

Proposals from the Signatories Institutions for positioning from Brazil, Civil Society and Government to the negotiations to the United Nations Conference on Sustainable Development (Rio+20)

CONTEXT

The UN Rio+20 Conference, as we all work to guarantee its success and effectiveness, is a privileged experience to discuss measures and mechanisms to implement decisions and agreements firmed 20 years ago, at the Rio(Eco) 92 Conference. The latter was able to advance themes previously proposed, still in an elementary way, at the Stockholm Conference, in 1972, and to produce a robust set of agreements among nations, expressed under the 27 Principles of the Rio Declaration, the Agenda 21, the Declaration of Forest Principles and the Conventions on Biological Diversity, Climate Change and to Combat Desertification. It also opened the way to later agreements, such as the Millennium Declaration and the Millennium Development Goals, the Johannesburg Plan of Implementation, the Latin American and Caribbean Initiative for Sustainable Development, the Monterrey Consensus of the International Conference on Financing for Development, the Doha Declaration, the Barbados Programme of Action for Sustainable Development of Small Island Developing States, the Mauritius Strategy and the Bali Strategic Plan for Technology Support and Capacity-building. It will be Rio+20 responsibility, therefore, to build a substantial political agreement, increasing the implementation capacity of the multilateral agreements previously signed and provide effective mechanisms to decisions already taken.

There are expressive contextual differences between the last big conferences (Stockholm, 1972 – Rio, 1992 – Johannesburg, 2002) and the 2012 summit. The first three represented, in their discussions and decisions, parallel worlds in relation to the economic context to which they were immersed in. The Stockholm Conference took place at the end of the period of real effectiveness of the Bretton Woods institutions and preceded two oil crises (1973 and 1979) that changed the global economy. Rio92 occurred along with the process of economic deregulations, the overcoming of national frontiers and the reduction of social protection networks, in contradiction with the sustainable development effort. The agreements generated from Rio92 were fundamental, but were not implemented, as they contradicted the logic of a growing globalization that also tried to sustain itself. The Johannesburg Summit happened at the climax of the movement of financialization of the global economy, when the world's capital was allocated predominantly in service of its own reproduction. In each of these historical moments it was verified a disparity among the summit's proposals and deliberations and daily decisions from governments and businesses. With these, the traditional economic vision and logic predominated over the political agreements.

Rio+20 will face the challenge and the opportunity to analyze the global crisis – started in 2008 and unfolded in 2010/2011 –, taking into account the exhaustion in the traditional development model and the reinforced imposition of short term economic imperatives over political decisions, proposing a change of course based on sustainable development principles and imperatives. Surely, there will be conflicts of interests and of visions, being the responsibility of more advanced voices, Brazil among them, to defend a political affirmation in its multilateral dimension with impacts in internal orders, also leading to the end of the crisis. In this sense, concrete proposals must be presented to internalize decisions in the real politics and in the real economy, in their global and local dimensions, observing the principle of non-regression in relation to previous commitments. If Rio+20 is not able to construct the path, there will be a great risk to miss the accumulation of all decisions mentioned above, which are fundamental in building a fairer, inclusive, whole, and environmental friendly global order. With this context, and with this spirit, we offer the following suggestions, proposing the internalization of Rio92 decisions in the political sphere, as well as the economic sphere through the adoption of goals and concrete actions that, we believe, will contribute to overcome the crisis and to build a new development paradigm.

1. CONSTRUCTION OF THE TRANSITION TO A **GREEN ECONOMY IN A POVERTY ERRADICATION CONTEXT**

Given the accumulation of compromises and agreements shown above, as well as the difficulties in implementation imposed by choices based on a short term financial-economic vision, it is necessary to develop a road map to internalize compromises in the economic order, internally and externally, fostering a transition agenda to a green, inclusive and responsible economy. These concepts are understood as follows:

A **green economy** seeks to ensure a friendly relationship between society's production processes and natural processes, promoting conservation, restoration and the sustainable use of ecosystems, treating the services they offer to life as assets of public interest.

An **inclusive economy** seeks to meet the needs and the rights of all human beings, promoting a balanced development among financial, human, social and natural capitals, equitable distribution of wealth and of income-generating opportunities, access to public goods and services, securing decent life conditions for all the population, eradicating poverty and reducing social inequalities.

A **responsible economy** seeks to strengthen a set of humanistic and universal principles and values that sustain the democratic functioning of societies and markets, through the development of ethical and integrity values, promoting a transparency culture and mechanisms to fight corruption.

For the internalization of compromises in national economies, we propose that all participating countries at the United Nations Conference on Sustainable Development (Rio+20) commit to adopt the following directives:

- i. **Adoption, progressively, of a new national accountability standard to measure development,** while the United Nations system develops a standard that could, in the medium term, be adopted by all nations (according to item 2.ii). The new national standard should redefine the concept of prosperity at a national level, considering not only the effective GDP (for mediation) and the potential GDP (for planning purposes), but also the costs of natural assets and services implied in the production of goods and availability of services, the social impacts resulting from the growth model adopted and the level of national income vis-à-vis the local population's access to adequate sanitation, health, education, consumption, mobility, culture and well being. The new national standards should, therefore, measure the natural, social, human and financial capitals, modeled in the studies developed by the Stiglitz-Sem-Fatoussi Commission and by research conducted by Ethical Markets in partnership with GlobeScan (Beyond GDP);
- ii. **Pricing of carbon and the creation of an internal carbon market.** It is suggested to study the adoption of a local standard for carbon pricing, considering the characteristics of local markets and economic agents, as well as the creation of an internal carbon market so the agents can operate and contribute to the achievement of national emission reduction goals;
- iii. **Payment for ecosystems services.** It is suggested to study forms of pricing of natural resources and environmental services as a way to make individual perceptions and market controls effective, leading to productive systems that considers the closed, full cycle of production and the sharing of generated benefits from the use of biodiversity and of traditional knowledge;
- iv. **Establishment of Minimum Operating Standards.** It is suggested to study and define local minimum sustainable operating standards for public national companies and utilities, as well as national companies that operate internationally (in issues such as decent work relations – inclusion of minorities and equality –, socio-environmental practices compatible with sustainable development and production's closed cycle), or submitting them to global minimum operating standards, when these are already established (see item 2.1.v). National states must also create conditions in order for multinational corporations to operate locally based on their best world standard, when this is above the local or global minimum. Furthermore, it is suggested to include among the minimum operating standards – as a requirement for large national companies that

operate internationally, as well as to public companies and utilities – the public annual disclosure of sustainability activities modeled in global reporting standards (e.g. GRI) or a justification of impossibility of report;

- v. **Inclusion of four aspects in the decision-making process: social, environmental, economic and ethical**, encouraging a culture of peace and solidarity among nations and translating in concrete objectives on poverty eradication, reduction of inequalities, promotion of decent work and of a system of integrity and combat against corruption;
- vi. **Linkage between public and private actions in developing and follow through with the national plans**. Additionally, the articulation between governments, intergovernmental organizations and non-governmental organizations, market and civil society based (major groups) is also fundamental for the transition to a new economic model;
- vii. **Adoption of sustainable purchasing policies for governments**, in a way to redirect local production, as well as measures that encourage both production with less pressure on natural resources, low emissions and decent work conditions – studying differentiated taxation regimes to encourage it – as well as new consumption patterns, establishing mechanisms that promote the acquisition of more sustainable products. At the same time that production patterns are shifting, it is imperative that there is a change of culture and behavior from consumers. In this sense, it is suggested to promote a responsible advertising that act as guidance to consumers, according to the proposed by the EthicMark Award for Advertising that Uplifts the Human Spirit and Society. Finally, it is necessary to encourage the sustainable treatment of waste from producers as well as consumers, and the financing of R&D process to develop sustainable products;
- viii. **Effective investments, public and private, in a new education model focusing on developing values and culture** aiming to develop citizens aware of their socio-cultural heritage, of their position in relation to the environment and of their power to influence and their responsibility as citizens, voters, parents, consumers, investors and entrepreneurs. Assessment mechanisms of the internalization of concepts and practices from a student perspective can be particularly effective in this sense;
- ix. **Incorporation to regulation tools, inducing the planning and development of sustainable cities, through urban and rural infrastructure investments**, such as greater sanitation coverage, depollution and recovery of water resources, promotion of a sustainable urban transportation system and energy generation from a diversified and renewable matrix.

Even as the plans are of national character, it is encouraged, whenever possible, the exchange of experiences and the search for cooperation among countries.

2. CONSTRUCTION OF A NEW INSTITUTIONAL FRAMEWORK

Regarding the internalization of commitments in national and international politics, we understand as fundamental:

- 2.1 A real commitment from countries to align their national planning and development agendas with sustainable development criteria, through the elaboration of **national plans on sustainable development**, to be presented to the new “umbrella body”, to be created within the United Nations (see item 2.2), within a deadline convened with the parties (suggested, initially, two to four years).

The plans should be adapted to the different local realities and should contemplate, necessarily, a **minimum agenda**, consisting of goals in:

- a) **Reduction of ecological footprint, considering reducing the consumption of resources, the impacts on ecosystems and their conservation and restauration;**
- b) **Poverty eradication and reduction of social, political and economic inequalities, translating into access to goods, income and public services;**
- c) **Implementation of a system of integrity and transparency for the commitments in public-private relations, including a mandatory public annual disclosure of sustainability policies and practices by multinational corporations, public companies and utilities, or justification of impossibility of report.**

It will be the responsibility of the United Nations the **Encouragement and Support of National Plans** and to **promote spaces for sharing and exchanges that provoke synergies and scale gains**, through:

- i. **Establishment of a International Fund** to guarantee the feasibility of the national plans, which could be based on: the proportional contributive capacity of member countries of the United Nations, advancing the agreement (during the 34th Session of the UN General Assembly , 1980), which was never fulfilled, of 0.7% of GDP from developed countries, to 1% of GDP¹; resources from the rights of maritime and air space usage; and a tax of 0,05% on speculative international financial transactions (Tobin Tax). These resources would be redistributed according to voluntary goals and commitments agreed by nations, submitted to external and independent accountability.
- ii. **Adoption, by the UN, of a new national accountability standard to measure development and monitor the national voluntary plans**, taking into consideration recent research—among which we highlight the works of the Stiglitz-Sen-Fitoussi Commission and the studies conducted by Ethical Markets in partnership with GlobeScan (Beyond GDP) –, as well as the experiences from the various nations and blocs of nations on defining their internal prosperity and development standards (according to item 1.i). The accumulation of these researches and information, and their thorough evaluation should develop, in the medium run, into a new standard that can be adopted by all nations;
- iii. **Pricing of carbon and creation of a global carbon market.** It is suggested to study the adoption of a global standard for carbon pricing, as well as the creation of a global carbon market. Both the carbon pricing and the operational model of the carbon market shall consider countries' experiences and the overall information from the implementation of the Clean Development Mechanisms (CDM), within the Kyoto Protocol context;
- iv. **Payment for ecosystems services.** It is suggested to study forms of pricing of natural resources and environmental services as way to direct production systems to a closed cycle. Experiences from countries and blocs will serve as reference for global definitions that shall also consider the effective access to biodiversity and the sharing of generated benefits from its use, in accordance with previous commitments (Convention on Biological Diversity);
- v. **Establishment of Global Minimum Operating Standards.** It is suggested to establish, at a global level, minimum operating standards for multinational corporations (in issues such as decent work relations – inclusion of minorities and equality –, socio-environmental practices compatible with sustainable development and production's closed cycle); Furthermore, it is suggested to present annual disclosure reports of sustainability activities modeled in global reporting standards (e.g. GRI) or a justification of impossibility of report;
- vi. **Redefinition of a Geography of Technical and Scientific Cooperation**, suggesting the coordination of efforts and the creation of networks that encourage the exchange of experiences, expertise and skills among regions that are similar geographically (organized by

¹ With data from 2008, 1% of the Growth Domestic Product of OECD countries would sum up to USD 400 billion, while help to banks and financial institutions between 2008 and 2009 was more than USD 18 trillion, due to the crisis provoked by the current development model.

biomes), geopolitically, and by their development stage, in a way to create synergies and accelerate scale gain, with a resulting lowering of costs to the transition agenda.

- 2.2 Overcoming the current global institutional failure, modifying the institutional framework both in the national and global spheres, in a way to eliminate the imbalance among the four sustainable development dimensions (social, economic, environmental and ethical). Only the creation of a new institutional framework can offer the mechanisms of coordination, cooperation, evaluation and control necessary to an ambitious transition agenda.

In this sense, it is proposed to strengthen the management systems in the social, environmental and ethical dimensions within the United Nations, and the **creation of an “umbrella body” responsible for planning, coordination, encouragement and implementation of sustainable development commitments**. This new body, that shall have a hierarchical level comparable to the Security Council level and absorb the Commission on Sustainable Development, shall provide directives to other bodies, agencies and programmes within the United Nations system, specially: ECOSOC, UNEP, UNDP, WTO, WCO, ILO, UNIDO, UNCTAD, FAO, OHCHR, UNPA and UNESCO. The new body shall also articulate policies and efforts from multilateral financial institutions (International Monetary Fund and the World Bank), settle disputes, mediate conflict of interests and litigate within the International Court of Justice and the International Criminal Court, gather and provide subsidies to other multilateral organizations (such as G20 and G77), and maintain a dialogue and consulting forums with non-governmental organizations (market and civil society based), guaranteeing legitimacy to decisions and process.

Besides being responsible for the encouragement and support to the agendas and national plans, this new multilateral institutional architecture would intervene in all situations of social, financial, food, energy, environmental, and cultural crises and in any other issues related to sustainable development.