

# Executive Summary

## 1. Introduction

The twin themes of Rio+20, the United Nations Conference on Sustainable Development, are extensively addressed in this White Paper, as IGES views 2012 as a turning point in the future path towards sustainable development. At the International Forum for a Sustainable Asia-Pacific (ISAP) organized by IGES in Yokohama in July 2011, more than 800 participants discussed the Rio+20 themes of a green economy within the context of sustainable development and poverty alleviation, and the institutional framework for sustainable development. The regional stakeholder consultation at ISAP 2011 not only informed the subsequent regional consultations on preparations for Rio+20 at the Asia and Pacific Regional Preparatory Meeting held in Korea in October 2011, it also accorded IGES an opening for key messages to be incorporated into the draft documents for Rio+20. IGES publications, including this White Paper throughout its drafting process, have been used to inform these important United Nations and major group processes and documentation in the lead up to Rio+20.

Nevertheless, the White Paper is not only about Rio+20. The equally important topic of regional, national, and community level governance addressed by the White Paper has generally been overlooked by a global summit which has focussed on issues affecting relations between the developed and developing world and the need to implement a new development paradigm and reconsider existing global institutional arrangements that may have outlived their usefulness. By focusing on these neglected levels of governance at regional, national, and community levels, IGES hopes to draw attention to the overwhelming necessity of complementary efforts to the global debate at levels where real world action takes place. Long overdue governance reforms at regional, national, and community levels in Asia-Pacific are needed, whatever the outcomes of Rio+20 might be, and this White Paper aims to support reform with cases of best practices, analysis of current governance arrangements, and recommendations for both incremental and sweeping reform.

## 2. In relation to a green economy

*No "one size fits all" approach to a green economy* - The essence of a green economy is to transform fossil fuel based, wasteful, and inequitable economies into low carbon, resource efficient, and socially inclusive economies while stressing job creation and long-term prosperity. Asia-Pacific is a rapidly growing and diverse region but also remains the region with the highest number of people living at or below poverty levels as defined by the United Nations, with some of the most vulnerable communities and an environment that is continuing to degrade. Therefore, the pathways to sustainable development, poverty eradication, resilient communities, and environmental quality will vary according to national circumstances and the extent of international support, and will generally go through a progression as explained below. As a country's economy matures emphasis would shift from one stage to the next:

- Least developed, highly vulnerable countries (such as small island states, glacier-dependent and land-locked arid countries, and countries with extensive low-lying deltas and coastlines) should maintain emphasis on adaptation and increasing resilience, while simultaneously addressing poverty reduction.
- Emerging economies should initially emphasise low-carbon economic growth, while paying continued attention to poverty reduction.
- Developed economies should begin to shift economic emphasis to sustainable consumption and production to reduce their global ecological footprint.

Accordingly, the “green economy” will look very different from country to country and the Asia-Pacific region’s decision makers should resist any attempt to develop a rigid global blueprint intended to apply to all countries. In any case, the green economy tends to be viewed as a dated concept dressed up in new garb, and therefore, it should facilitate rather than detract from the continuing struggle to attain the ultimate goal of sustainable development. The cautious approach by developing countries to support the green economy in the region should be taken seriously at Rio+20 and beyond and their concerns addressed in a comprehensive manner. Many of the advocates of the green economy are now stressing that the green economy is a means or stepping stone towards sustainable development, rather than a replacement (and rightfully so).

Nevertheless, the need for better indicators and means of progress towards the green economy and sustainable development remains a priority. Many countries are looking at alternative metrics to Gross Domestic Product or other economic indicators to stress that national objectives and human wellbeing should not be measured in economic terms alone. Examples from Asia-Pacific such as Gross National Happiness (Bhutan) or the self-sufficiency economy (Thailand) are promising attempts to redefine the meaning of national progress. While these may simply be indicators of a willingness to explore alternatives to GDP, they do serve as a positive basis to the emerging global research agenda and possible new policy directions. In the Rio+20 process the proposal by some countries to develop Sustainable Development Goals to follow on from, or merge with, the Millennium Development Goals is strongly supported by many participants from member states, major groups and others, with emphasis on earth system boundaries, poverty eradication, sustainable consumption and production patterns, renewable energy, and reduced vulnerability, improved risk management, and increasing resilience.

*Transfer skills and know-how, not just technology* - Low carbon economic growth as the cornerstone of the green economy in developing countries is highly dependent on the transfer of applicable technologies. Technology transfer, however, is not only a process of supplying capital equipment from one entity to another but also includes the transfer of skills and know-how for operating and maintaining the hardware, and understanding the technology so that further independent innovation is possible by recipient firms. While the creation of a multilateral acquisition fund to purchase Intellectual Property Rights (IPRs) for low carbon technologies continues to represent a sticking point in climate change negotiations, at a minimum, voluntary transfers of IPRs for green technologies should be part of the corporate social responsibility of large firms.

*Cooperate regionally to achieve resource efficiency* – Asia-Pacific is scouring the globe for access to resources to fuel its continuing high growth rates, but much of that resource material may be available in the region through better use of waste. Regional cooperation should be promoted to achieve higher productivity in the use of resources, sounder international materials circulation and reduced total environmental impacts of resource utilization in Asia-Pacific. Developed and emerging countries in Asia should direct a portion of their recycling funds to international collaboration on sound materials

circulation, given the progress made or underway in incorporating the extended producer responsibility concept into their legal frameworks and policies.

### **3. In relation to the institutional framework for sustainable development**

*Strengthen regional, national, and local level governance* - Much of the focus in the build up to Rio+20 has been on the issue of reforming global/international environmental governance and strengthening the functions of United Nations agencies focused on sustainable development. IGES believes reform is necessary but the focus is misplaced as most attention should be on regional, national, and local level governance, in accordance with Agenda 21's subsidiarity principle, highlighting what has worked well since 1992, what remains to be fixed, and seeking agreement on support mechanisms to enable the international community to work together to improve governance at these lower levels. Asia-Pacific must work progressively and cannot rely on global UN reform to address its urgent sustainable development challenges.

*Set a long term goal of creating a regional environment agency* - For the Asia-Pacific region, with its highly diverse economies, languages, geographic conditions, and political systems, regional integration and harmonization are still in their infancy. Nevertheless, given the pace of development, the extent of transboundary environmental impacts, intra-regional trade, and tentative steps towards regional and sub-regional communities it is timely to set a long term goal of creating an Asian regional environment agency (possibly modelled on the European Environment Agency) and begin to take initial steps in that direction by institutionalizing information sharing and capacity development, and by expanding the scope and sustained support for existing networks and subregional environment agencies. Consideration could also be given to transforming the Secretariat of the Pacific Regional Environment Programme (SPREP) and possibly other regional organizations into a Pacific Regional Environment Agency.

*At national level, assure multi-level, multistakeholder participation in decision making, and guarantee access to information* - National environmental governance in Asia-Pacific has been substantially improved over the past four decades as most governments have now created a central environmental authority operating under a framework law, but still many challenges remain in implementation. Many standard environmental issues like clean water, clean air, and solid waste management, for which well proven management approaches are known, remain poorly addressed, while emerging environmental problems like toxic and hazardous chemicals, biodiversity loss and climate change are often underfunded, with environmental agencies also lacking the necessary human resource capacity.

The message from Rio+20 in relation to national environmental governance should be along the lines that environmental quality is a basic human right and governments are failing in their duty of care to their population if the environment is allowed to degrade further. Much greater emphasis needs to be paid to effective compliance with, and enforcement of, existing environmental laws, regulations, and policies. Governments alone, however, cannot fulfil this agenda—multi-level, multistakeholder participation in decision making and guaranteed access to information for all are essential. South-south cooperation, peer-to-peer networks, and international technical and financial support are also needed.

*Empower communities to manage natural resources on which they depend* - At the local level, communities should be given greater responsibilities for managing natural resources that are essential for their continuing livelihoods, whether these are water resources,

secure land rights, or forest resources. Community-based governance arrangements convey a sense of local ownership that makes them more effective and efficient than centralized, top-down government divorced from a direct connection with the local natural resource base. Recent financing innovations like payment for ecosystem services and REDD+<sup>1</sup> open up new avenues for sustainable community-based management of natural resources and governments should be encouraged to test these and other similar governance innovations.

*Resilient societies* – In the aftermath of multiple disasters in the Asia-Pacific region in recent years, and the increased likelihood of extreme weather events due to climate change, greater emphasis needs to be placed on developing resilient societies to minimize the impacts of disasters and to ensure rapid recovery. In addition to multistakeholder and multi-level governance, as outlined above, greater attention needs to be paid to financial schemes and insurance mechanisms to support immediate and medium-term recovery, and distributed (rather than centralized) infrastructure for key life support functions such as food security, energy, transportation, and water.

To summarize, improved governance in the Asia-Pacific region is vital to achieving global goals, and no amount of incremental reform at the global level can substitute for more robust institutions at the regional and national levels, greater empowerment of communities and other stakeholders, and much more innovative approaches to enabling factors such as financing and policy reform. This White Paper outlines an ambitious agenda of governance reform for the Asia-Pacific region which will require strong community support and political will. IGES remains committed to this agenda and will continue contributing supportive research to further the Asia-Pacific region's road to sustainable development. We hope that the outcomes from Rio+20 will support recognition of the need for governance reform at the regional, national and community levels and send a powerful message to national governments along these lines.

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### Notes

1. Reducing Emissions from Deforestation and Forest Degradation (REDD). REDD+ also includes the role of conservation, sustainable management and enhancement of forest carbon stocks (UN-REDD Programme: <http://www.un-redd.org/AboutREDD/tabid/582/Default.aspx>)