

Leadership Dialogue 3: Accelerating the implementation of the environmental dimension of sustainable development

About the Leadership Dialogues

The international meeting at Stockholm+50 is a commemoration, and a time for bold action and engagement. It presents an opportunity to reflect, connect, accelerate and scale actions for a better future on a healthy planet with prosperity for all.

The 2030 Agenda as well as the continuing COVID-19 crisis have highlighted the importance of a healthy planet for human progress and prosperity. A degraded planet poses limits to wellbeing and prosperity, creating obstacles to a better future. The concept note [“Stockholm+50: a healthy planet for the prosperity of all – our responsibility, our opportunity”](#) introduces this global challenge and the opportunities it presents for the upcoming meeting.

The Stockholm+50 Leadership Dialogues aim to engage governments, international organisations, business and the private sector, civil society organisations, including youth, women, Indigenous Peoples and local communities (IPLCs), rural communities, and other relevant stakeholders in an exchange for the opportunities to overcome barriers to implementation, to connect actions, and to create new change pathways across generations to achieve the Sustainable Development Goals (SDGs).

This background paper reflects the discussions held in the first round of Informal Working Groups in early March as well as the interventions by Member States and Major Groups and Stakeholders provided during the Stockholm+50 Preparatory Meeting on 28 March 2022, held under the auspices of the UN General Assembly in New York. Key messages from the Preparatory meeting that are relevant to all three Leadership Dialogues include an emphasis on the engagement of youth groups and the centrality of intergenerational equity in the potential outcomes of the international meeting.

Leadership Dialogue 3 focuses on “Accelerating the implementation of the environmental dimension of Sustainable Development in the context of the Decade of Action”. It will address the specific actions needed to build back from the pandemic and its adverse impacts on people, the planet, and prosperity and to put the world back on track to deliver the SDGs.

The context and issues

The challenges that our world is facing today require a deeper commitment to collective action than ever before. Ground-breaking agreements were reached at the 1972 Stockholm Conference, the 1992 United Nations Conference on Environment and Development, the Rio+20 Summit in 2012, the Paris Climate Conference, and the SDG Summit in 2015. They have each been instrumental in laying pathways towards sustainable development. But they are not adequate because the world is fundamentally different today. Science tells us that our planet - and thus the economies, societies, and people that depend on it – is

under severe and growing pressure.¹ Our development journey needs to be put back on track, build on and scale up the existing commitments, thoughtfully leverage the opportunities offered by advances in digital technologies, and continue to acknowledge the interconnections among different environmental aspects, especially as regards climate change, biodiversity and pollution – the triple planetary crisis. International environmental law has to embrace the systems thinking that is required for the interconnectedness of problems and it remains unable to adequately respond to complex interrelated governance challenges, ecological dynamism, and the earth system’s key characteristics such as its interconnectedness, unpredictability, instability, and complexity.² We also need to tackle the environmental, economic, and social crises together with the speed and scale that matches the urgency and magnitude of challenges we face. At the same time, we must recognise the specific needs of each country and remain guided by principles such as equity and common but differentiated responsibilities (CBDR) and respective capabilities.

1. Accelerating mobilization of finance

At Rio+20, countries made ambitious commitments to green economic transitions as a pathway for poverty reduction and sustainable development. Subsequently, in 2015, Member States adopted the Addis Ababa Action Agenda, a global framework to guide the financing of sustainable development. Since then, many models and pathways, under different labels, have been created for low carbon, resource efficient, circular, nature positive (or at least nature neutral) and socially inclusive economic growth pathways, with each country sovereign in choosing their direction.

Bold, impactful, and innovative measures, along with enabling policy environments, including coherent, environmental, social and economic policies, as well as, appropriate incentive frameworks, are needed to change the overall financial ecosystem and accelerate action for a sustainable, just and fair transformation. We need to go further in the design of credible and verifiable standards and taxonomies to underpin voluntary action and commitments and guide sustainable investments. Ensuring that the global financial and policy architecture acknowledges and integrates the special needs and concerns of

¹ IPCC (2018). *Summary for Policymakers of IPCC Special Report on Global Warming of 1.5°C approved by governments*. Retrieved March 3, 2022, from <https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/>

IPBES (2019). *Global Assessment Report on Biodiversity and Ecosystem Services*. Retrieved March 3, 2022, from <https://ipbes.net/global-assessment>

UNEP (2019). *Global Environment Outlook 6*, Nairobi 2019. Retrieved March 3, 2022, from <https://www.unep.org/resources/global-environment-outlook-6>

UNEP (2019). *Global Chemicals Outlook II: From Legacies to Innovative Solutions*, Nairobi. Retrieved March 3, 2022, from <https://www.unep.org/resources/report/global-chemicals-outlook-ii-legacies-innovative-solutions>

Independent Group of Scientists appointed by the Secretary-General (2019). *Global Sustainable Development Report 2019: The Future is Now – Science for Achieving Sustainable Development*. New York Retrieved March 3, 2022, from https://sustainabledevelopment.un.org/content/documents/24797GSDR_report_2019.pdf

IRP (2019). *Global Resources Outlook 2019: Natural Resources for the Future We Want*. UNEP, Nairobi. Retrieved March 3, 2022, from <https://www.resourcepanel.org/reports/global-resources-outlook>

SIPRI (2021). *Anthropocene (In)Securities – Reflections on Collective Survival 50 Years After the Stockholm Conference*, E Lövbrand and M Mobjörk (eds.), SIPRI Research Report No. 26. Oxford. Retrieved March 3, 2022, from https://www.sipri.org/sites/default/files/2021-09/anthropocene_insecurities.pdf.

² Louis J. Kotzé, 2022. Governing Prometheans in the Anthropocene: Three Proposals to Reform International Environmental Law. Draft paper to the volume on **Reimagining the Human-Environment Relationship: A global policy reflection on alternative paradigms for our collective well being in support of Stockholm + 50**, UNEP-UNU/CPR, supported by IDRC, Canada

Micro, Small and Medium-Sized Enterprises (MSMEs) and smallholder farms would also enable them to contribute more productively to the achievement of the 2030 Agenda.

In addition to climate financing that should be balanced between mitigation and adaptation priorities, it is important to channel financing towards biodiversity conservation and pollution. This is critical for the achievement of positive impacts on the environment and biodiversity. At the same time, promoting the convergence and harmonisation of climate and biodiversity finance through innovative financing models, and nature-based solutions, with the objective of maximising social and economic benefits of the sustainability transformation. Green finance should enable the transition of the whole economy, including the informal economy – and contribute to inclusive prosperity for all. This can accelerate the implementation of all SDGs. However, to date, lack of support and financing for, as well as capacity to manage such innovative and inspiring transformational efforts has hampered the momentum, particularly for developing and least developed countries.

Although the USD 100 billion Copenhagen commitment has yet to be met, there was modest progress at COP26, including through increases in pledges to the Adaptation Fund and the Least Developed Countries Fund. These sorts of commitments must be scaled to ensure the realisation of the post-2025 climate finance goal (a floor of USD 100 billion) and implementation plan, and the realisation of linked initiatives like the SAMOA Pathway. These commitments must be linked to developments in the private sector.³

As the world starts to emerge from COVID-19, we are presented with the opportunity to build upon the momentum of recovery processes and re-design economies that are socially inclusive, environmentally sustainable, and which steer job creation and economic growth to accelerate green economic transformation. Ensuring nascent recoveries do not get buried under an avalanche of debt is a critical priority.

2. Governance and institutional reform

Finance alone will not fill the policy and capacity void. Implementing the 2030 Agenda requires renewing multilateralism and strengthened institutions that are fit for purpose, and which can deliver universal green jobs, social protection, education, decent work and housing, as well as universal access to food, water, clean energy and internet connectivity by 2030 as basic human rights. People-planet relationships connect sectors and scales in complex ways, often with unpredictable outcomes. This requires sustainable development efforts that embrace uncertainty and complexity in order to generate robust and equitable collaborations and learning.⁴

More specifically, to deliver the SDGs in a coherent manner, we need coherence at upstream and macroeconomic levels as well as in governance for sustainable development that considers interlinkages and synergies between the different dimensions of sustainable development and goals and targets to facilitate triple-win solutions. Durable progress towards the SDGs requires decision-making processes, institutions and policies that are underpinned with a systemic approach to finding solutions that protect nature, reduce pollution and GHG emissions and produce high-quality and decent jobs and prosperity and leave no one behind. Promoting greater and affordable access to, and diffusion of technologies essential

³ Financial institutions representing USD 130 trillion, about 40% of the global financial system, committed in Glasgow to full decarbonization. But the work is only just getting started on the new 'plumbing' required to reconfigure the financial system to remain within the 1.5°C climate objective.

⁴ E Bennet and B Reyers. People-Planet Relationships across Scales: Multilevel Environmental Governance for Transformations to Sustainable and Equitable Futures. UNEP-UNU/CPR, *op cit*.

to sustainable development has become more relevant than ever before for least developed and developing countries. We need policy coherence and collaborative action between and across sectors.

More needs to be done to expand the capacities of environmental ministries and authorities and to improve collaboration and knowledge exchange with other ministries, in particular ministries of finance, economic planning, industry and energy as well as business and labour organisation, to explicitly account for cross-scale interactions for identifying pathways towards sustainability.

This would help to catalyse a new generation of institutions that ground decision-making in inclusive, green, circular and regenerative economic models. We must also ensure that the youth of today not only have a voice, but equitable access to key participation enablers like quality education, knowledge platforms and access to safe internet. Civil society organisations and other key stakeholders who have a crucial role to play in holding governments accountable on progress towards the SDGs need to be protected and strengthened. Participation and inclusion mechanisms designed at a global level, such as prior consultation with Indigenous Peoples, in relation to biodiversity and climate policies and commitments, must include external and binding monitoring and accountability mechanisms.⁵ We must renew the social contract between governments, citizens, and companies, including social media and rebuild trust and embrace a comprehensive vision of human rights that includes a healthy, clean and sustainable environment for all.

3. Digital transformations and effective partnerships

The meaningful participation of all people, especially the youth, in all aspects of production and consumption is vital to the success of the 2030 Agenda for Sustainable Development. As drivers of change, young people are important partners in meeting all the SDG targets, especially those related to economic growth, employment, and the environment. Youth are also increasingly interacting and transacting through mobile applications – with increased desires to adopt sustainable lifestyles. Key challenges including protecting the privacy of users, making digitalisation an engine of job rich green growth, and strengthening the agency of “digitally native” youth to make more sustainable choices using these digital channels. Prompted by the voice of youth, we need all generations on board to ensure that climate and environmental justice is at the heart of all action for sustainable lifestyles.⁶

The digital revolution is fundamentally reshaping socio-economic relationships and presenting significant enabling opportunities for progress on “People, Planet and Prosperity”. Nearly 5 billion people are now connected online – and at least 60% of global GDP is passing through digital channels.⁷ Digital technologies can hard-wire sustainability outcomes and behaviours directly into the platforms and algorithms of the digital economy. And perhaps more importantly, they can help drive the systemic and societal innovations and transformations needed to achieve environmental sustainability.

But we must actively govern the outcomes that we want to achieve. Since digital technologies now have the power to reach and influence people on a global scale, who wields this power and how it can be

⁵ M. Paredes. Voice and Resistance in the Claim for Climate Justice in the Amazon. In UNEP-UNU/CPR (op.cit)

⁶ “The per capita footprint of the richest 10% is more than 10 times the 1.5C-consistent target for 2030, and more than 30 times higher than the poorest 50%.” Gore, T. (2020). *Confronting Carbon Inequality: Putting climate justice at the heart of the COVID-19 recovery*. And ILO. (n.d.). (2021) *Youth employment*. Retrieved December 14 from <https://www.ilo.org/global/topics/youth-employment/lang-en/index.htm>

⁷ United Nations Conference on Trade and Development (UNCTAD) (2019). *Digital Economy Report 2021: Cross-border data flows and development: For whom the data flow*. UN Publications, New York. Retrieved March 3, 2022, from https://unctad.org/system/files/official-document/der2021_en.pdf

directed towards planetary sustainability, while protecting privacy and security, are among the most important governance questions of our time.

Wealth is trickling up rather than down, much faster than ever before; and a renewed focus on trade, economic and fiscal policies to reinforce and support the governance ambitions are required. National and global partnerships are important for scaling and accelerating the delivery and impact of SDGs. Many partnerships already exist and can help to support in accelerating a job rich green economy and recovery from COVID-19, sustainable lifestyle choices, which together with economic and financial instruments strengthen our collective ability to implement the 2030 Agenda.

4. Collective actions and strengthened cooperation

The global crisis requires a shared global response and a renewed multilateral system that is coherent, coordinated, and comprehensive in its response to new threats and challenges. The UN Secretary-General's "Our Common Agenda" provides a new vision for how multilateralism can adapt to the threats of the 21st century. In September 2020 on the UN's 75th anniversary, UN Member States declared that "Our challenges are interconnected and can only be addressed through reinvigorated multilateralism. Only together can we build resilience against future pandemics and other global challenges. Multilateralism is not an option but a necessity as we build back better for a more equal, more resilient, and more sustainable world."

Key messages and recommended urgent actions⁸

Message 1: We need to massively mobilize and scale up financing for development and environment, aligning public and private portfolios with SDGs, NDCs and the post-2020 biodiversity targets.

- Larger volumes of finance for sustainable development, from a more diverse set of sources, need to become available to developing and least developed countries, quickly and at lower cost. Financial flows in support of sustainable development should ensure balance between adaptation and mitigation efforts, ensure gender equality, and respect countries' right to development.
- The importance, in the context of bridging climate finance gap, to provide an accurate and verified account of the status of delivery of the USD 100 billion climate finance commitment, in order to identify current gaps, obstacles and needs.
- Well-designed and sequenced reform of environmentally harmful subsidies, that are developed through multistakeholder engagement and complemented by compensation mechanisms for the most vulnerable, should be priority actions, as means of giving vital breathing space to severely constrained budgets and allowing reallocation of scarce resources to investments that can deliver sustainable and inclusive prosperity for current and future generations.
- Capacity building on mobilization of domestic finances, especially strengthening taxation capabilities and combatting illicit and environmentally harmful financial flows, needs to be strengthened.
- The IMF should consider increased a new round of SDG-linked Special Drawing Rights issuance. Sovereign debt guarantees and comprehensive debt relief and forgiveness are urgently needed to avoid debt crises and build the trust and solidarity needed to accelerate the means of implementation. It is important to consider debt climate swaps as possible tool in financing climate change action.

⁸ From the Preparatory meeting on 28 March 2022, New York

- Regional and/or global risk pooling mechanisms in the context of climate change and nature investments are another important key measure that must be urgently taken. It is crucial to use de-risking tools to facilitate the translation of financial assets into financial flows for a strengthened response to climate change.
- We need to ensure that all financing, public and private, no longer exacerbate but rather mitigate climate change and pollution, and support nature-based solutions and biodiversity. Public and private portfolios should be systematically screened for environmental and socio-economic impacts, and we need to improve both disclosures and actions to actively minimize negative effects on socio-economic and environmental sustainability. Credible, transparent and science-based taxonomies, a conducive enabling environment and impact measurement methodologies are crucial to both measure and improve alignment of all finance flows with national and international sustainable development commitments and strategies.
- Social and environmental impacts of production and consumption patterns should be internalized in the pricing of goods and services to incentivize more sustainable consumption and production and circular economy transitions.
- Partnerships are also needed to make whole of economy sustainable , job-rich and inclusive. Training is needed for corporate leaders to deepen their commitment to drive change from the top in order to maximise the social and environmental co-benefits of their business operations.

Message 2: We need governance systems that are coherent and agile, responsive to the needs of all age groups especially youth, respectful of Indigenous Peoples and local communities, gender-positive by default, and synchronised in designing participative and systemic local solutions to our global and existential challenges.

- We need more agile governance models to adapt regulation based on real time policy impact feedback and ensure equality and fairness in informal sectors as well as digital and financial outcomes.
- We must accelerate the transfer of knowledge, know-how and technology, and scale up access to digital goods and services, and critical infrastructure. But we must also be mindful of the risks of the digital divide and ensure thoughtful and timely regulations that ensure digital inclusion and literacy for all.
- Clear signals on digital data regulation are needed. Stockholm+50 is an important stepping-stone to UNGA-77 and COP-27 and innovation will be key to solving our global challenges.
- The global, interlinked challenges of today need systemic solutions – and that means addressing economic, social, and environmental crises comprehensively and coherently. We also need to urgently address all the deep-seated inequalities – and rethink how we measure progress, beyond traditional GDP metrics. We must ensure that environmental protection and economic growth are mutually supportive and deliver social wellbeing, health and prosperity for people and planet.

Message 3: Strengthened multilateralism is crucial to accelerating means of implementation. But it needs to be strengthened with deeper policy coherence, adherence to evidence-based policy design and concerted action promoted across and within governments

- Development actors, strategies and financing must respect, acknowledge, and integrate local history, knowledge, and socio-cultural context to produce durable success and transformation. An approach based on the principles of gender equality, women empowerment, and respective obligation to the right to development is imperative to ensure No One is left Behind.

- We need a strengthening of multilateral commitments to address common challenges in a manner that respects the development needs of developing and least developed countries.
- Rebuilding trust starts with recognising that international climate and economic policy is exacerbating the inequalities it is trying to resolve. We must recognise that combating inequality within and between nations is at the heart of addressing planetary and development crises.
- Broad based partnerships are needed to support countries for designing and implementing integrated policies and enable them to address environmental and economic crises together.