



## **The Rio+20 Summit and its Follow Up: An Assessment**

**By Martin Khor**

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The UN Conference on Sustainable Development, more popularly known as Rio+20, to commemorate the 20<sup>th</sup> anniversary of the 1992 Earth Summit, ended with expressions of deep disappointment from broad sections of members of the media and the environmental NGOs, who saw little new commitments to action in the final text that was adopted by the heads of states and governments and their senior officials.

This was understandable, as much had been expected from the Rio+20 Summit, the biggest international gathering of world leaders this year. This is also because the world is facing serious crises in the global environment and economy, thus there were hopes that some decisive actions would be taken, worthy of the 20<sup>th</sup> anniversary of the original Rio summit, the UN Conference on Environment and Development.

Thus, there was unhappiness and frustration that the hundred heads of state and government who came to Rio de Janeiro were unable or not asked to take decisive actions. There was a sense that the speeches, roundtables and panel discussions at the huge Rio Centro conference centre were part of a ceremonial function for the political leaders, while the tough decisions required by the crises were avoided or postponed.

But there are grounds for a more positive assessment of Rio+20. It achieved an agreed outcome, something that is increasingly rare in multilateral high-level meetings. It managed (just) to reaffirm previous understandings on sustainable development, thus maintaining the foundations for international cooperation. And it directed the diplomats and officials of all countries to continue negotiating and come up with solutions to important unresolved issues within one to two years—including on sustainable development goals, finance and technology, and a new political forum on sustainable development.

The summit adopted a 53-page document, "The Future We Want". It reaffirmed or recalled what had been agreed to 20 or 10 years ago (at the first Rio Summit that produced the Rio Principles and Agenda 21, and the Johannesburg Summit that marked the 10<sup>th</sup> anniversary and produced a Plan of Implementation respectively). And it directed that the talks continue in the United Nations (in New York) to strengthen sustainable development and environment institutions, examine how and whether to provide finance and technology to developing countries, and establish new sustainable development goals.

Measured against the urgent tasks needed, there were no breakthroughs. But neither was the summit the failure that many portrayed it to be.

### **Pre-Summit Negotiations lowered the expectations**

Those who have been following the negotiations to prepare for the summit had already scaled down expectations, for various reasons. The talks were bogged down by contentious debates on the "green economy", a new concept in the context of multilateral negotiations. There had been little focus on assessing the serious gaps in implementation of the Rio 1992 or Johannesburg 2001 outcomes, including on the commitments to provide finance and technology to developing countries. Only at a late stage was there a discussion on texts on specific environment or development issues, such as

food security, water, oceans, poverty, and trade, and on the means of implementation (finance and technology), while a new theme (sustainable development goals) was also proposed at this late stage.

The developed countries seemed to be a little mood for a new boost to international or North-South cooperation, due perhaps to the effects on them of the global financial crisis and insecurity felt by some of them about the rise of potential rivals in the developing world. Even a reaffirmation of past commitments, which is a normal part of UN conferences, became a contentious issue. It was a repeat of UNCTAD XIII conference in April, when the developing countries had to fight very hard simply to get developed countries to reaffirm that the mandate given to UNCTAD in the previous conference in Accra in 2008. And finally, there were just too few negotiating days allocated in the past two years to cover such a wide range of topics embedded in sustainable development.

The impasse in the negotiations continued in the last negotiating session in Rio itself on 13-15 June. As of the night of 15 June, there were 315 paragraphs in the draft of the outcome, but only 116 of them had been agreed to, with no compromise in sight on many major issues. The Brazil government, as host country and incoming President of the conference, took over leadership of the negotiations. On 16-18 June, negotiations intensified on the basis of a new draft issued by Brazil. Finally, on 19 June, a final draft produced by Brazil was adopted by the senior officials.

Faced with the prospect of a real breakdown, the officials representing almost 200 countries pulled back from the brink and worked out last minute compromises in an agreed text just as their political leaders were arriving in Rio. No country or group of countries were satisfied with the text, as some key points wanted by each group were not included. This gave rise to a comment from a senior UN official that everyone was equally unhappy, and thus the outcome was possible. There was above all relief that Rio+20 did not collapse in disarray without an outcome, as happened in some World Trade Organisation ministerial meetings (1999, 2003) and in the Copenhagen climate conference (2009). Multilateralism in sustainable development was put to the test and survived to live another day. The outcome document agreed to just about meets the minimum requirements of success, given the deteriorating state of international cooperation and the tough battles that developing countries had to fight in the past year to get their points across. It was often a frustrating and seemingly hopeless task. But in the end, the developing countries prevailed on several issues.

If there is to be reason for some optimism amidst the downbeat atmosphere, it is to be found in the mandate for follow-up actions. At the closing plenary on 22 June night, the Brazilian President, Dilma Rousseff, hailed the outcome document as a historic step for sustainable development. She said it was a "starting point" and not a "threshold or ceiling" for implementing the path to sustainable development that had to be ambitious and should serve as a legacy for future generations. Those were well chosen words, for the document while not itself containing high action points, is a start in opening the way to potentially important actions.

### **Common but differentiated responsibilities**

The biggest battle in the last week of negotiations in Rio was to get developed countries, especially the United States, to renew the original Rio principles on environment and development adopted at the historic 1992 Earth Summit. These include the environmental precautionary principle and polluter pays as well as development and equity principles of the right to development and the common but differentiated responsibilities (CBDR). The CBDR is especially important for developing countries, as it implies that while all countries should take sustainable development actions, the developed countries have to take the leading role in environmental protection, as they contributed the most to environmental problems, and they should also support developing countries with finance and technology in their sustainable development efforts. Some developed countries, especially the United States, resisted affirming the Rio principles and especially CBDR. For developing countries, the reaffirmation of Rio plus a mention of CBDR was a necessity; without this reaffirmation, the summit would have been a disaster. On almost the last day, the US gave in. The document in paragraph 15 now reaffirms the 1992 Rio principles, including the principle of "common but differentiated responsibilities" (CBDR).

In a section on climate change, the text (para 191) also recalls that the UN climate convention (UNFCCC) provides that parties should protect the climate system "on the basis of equity and

common but differentiated responsibilities and respective capabilities.” Though this is only a factual reflection of the Convention, it is nevertheless a victory for developing countries since the equity and CBDR principles were notably absent in the decision at the UNFCCC conference of Parties in December 2011 that mandated negotiations on a new Durban Platform under the Convention on Climate Change. Some developed countries, especially the US, have argued that the absence of the mention of equity and CBDR means that all Parties have to take on similar levels of commitments in a future climate regime, unlike the Kyoto Protocol. Developing countries that on the contrary argued that these principles apply since the new regime will be under the Convention have their hands strengthened since Rio+20 have “recalled” these two principles in climate protection actions.

## **Technology and Finance**

The Rio+20 outcome was a big let-down on the issues of financial resources for and technology transfer to developing countries. These are the “means of implementation” needed by developing countries to help them implement sustainable development plans, and were very prominent in Agenda 21. The G77 and China insisted on reaffirmation of the understanding that developing countries require these means of implementation to meet their obligations, and that developed countries renew their commitments, especially since there are new obligations on developing countries on account of the green economy and sustainable development goals components of the text.

On technology, the G77 and China proposed a new technology transfer mechanism to promote sustainable development, since there has been little if any real transfers in the past two decades. However, the US and others refused to even reaffirm their commitment to transfer technology to developing countries. They insisted that the word “transfer” be deleted from the title of the technology transfer section, and that the term technology transfer wherever it appears should be accompanied by the words “voluntary” and “on mutually agreed terms and conditions”, meaning that technology transfer would be on a commercial basis. The US chief delegate explained that this was to prevent compulsory licensing and imposition of technology transfer requirements by developing countries.

This demand was opposite to the language in Agenda 21 and the 2001 Johannesburg Plan of Action (JPOA) that agreed on pro-active technology transfer principles. After many rounds of intense discussion, the US on the last day agreed to language (in para 269) that “recalled” the technology text in the 2002 Rio+10 summit in Johannesburg, including technology transfer “particularly to developing countries, on favourable terms, including on concessional and preferential terms, as mutually agreed.”

Long negotiations on how to treat the issues of intellectual property and access by developing countries to environmentally sound technology did not yield any direct results, with the US rejecting even very mild language on a “balanced approach to intellectual property”. The only place IP is mentioned in the final text is in para 269 that recalled “the provisions on technology transfer, finance, access to information and intellectual property rights as agreed in the Johannesburg Plan of Implementation.”

On finance for developing countries, the developed countries have watered down their previous commitments, this time refusing to reaffirm the usual terms of providing “new and additional financial resources” for developing countries in the Rio+20 text. This may reflect the budget problems in both the US and Europe, and the decline in development aid in the past year. Instead, there are references in the text to getting funds from a “variety of sources” and “new partnerships”, a code for the reduced importance (and quantum) in developed countries’ government financing for developing countries. A long paragraph (258) reaffirms the importance of fulfilling the ODA target of 0.7% of GDP.

The developed countries also wanted to emphasize South-South cooperation as an alternative source of financing, but did not succeed; instead there is a balanced paragraph on South-South cooperation as solidarity and complement (para 260).

The G77 and China had before the Rio meeting proposed that a new sustainable development fund be created, and that at least \$30 billion a year be provided in 2013-17, rising to \$100 billion a year from 2018. (In Rio 1992, the Secretariat estimated developing countries required \$100 billion a year in external funds to implement Agenda 21). But this was unacceptable to developed countries.

The developing countries were thus very dissatisfied with the retreat in commitments on the means of implementation, and argued that the new Green Economy and Sustainable Development Goals aspects of the outcome would be meaningless without a commitment to finance and technology.

To save the show, it was agreed that there would be a follow-up process in both finance and technology after Rio+20. On finance (para 255), an inter-governmental process will start under the General Assembly to assess financing needs, existing frameworks and additional initiatives, to prepare a report towards a Sustainable Development Financing Strategy to mobilise resources for sustainable development. A committee of 30 experts nominated by regional groups will implement this process and conclude its work by 2014.

On technology, developing countries wanted a technology transfer mechanism, or at least a discussion towards that goal. Developed countries would not agree to a direct inter-governmental process. The final text (para 273) requests UN agencies to identify options for a facilitation mechanism to promote development, transfer and dissemination of environmentally sound technologies by assessing technology needs of developing countries, options to address them and capacity building. The UN Secretary General is asked to make recommendations on this mechanism to the General Assembly's 67<sup>th</sup> session.

These are actions to be carried forward, rather than firm commitments, and will hardly convince developing countries that they will get the means (finance and technology) to implement new obligations on environment and sustainable development. Thus, the developed countries have not maintained their level of commitments of 20 or even 10 years ago, whether on sustainable development principles or on finance and technology. Developing countries in effect made significant concessions in accepting the very watered down language, and this must be seen as their major contribution to an outcome for Rio+20.

Nevertheless, two processes have been put in motion that keep the issue of finance and technology for sustainable development alive, and the follow-up processes for both issues hold the promise of leading to some new strategies and mechanisms.

## **Sustainable Development Goals**

A new item in the Rio+20 outcome with considerable follow-up implication, is the decision to formulate sustainable development goals (SDGs). This will be done in the next year through a 30-member working group under the UN General Assembly, nominated by governments through the UN regional groups. The UN Secretary General is asked to provide initial inputs and the UN agencies' support to the working group, which will submit a report on the goals to the General Assembly next year for its action.

Establishing SDGs was not on the original mandate of Rio+20 topics but entered the process in late 2011 through a proposal of Colombia and a few other countries. It developed increasing support as a concrete "deliverable" for the summit and as a kind of replacement for the controversial Green Economy issue. Although establishing SDGs turned out to be a complex exercise, at least the concept of sustainable development was an accepted and comfortable one, unlike the green economy.

The developing countries during the negotiations fought for several things: to have a good definition of SDGs, to ensure that there is a balanced approach among the three pillars (economic, social, environmental) of sustainable development in the selected goals, that the SDGs be formulated by an inter-governmental process and not "dropped" on the governments by the UN Secretary General or UN-chosen experts (as in the case of the Millennium Development Goals, and that the SDG process should interact with and not replace the separate process of the UN's post-2015 development agenda after the expiry of the MDGs. They also preferred that no specific SDGs be named in Rio, in order not to pre-empt the approach of having goals balanced from all three pillars.

The developing countries' positions prevailed on all these aspects. In the final text, the SDGs are to be based on Agenda 21 and the Johannesburg Plan of Action, respect the Rio principles, build on commitments already made, incorporate the three dimensions of sustainable development. They

should be coherent with the and integrated in the UN development agenda beyond 2015 and should not divert effort from the MDGs. The goals should address priority areas, guided by the outcome document.

Developed countries, especially the European Union (EU), were disappointed that the summit itself did not adopt five specific goals that were mainly environmental in nature, that they put forward as initial and priority SDGs. The developing countries argued there was no time to agree on what the initial goals would be, since economic and social goals also have to be included.

The formulation of the SDGs, and their interface with the post-2015 development agenda, will be one of the most important follow-up actions initiated by the Rio+20 Summit.

## **The Green Economy**

The outcome document has a large section on the "green economy". This topic had in fact absorbed most of the time and energy of the summit's preparatory meetings over the last two years. "The green economy in the context of sustainable development and poverty eradication" had been included as one of the two specific themes of the conference (the other being institutional framework for sustainable development). However, it soon became the centre of contention and controversy, partly because it was a new subject for multilateral negotiations that could potentially result in new obligations on states, and partly because the subject was being negotiated in the home of "sustainable development" and there was confusion about its inter-face conceptually and practically with sustainable development.

From the early stages of negotiations, some developed countries, especially the EU, were advocating having an action-oriented and norm-related approach to the Green Economy. The EU proposed that Rio+20 formulate a UN green economy roadmap with several specific goals, targets and deadlines for issues such as water, forests, agriculture and oceans. This was seen as going too far with the concept by many developing countries. They had many concerns, including that the "green economy" concept would replace "sustainable development"; that it may be used to justify trade protectionism against developing-country products and new conditionality for aid and finance; that it would be used to create new markets based on economic valuation of nature's functions, offsets and payment for environment services and thus lead to commodification of nature. There was also concern that there would be a one-size-fits-all approach as well as "green economy" obligations that all countries have to adhere to, without developing countries getting the corresponding means of implementation (finance and technology) from developed countries.

After a long fight lasting over a year, it was finally agreed in the Rio+20 text that the green economy is one of the important tools for achieving sustainable development, providing options but not a rigid set of rules. The green economy policies should be guided by the Rio principles. The text also contains 16 points of what the green economy should be or not be. It should respect national sovereignty, promote inclusive growth, strengthen finance and technology transfer to developing countries, avoid aid and finance conditionalities, not be used for trade protectionism, help close North-South technology gaps, address poverty and inequalities and promote sustainable consumption and production patterns.

The main action points on the green economy are quite mild (para 66). The UN system and relevant donors are asked to coordinate and provide information on matching interested countries with partners to provide requested support; to provide toolboxes and best practices and good examples in applying green economy policies, methodologies for evaluating policies, and platforms that can contribute.

## **Institutional Framework for Sustainable Development (IFSD)**

The IFSD was one of the two major themes of Rio+20 and the chapter on it could prove to have the most significant results. It is widely recognized that while Rio 1992 was a success, its follow up mechanisms for implementation were weak. The main body for follow up was the new Commission on

Sustainable Development (CSD); it worked well as a convening body for Ministers and senior officials in its initial years, but had lackluster results in recent years. The problem was mainly in design: it meets only two to three weeks in a year and has a small secretariat within the UN department on economic and social affairs, yet it has a large agenda of tasks and issues to fulfill.

Potentially, the most important decision in Rio was to set up a high-level political forum on sustainable development, to replace the CSD. The idea of a Forum had been originally proposed by the G77 and China, while others, mainly the European countries, proposed transforming the CSD into a new Sustainable Development Council. The final text agreed to establishing the Forum; the text also incorporated some of the ideas proposed for the Council

According to the text, the high-level forum could have 12 functions, including to provide political leadership and recommendations for sustainable development, provide a platform for regular dialogue and agenda setting, have set the agenda and enable regular dialogue, consider new sustainable development challenges, review progress in implementation and improve coordination in the UN system, have a action-oriented agenda for new and emerging challenges, follow up on implementing all the sustainable development commitments, coordinate within the UN system, promote system-wide coherence and coordination of sustainable development policies.

As the details have not been sorted out, Rio+20 decided to launch an intergovernmental process under the General Assembly to define the forum's format and organizational aspects, aimed at convening the first forum at the General Assembly's 68<sup>th</sup> session in 2013.

A key issue is the extent to which this forum will only be a series of annual meetings and roundtables (during the time of the annual General Assembly session) or whether it will have a strong structure that addresses the social, economic and environmental dimensions, that meets regularly throughout the year and that is serviced by a strong enough Secretariat.

If the new forum can have a wide agenda, a big enough mandate to act, a dynamic process of discussion and decision making, a strong secretariat and high political backing, then the modest document coming out of the Rio+20 summit can be transformed into a world-changing process and organisation.

**Rio+20** also agreed that the UN Environment Programme would be strengthened and upgraded, including through establishing universal membership of its governing council and increased, stable and adequate financing, and strengthening its regional presence. It is the only place in the text in which increased and adequate funding is committed. The General Assembly is invited to adopt a resolution on UNEP to this effect.

This decision was a great disappointment to European countries which were strongly advocating that UNEP be transformed into a UN specialized agency. This was also supported by the African Group. However this proposal was not acceptable to other major developed countries including the US, Japan and Russia, or by many developing countries, each for their own reasons.

### **Action on Thematic Issues**

The document also has a large section (Section V) on action on many thematic issues, including water, oceans, biodiversity, food security and agriculture, energy, transport, health, employment and social protection, cities, disaster risk reduction, poverty eradication and trade. Some of these topics contain proposals and promised actions, most of which are useful as guidelines for countries and institutions to implement. For example, the section on food security and sustainable agriculture reaffirms the right to food, emphasizes rural development and the importance of small farmers and indigenous peoples and their need for secure land tenure and credit, and promotes sustainable agriculture, while stressing the need to address the root causes of food price volatility. It does not however address the key problem of developed countries' agricultural subsidies.

## **Conclusion**

While the Rio+20 Summit fell short of justified expectations that it would be a landmark in addressing the world's current serious crises, it was fortunate that there was even an agreed outcome at all. The present atmosphere of international cooperation has deteriorated recently, as can be seen in the impasse in the WTO's Doha negotiations, the failure of the Copenhagen climate conference, and the uncertainties surrounding the UNCTAD XIII conference. Rio+20 also became a victim of the reduced commitments by developed countries to support the developing countries in their development quest.

Despite some setbacks, the developing countries managed to secure many of their key positions and demands made in the negotiations. It says a lot about the current international situation that a reaffirmation of principles made 10 and 20 years ago is a sign of success.

With the outcome in Rio, the multilateral system in sustainable development lives to fight another day. The mandated actions in the Rio+20 text, on the high-level forum on sustainable development, the finance strategy and technology facilitating mechanism, and the sustainable development goals, point to more and potentially important work in the year ahead at the UN. The success of any conference is ultimately determined on the strength of the follow-up. Rio+20 could remain a disappointment, or could become the start of something significant. In that sense, Rio+20 has not ended, but only started, as the Brazilian President stated at the summit's closure.