and “the need to take advantage of the opportunities provided by a growth and development trajectory that embraces the Green Economy model.”

May 2010

“We believe that by stimulating investment in green industries, we will be able to contribute to the creation of decent work. In our Medium Term Strategic Framework...we undertake to pursue and further explore the concept of ‘green jobs’, including scaling-up labour-intensive natural resource management practices which contribute to decent work and livelihood opportunities.”

South African President, Jacob Zuma

May 2010

“Today, we are not just announcing a new government and new ministers; we are announcing a new politics. With this coalition government and this coalition agreement, for five years we can act for the long term... passionate about building a Green Economy.”

UK Prime Minister David Cameron and Deputy Prime Minister Nick Clegg

February 2010

“Achieving progress in that regard requires changing the pattern of production and consumption; establishing more ambitious targets to combat biodiversity loss; reorienting development to accommodate the Green Economy paradigm; adopting a unified concept of global environmental management.”

President of the Republic of Indonesia, H.E. Susilo Bambang Yudhoyono, speaking at the UNEP Governing Council, 2010

February 2009

“We need to move towards a green and low carbon economy, for this will deliver multiple benefits and ultimately result in achieving sustainable development that benefits all.”

Kenyan President, H.E. Mwai Kibaki

Opening Remarks during UNEP’s 25th Governing Council, 16 February 2009.

Similar statements have emerged from other fora over the past 12 months including at the Seventh African Development Forum in Addis Ababa; at the Première Session de la Conférence Panafricaine in Libreville and from Caribbean ministers at the Third Joint Meeting of the Council for Trade and Economic Development and Council for Human and Social Development in Georgetown.

In an age of the imperative to act, how we prioritize and focus that action will define success towards sustainability in the 21st century.

Today we are launching *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication – A Synthesis for Policymakers* – part of a larger macroeconomic report that is being made available today on-line and for comment by governments, the private sector and civil society.

UN Secretary-General, Ban Ki-moon has already stated his intent to inject the findings into the work of the High-Level Panel on Global Sustainability that is also informing preparations for Rio+20.

Today's report, a collaborative effort with experts, UN agencies including the International Labour Organization (ILO) and civil society, is neither the final say nor is it a preliminary draft.

The report is designed as a review and an analysis of where the current economic models have brought us.

These are contrasted against the 'green shoots of a Green Economy' that are literally sprouting across the globe, with focus on ten key sectors in developed and developing economies alike.

It cites India where over 80 per cent of the \$8 billion National Rural Employment Guarantee Act, which underwrites at least 100 days of paid work for rural households, invests in water conservation, irrigation and land development.

- This has generated three billion working days-worth of employment benefiting close to 60 million households

The Republic of Korea has, through a policy of Extended Producer Responsibility, enforced regulations on products such as batteries and tyres to packaging like glass and paper.

- This has triggered a 14 per cent increase in recycling rates and an economic benefit of \$1.6 billion

But the report goes well beyond chronicling inspiring examples.

It also assesses what it will take to emerge from an era of cross purposes into one in which all the engines of a national and even global economy – economic, environmental and social – hum to a more sustainable tune.

The report suggests that if the right enabling public policies are in place – from green procurement to a phase down or phase-out of close to three quarters of a trillion USD of mainly harmful subsidies – re-directing two per cent of GDP a year can open that path to sustainability.

It also challenges the myth that there is an inherent conflict between economy and environment not in some ideological way, but through analysis, pragmatism and evidence on the ground.

Let me share some highlights in more detail.

- A Green Economy can grow the global economy at or above the current projections, but in a way that can dramatically reduce the shocks, crises, scarcities and inequalities inherent in current economic models
- Emissions of greenhouse gases can be kept at or below 450 parts per million
- Multiple benefits catalyzing sustainable development accrue in both developed and developing economies, but will only truly accrue if all of the ten spotlighted sectors are addressed
- That overall, a Green Economy can employ and redeploy jobs from the old brown economy into greener and more decent work with the right public policy choices

Green Economy Report – some key findings

Investing about one and a quarter per cent of global GDP each year in energy efficiency and renewable energies could cut global primary energy demand by nine per cent in 2020 and close to 40 per cent by 2050, it says.

- Employment levels in the energy sector would be one fifth higher than under a business as usual scenario as renewable energies take close to 30 per cent of the share of primary global energy demand by mid century
- Savings on capital and fuel costs in power generation would, under a Green Economy scenario, be on average \$760 billion a year between 2010 and 2050

A Green Economy would invest \$100 billion, up to \$300 billion a year until 2050 in agriculture in order to feed nine billion people, while promoting better soil fertility management and sustainable water use up to improved biological plant and health management.

- Scenarios indicate an increase in global yields for major crops by 10 per cent over current investment strategies
- Equal to raising and sustaining nutrition levels to 2,800-3,000 Kilocalories available per person by 2030
- Food waste globally is translating into 2,600 Kilocalories per person per day: a transition to a Green Economy can also begin addressing these challenges which are linked to several of the sectors concerned

Investing 0.34 per cent of global GDP per year up to 2050 in the transport sector can reduce

fossil fuel usage by as much as 80 per cent below business as usual – increasing employment by six per cent above business as usual, primarily in expanding public transport.

- Reducing the sulphur content of transportation fuels in Sub Saharan Africa could save up to nearly \$1 billion a year in health and related costs

By 2050, the world is likely to be generating over 13 billion tones of municipal and other wastes: currently only 25 per cent of all waste is recovered or recycled.

- An investment of \$108 billion a year in greening the waste sector could lead to full recycling of electronic wastes, up from the current level of 15 per cent
- Boost the overall waste recycling three fold by 2050 and cut the amounts going to landfill by over 85 per cent versus a business as usual scenario
- Between 20 per cent and 30 per cent of methane-related greenhouse gas emissions could be reduced by 2030 with associated financial savings

A combination of applying existing technologies and growth in renewable energy supply under the Green Economy scenarios could dramatically reduce emissions from buildings at a saving equal to \$35 per tonne of CO₂.

- With the right government policies, energy savings of around one third could be achieved world-wide by 2030 from urban buildings for an annual investment of \$300 billion to one trillion dollars

Let me acknowledge that not all governments subscribe to the Green Economy concept.

For some, it is seen as a distraction or a narrowing of the sustainable development agenda to the environmental and economic dimensions at the expense of the social one.

There are those who view it as disruptive and perhaps a way for some nations to try and achieve competitive advantage over others.

We must, as a forum of environment ministers, accept and engage on these legitimate concerns of colleagues and counterparts.

Let me first emphasize that the notion that the Green Economy is about strengthening two, not three pillars is to my mind a false one.

From the outset, this work has involved both the ILO and the international trade unions, initially through our joint work on green, decent jobs.

ICLEI, the international alliance of local authorities and cities, is a contributor to the Green Economy initiative which has also been developing a strategy in this field.

Cities recognize the importance of economic vitality and of environmental health – but recognize too the importance of tackling social exclusion and social issues if urban areas are to flourish and prosper sustainably.

Secondly, there are indeed risks: any new direction or new idea is by definition disruptive because it can challenge the comfort of the status-quo.

In respect to the Green Economy, some have expressed concern that accelerating such a transition might, for example, lead to new kinds of green trade barriers and tariffs – or new aid conditionalities.

This is a risk, but a risk that can and must be managed. Importantly, it is not a 'new risk' but one inherent in current economic models and one we recognize as evident in all major international negotiations of economic policy.

The biggest risk of all is to leave the ambition and the promise of sustainable development unfulfilled – whether it is the ambition and the promise of Rio 1992 or the UN Conference on Human Development 20 years before.

A risk that is increasingly being borne by the poor whose options have always been limited and whose future opportunities are narrowing rapidly unless we collectively seize the opportunity to act.

The fact is that we live in a world of parallel universes in terms of sustainable development.

There are those who believe that money makes the world go round – and talk only in terms of economics and others who believe fairness and equity should be the guiding principles.

Still others who argue that life on Earth – in other words the environmental dimension – is the fundamental to which all other views should be subsumed.

This mismatch or imbalance between what some protagonists want and what is actually needed on a planet of nearly seven billion, rising to over nine billion by 2050, is the story of the world since Rio 1992.

That Berlin Wall moment was premised on the notion that only if the world pushes and pushes for what it believes is right, then all problems would be solved – quite what we would do on the other side is the history of the past nearly two decades.

How to bring these three parallel but separate tracks of economics, equity and social values and environmental sustainability from a position of antagonism to an integrated, functioning, forward-looking cooperative whole is the challenge for this Governing Council – it is the challenge for Rio+20.

There are certainly searching debates on the way forward from Bhutan's Gross National Happiness to Bolivia which advocates the concept of Mother Earth or China's approach to Ecological Civilization – ideas that express a desire to capture within varying concepts the three pillars of sustainable development alongside wider notions of wealth beyond today's GDP.

I believe the Green Economy addresses many of these ideas and brings some measure of commonality – indeed glue – to this discourse and search for an evolutionary change.

Indeed it is my conviction that the fundamental premises of a Green Economy echo to all these standpoints, in part because it is neither an ideology nor a “one size fits all” economy.

But rather it is about getting back to first principles in a world where millions of people die in the name of development each and every year.

Thus the Green Economy points to not only the unacceptably high price too many are paying for following the current development paradigm, but also seeks to address fundamental principles of equity and fairness – for both current and future generations.

- An economy that reflects the differing development points found among more than 190 nations

- One that is appropriate and rational for a country that is more state-led versus one that opts for a market orientated model

Thus enabling conditions in the new Green Economy report are not a prescription or a straight jacket.

They are a suite of tried and tested options that can be deployed in part or in full to facilitate and guide public and private investments into generating real and persistent wealth in order to meet real, persistent and emerging challenges and risks.

They are not prescriptive, rather they are illustrative.

The Green Economy is not about conformity but about a diversity of ideas and policy-shifts that can deliver sustainability in ways that are relevant to all countries.

Not about rigidity but about flexibility that recognizes we live in a far more complex world where notions of North and South, of developed and developing, or rural versus urban are too narrow as starting points in 2011.

IEG – The Engine on the Road to Rio?

Honourable Ministers, Ladies and Gentlemen,

One of the enabling conditions identified in the new Green Economy report presented today is governance, and more specifically environment governance.

From almost the day UNEP was established some 40 years ago, there have been calls for strengthening, upgrading and animated debate over possible new institutions.

Why? Because whether it be management of fisheries or the management of the atmosphere or transboundary waters, the balance sheet in 2011 is one of unfulfilled ambition, promises and aspirations.

Whether you are an environmentalist or an economist or whether your focus is internationalism, poverty or development – we simply have not moved far enough along.

The question here, the question on the Road to Rio for ministers responsible for the environment and for ministers responsible for sustainable development more broadly, is this:-

“Do you have the frameworks, platforms and means by which you can exercise – in the context of a global economy and a globalized world – an effective form of governance?”

Governance that allows you to accelerate agendas for change; deal with emerging issues before they reach crisis points; put the enabling conditions in place; secure the necessary financial and technical resources and catalyze policy shifts needed at the national level?

I believe that, as a result of the IEG process that began in Belgrade and Rome and more recently through your meetings in Nairobi and then Helsinki, the answer from many ministers is an overwhelming no – the status quo is not an option because it remains inadequate to the challenge.

Indeed to retain the current IEG format may restrict environment ministries to being anything ranging from a policy think tank to a passenger rather than a driver in your nation's development path.

Honourable Ministers, Ladies and Gentlemen,

IEG – in the broader context of the International Framework for Sustainable Development – has thus not surprisingly emerged as a central theme of this GC/GMEF as it has for Rio+20.

It is a complex topic, but one that needs focus – in the first instance – on you as a collective body of ministers responsible for the environment, rather than on the UN organizational configurations of secretariats and administrative arrangements.

The key question therefore is how best to enable nation states to work collectively to develop an environmental governance platform and process that answers the imperative to act globally on environmental issues.

But also that supports and enhances economic and social outcomes as was agreed in Rio 1992 and which was a central aspiration of 1972.

Can Rio 2012 provide the next phase or step forward in growing, maturing and enhancing the environmental governance function to better serve you and your nations?

My own conclusion is that having looked and listened for some four years, it is high time that next step was taken – if the next step is to be taken, then the next question is how rather than why.

Again, there are various familiar scenarios or options – these range from a strengthened UNEP to a UN Environment Organization or a World Environment Organization to name but a few.

The recurring question has to be: “Would it enhance your capacity to be more effective in providing leadership on the environmental pillar with a far better governance function than we have today?”

As with the Green Economy, there are risks from any one of these scenarios. But many have already agreed that the biggest risk is to do nothing – not a Road to Rio, but a road to nowhere.

Often, within the context of the UN, our threshold for risk in terms of trying to achieve a different outcome – such as in this case a sustainable 21st century – can be acutely low, perhaps even paralyzing.

In terms of IEG, the process of reflection and discourse has taken us a certain distance – we have achieved a great deal in terms of a common understanding of the problem and the necessity to act.

The process however is yet to deliver a common or shared understanding of precisely how we move forward, but move forward I believe we must.

The first challenge for this GC is to articulate a forward-looking consensus on IEG reform objectives.

One that evolves the discourse to focusing the choices that need to be elaborated and ultimately negotiated in the run up to Rio+20.

Two main tracks for reform have emerged from our process to date that could be developed into mature options – incremental or fundamental reform.

The second challenge – The political process for Rio+20 would benefit from receiving a clear message from the GC that international consensus on IEG reform needs to be reached along either one or other track.

The GC has adopted a ‘form follows function’ approach and reached a broad consensus on what those functions are. Rio in 2012 provides the opportunity to act and to translate these practically.

Over the next 15 months – we have the opportunity at the highest level of political discourse and dialogue between nation states and leaders – to forge a potential outcome for Rio 2012 that can truly be characterized as a legacy.



6 JUNE 2012 — ELEMENTS OF A GOOD OUTCOME AFTER RIO

I have often been asked what I would hope Rio 2012 can achieve.

Well I want, I am sure, is what you as ministers responsible for the environment want – and what a child in Kibera, a shop assistant in Antwerp, a banker in Beijing, a night watchman in New York and a coffee farmer in Colombia wants.

- A development path that allows each and every person on this planet, and those yet to come, to have an opportunity to meet their full potential – but without pushing planetary boundaries beyond their limits.
- A development path that puts achieving the Millennium Development Goals and human development at its centre – but without extinguishing other life forms and ecosystem services that will be needed by this generation and those to come.

So on the evening of the 6th of June 2012, when Rio+20 is scheduled to end, what might be a cause for celebration among the global citizenry?

Let me suggest four litmus tests of success in terms of bringing about a fresh approach to fast forwarding the international sustainable development agenda.

Stocktaking

Firstly, stocktaking: a thorough analysis of what has gone well and why, what has gone wrong and why.

Rio needs to produce an honest assessment as to why so many of the commitments, whether they be international, North/South or bilateral, have not been acted upon in part or in full.

This also needs to be analytical: what is preventing us from moving forward on things we all agree upon – and how can we address the perception that multilateral approaches are increasingly linked with stalemates.

Recognition of Emerging Issues

Secondly emerging issues: both truly emerging issues and persistent ones that are emerging as more severe and challenging than had previously been supposed.

A summit like this needs a radar screen of some of the issues that will require greater attention and need prioritizing or even completely new issues we have to deal with.

Some of the issues already stand out – the future of agriculture and our collective food security is one, an issue that if not handled intelligently and within the context of sustainable development has the power to tear the world apart.

Others might include access to natural resources including water – here in Gigiri when we drilled bore holes in 1993, aquifers were found at between 12.5 and 217 metres. Last year, when we drilled the latest ones, water could only be found at depths of 143 to 282 metres.

And there is the atmosphere and feed back mechanisms; the spread of old and new diseases as a result of environmental degradation and instability and the rising number of dead de-oxygenated dead zones and the acidification of the seas and oceans.

Here at this Governing Council, we wish to present the latest science of the so called non-CO₂ pollutants such as black carbon, tropospheric ozone and methane which may account for a significant slice of current climate change.

These are emerging issues that with the right enabling policies could provide fast action on the climate challenge, with enormous multiple benefits including on air pollution, public health and improved crop productivity.

Over the coming months and year, UNEP's chief scientist will also be compiling, with a team of internal and external experts, a priority list of emerging issues.

The plan is to consult scientists at regional meetings, including at preparatory ones for Rio+20, as to whether this list resonates and reflects the priorities of academicians in different parts of the globe – again as part of the run up to Rio 2012 and as a way of sharpening the focus and thus its outcomes.

Early next year UNEP will publish its *Global Environment Outlook-5* preliminary report a few months in advance of Rio+20—*GEO-5* will provide the most up to date global and regional science on environmental change, thus providing further evidence on the imperative to act.

GEO-5 will also provide further analytical evidence on the pathways possible towards transformation including through a Green Economy lens.

Scaling-up the Green Economy

It is only by re-thinking our economies and what a transition to a Green Economy could represent, that we can achieve more effective implementation of the sustainable development goals agreed almost 20 years ago in Rio.

Certainly the links between environmental change and the economy have always been there. But they have never been as explicit or as consequential as they are today.

The Green Economy seeks to address a key variable within the sustainable development agenda and resolve an anomaly that was never intended in 1992 – namely that two of the three pillars would remain weak in comparison to the third.

Rio+20 provides an opportunity for forging a new deal – a Global Green New Deal – among developed and developing nations.

But instead of aiming to negotiate legally binding instruments relating to the Green Economy, Rio could focus on a reorientation of our international frameworks and institutions for development, finance and capacities to support nations wishing to accelerate along the low carbon, resource efficient path.

Instead of framing such support mechanisms in traditional 'conditionality mode' the deal at Rio could provide a suite of financial, technology and capacity-building instruments.

Ones that would enable developing countries to access international assistance in support of transformational, Green Economy, shifts across domestically-defined and prioritized strategies and sectors.

These shifts can only succeed if they are conceived and articulated from a national development perspective. But supported and facilitated by a corresponding set of international commitments and support mechanisms.

The Green Economy is thus firmly rooted in the 1992 Rio principle of common but differentiated responsibilities, but responsibilities that have evolved in a world no longer simply divided along North/South lines.

But a world of common but differentiated risks – with many of those risks increasingly borne by developing and least developed nations.

Proof, if proof were needed that a transition to a low carbon, resource efficient Green Economy is not just a developed, but very much a developing economy-focused agenda.

Above all, Rio+20 needs to get back to basics and answer the fundamental question of how the world will provide access to electricity for 1.3 billion people to overcoming water scarcity currently affecting 1.2 billion people.

How too will the world find employment for the current well over one billion people unemployed or under-employed and the half a billion young people set to join the work force within the next decade.

'Jobless recoveries' may sustain GDP growth but are unsustainable as a development path for any society.

Thus, Rio+20 needs to clearly articulate how development but also growth can be assured.

Rethinking GDP and growth indices are an integral part of retooling our economies to meet the sustainability and equity objectives agreed at Rio in 1992.

Honourable Ministers, Ladies and Gentlemen,

UNEP will continue to offer Green Economy advisory services to the ever growing number of countries wishing to head in this direction, in partnership with the UN system and other stakeholders.

Meanwhile, over the coming months and year, we also plan to consult governments and engage a wide range of parties during meetings including preparatory ones for Rio+20, on how best to refine and sharpen our transition report within the context of individual national circumstances.

- A UN system-wide report on Green Economy is being prepared with over 30 Environmental Management Group (EMG) members including the UN Department of Economics and Social Affairs; the World Bank; UNICEF; the UN World Tourism Organization; the World Food Programme; the UN Industrial Development Organization and the World Trade Organization

It will spotlight how the UN and the Bretton Woods Institutions can collectively strengthen and assist countries in making the transition towards operationalizing a Green Economy.

The Final Litmus Test – IEG

If this Governing Council can articulate the options and pathways to move beyond the status quo and evolve the governance and institutional arrangements for sustainable development – including IEG – needed to truly catalyze sustainable development, Rio+20 has a chance to achieve an overarching outcome.

Above all, what the meeting needs to envisage is a package – in other words an international agenda of cooperation, enabling measures and means of implementation, including technological support; finance and investments.

The institutional framework for sustainable development is the cornerstone of whether international cooperation and multilateral platforms can evolve with the realities and needs of the 21st century.

Notwithstanding the impressive landscape of institutions, agreements and protocols, the environmental governance landscape of the here and now is increasingly fractured and fragmented – I am sure previous generations of environment ministers never intended this.

The answer to overcoming these deficits and challenges lies in strengthening the mandate and the capacity for environment ministers to exercise more coherent and effective international environmental governance.

I have often argued that the principle focus and objective of IEG reform must therefore be on you as ministers responsible for the environment – and the associated governance arrangements at your disposal.

The strengthening of UNEP is thus principally a matter of your mandate, authority and leadership exercised through your engagement as countries in this, the principle environmental governance platform of the multilateral, UN system.

The future role and configuration of UNEP – as your Secretariat – is thus a consequence rather than a driver of this reform agenda.

While consensus on this subject has been elusive, I do believe that the world is today looking to you as custodians of the environmental pillar of sustainable development, to provide a clear set of criteria and pathways for reform to be negotiated and agreed in the lead up to and at Rio in 2012.

In fully recognizing the autonomy of the governing institutions of the MEAs, can the GC/GMEF identify ways to strengthen and streamline the relationships both between MEAs and between UNEP and other UN bodies and transmit this to Rio+20?

The new arrangement between the chemicals and waste conventions is one path: are there similar directions that could be taken with other conventions or even more evolutionary ideas?

The financing of the environmental pillar is equally confounding and confusing, equally fractured and fragmented leading to inefficiencies in delivery and duplication of efforts.

On the Road to Rio, can this GC/GMEF transmit some fresh ideas to the Rio+20 preparatory process that might bring cohesion and common-cause to this outstanding challenge?

I am confident about two things – one is that the environment's role in sustainable development has never been more evident or well argued: not just by UNEP and the broader environmental community but across social and economic fora from North to South and East to West and among poor and rich.

And two, that the majority of nations not only share that view, but share the imperative to act on the overwhelming scientific and now economic knowledge that has amassed since Rio 1992 – ranging from the sobering science to the inspiring policy options that are now emerging from the Green Economy, TEEB and other work.

Some have said that Rio+20 is a meeting in need of an agenda and in need of a focus – this Honourable Ministers has rapidly changed, and will continue to rapidly change over 2011.

Indeed Rio+20 is a conference whose aims, goals and possible outcome is maturing every day.

Here at this Governing Council, is the moment when ministers responsible for the environment can shape, sharpen and focus that agenda.

It is also the moment to transform the sustainable development prospects for billions of people world-wide from one of false dawns and hopes into substance and concrete reality.

The moment too to fulfill expectations, and the explicit request of the UN General Assembly for Governing Bodies, including the UNEP GC, to contribute substantially and inspirationally to the Rio+20 outcomes.

The imperative to act has never been clearer – what is also now clearer is how that action should be focused.

Rio+20 will have ‘implementation’ as a principal focus – both the lack of it in terms of a retrospective, but also the lessons learnt in terms of informing a fresh perspective for the future.

Over the next four days is a moment to match the leadership and courage that a previous generation of leaders and environment ministers showed.

A moment too to fulfill and complete the unfinished business of nearly 20 years ago that in turn can set the sustainability stage for the next two decades and beyond.

Thank you

Thank you to all UNEP staff, governments
and partners for a productive year.



Together towards a sustainable future

ON THE ROAD TO RIO

UNEP 26th Governing Council/Global Ministerial Environment Forum
GC 26/GMEF 21 - 24 February 2011





UNEP

United Nations Environment Programme

www.unep.org

United Nations Environment Programme

P.O.Box 30552, Nairobi 00100, Kenya

Tel: +254 (0)20 762 1234

Fax: +254 (0)20 762 3927

Email: uneppub@unep.org