

Annex II

Summaries of discussions held under agenda items 2 and 3

(This annex summarizes the main points made by the different participants and should not be understood as reflecting positions agreed by ECE member States.)

Item 2: Follow-up to Rio+20 and the post-2015 development agenda

Keynote speech: Mr. Mark Halle, Executive Director of the European Office of the International Institute for Sustainable Development (IISD), summarized some key lessons from the Rio+20 experience and explained their implications for sustainable development and the ongoing process of formulating a post-2015 development agenda. Much more was achieved at Rio de Janeiro than just the intergovernmentally agreed document. The actors that took part in the processes and the processes themselves are of critical importance in creating a sustainable world. The momentum for sustainable development is no longer principally in the hands of central governments but with subnational jurisdictions, the private sector and civil society. As a result, the prospects for making progress towards sustainable development are becoming more complicated but at the same time more likely to succeed. The intergovernmental processes need to place more emphasis on equity considerations. There is an increasing need for Europe and North America to provide leadership on the issue and the potential for unilateral action is enormous. Likewise, firms can act unilaterally and thereby obtain early comparative advantages in developing green technologies.

(a) The future of sustainability: from transition to transformation

The panel session was moderated by Ms. Claire Doole.

Mr. Adnan Amin, Director-General, International Renewable Energy Agency (IRENA), stressed that energy is a key sector in making a transition to a green economy. Energy demand is likely to increase substantially in the future and investment decisions being made today to meet that demand will have far-ranging implications for decades. Renewables are increasingly becoming an important component of energy supply as their costs are declining rapidly. A majority of the world's economies already have a national policy on renewables; however there is no one set of policies but they need to be adapted to the needs and situations of each country. Investment in these technologies is extensive throughout the world, including in emerging economies from China to Africa and especially in the fossil fuel rich economies of the Middle East. The 2020 initiative of the European Union (EU) is an important framework for promoting renewables. The further development of renewables for achieving sustainable development requires increased cooperation, more innovative thinking and a long-term focus and commitment.

Mr. David Stanners, Head of International Cooperation, European Environment Agency, stressed that a green and healthy future depends on the three pillars of the green economy: resource efficiency, ecosystem resilience and human well-being. Thus far, environmental policy in the EU has delivered substantial improvements to the state of the environment. However, major environmental challenges remain. Moreover, some environmental gains have been overwhelmed by broader megatrends such as economic development, population increase and changing trade and consumption patterns. Europe's demand for natural resources is not being met from its own resource base and worldwide consumption is exceeding planetary boundaries. In this context, the European Commission

proposed, at the end of 2012, a new EU Environment Action Programme to 2020 entitled “Living well, within the limits of our planet”. The objectives of the action programme are to protect and enhance the Union’s natural capital, to switch to a green and low-carbon economy, and to safeguard citizens from environment-related pressures and health risks. In addition, the speaker emphasized that in developing a new policy agenda, it is important to learn the lessons of the past and to use all information available. Adaptive management practices and feedback loops should be designed into policies in order to enable course adjustments.

Mr. Tim Campbell, Chairman, Urban Age Institute, pointed to the importance of cities as partners in moving toward sustainable development. Cities, including many in the ECE region, are looking for innovative solutions for urban challenges and engage in a very active and continuous exchange of good practices. The learning process is facilitated by networks that involve stakeholders such as civil society organizations, the private sector and neighbourhood groups. Exchange of good practices is ongoing on a wide range of issues, such as rapid transport systems, climate change policies at the local level, or waste management. As a result, cities are at the front edge of developing policies that help address the sustainable development challenges we are facing today, as they are often closer to the problem and can act with fewer constraints. In addition, they serve as laboratories for new approaches. Consequently, the experience of cities can help national governments as well as international organizations to identify effective policies.

Mr. Olivier Cattaneo, Adjunct Professor, SciencesPo Paris, and former G-20 Adviser to the Minister of Agriculture, France, focused on the linkages between food security and trade. While there is no single instrument to address hunger and undernourishment, trade supports different dimensions of food security, such as availability of food, access to food, food safety, and the stability of food supply, especially in times of crises. Trade connects farmers to markets, whereas inefficient trade adversely impacts the entire food production chain. The face of trade has been changing, with more than one half of trade now taking place within Global Value Chains. There is a need to enhance the efficiency of such Global Value Chains, which not only enhances food security, but also contributes to the transfer of capital and know-how to agricultural sectors in developing countries. Food security is also quite important in achieving political and social security.

The interactive discussion from the floor, in which over a dozen ECE member States and major groups representatives made statements, revealed a wide variety of additional perspectives but some key themes were also apparent. One or more speakers and participants raised the following points:

1. Messages in the Rio+20 negotiated agreement provide a sound basis for further work on achieving sustainable development. Next steps include creating a set of SDGs, beginning to address the financing needs of developing countries, adopting institutions to focus on sustainable development, and creating a range of new partnerships. The SDGs should build on existing goals and targets.
2. Poverty reduction and environmental sustainability were interdependent and should be combined, as suggested by the United Nations Secretary-General, into a unified post-2015 framework.
3. The importance of innovation in contributing to a green economy was emphasized.
4. The ECE region’s diversity in terms of the level of development, the range of economic models, climatic conditions, natural resource endowments and the overall challenges facing each country, needs to be recognized in any policy framework as there is no ‘one size fits all’. In addition, this diversity can act as a laboratory for testing different approaches towards addressing these challenges.

5. The need to create inclusive and equitable societies was underscored, including with regard to gender equality.
6. The public sector has limited resources and much of the focus needs to be on the important role of the private sector; nevertheless government policy is essential in providing the institutional framework and investment incentives that would ensure that the private sector made its proper contribution.
7. The interlinkages of environmental, economic and social development with health were also highlighted; climate change and urbanization were cited as potential triggers for increasing health risks. The detrimental effects of the current austerity policies on health in some of the region's economies were cited as an example of this interrelationship.
8. Specific examples of various environmental, employment and educational policies, some within the EU's 2020 framework, that have recently been implemented in order to make their economies more sustainable, were provided.
9. The need to eliminate or reduce fossil fuel subsidies was highlighted as a quick policy change that can have immediate impact by changing consumer behaviour.
10. Promoting sustainability by increasing energy efficiency and developing renewables would increase energy security which was another worthy goal in itself. In this regard, the Secretary-General's initiative "Sustainable Energy for All" represents an important framework.
11. The Secretary-General's Zero Hunger Challenge in making the elimination of hunger a top priority for global governance also was acknowledged. The need for local and regional rather than global value chains to ensure food security was mentioned.
12. The role of food security and its importance in eliminating poverty, hunger and malnutrition, and the importance of sustainable agriculture were also highlighted. The importance of the forest sector in creating a sustainable model and its role in the post-2015 agenda was underlined.
13. It was mentioned that the connection between environmental sustainability and political security, which is important, was nevertheless left out of the Rio+20 outcome document. Some speakers raised the importance of human rights in the formulation of the post-2015 development framework.
14. It was suggested that the challenges were more than technological and that they need to encompass social innovation and a paradigm shift involving other business models.
15. Given the high level of urbanization in the region, the specific challenges raised by urbanization with regard to sustainable development were highlighted.
16. It is important for ECE to continue its knowledge-sharing in relation to urban environmental management, sustainable urban transport, construction and urban design.
17. The need for a regional dimension towards sustainable development was underscored. In this regard, references were made as to ECE's role in assisting its member States in implementing sustainable development, including in the areas of access to "green" technologies and investment in advancement of environmentally friendly technologies and infrastructure needed for greening all economic sectors.
18. The importance of ECE's work on statistical indicators was underlined and its future role in developing new indicators in partnership with Eurostat and the Organisation for Economic Co-operation and Development (OECD) was acknowledged.
19. The usefulness of the Aarhus Convention mechanism as a model for addressing regional issues by increasing public participation was noted.

20. The importance of the ECE's Education for Sustainable Development initiative in increasing awareness for sustainability issues was recognized.
21. The contribution of both the ECE's environmental and innovation performance reviews and other programme activities to promote sustainable development were cited, such as with regard to pollution, environmental impact assessment, waste processing, water management, agricultural standards and sustainable transport.
22. Several organizations expressed an interest in working with ECE in promoting a green economy.
23. More generally, there is a need for ECE to concentrate on concrete and results-oriented activities and focus work on exchanging experiences between all member countries and sharing best practices.

(b) Sustainable development governance: regional implications and perspectives for the post-Rio+20 institutional set-up

The panel discussion was moderated by Ms. Claire Doole.

Mr. Nebojša Kaludjerović, Adviser to the Prime Minister of Montenegro for Foreign Affairs, emphasized in his address the need to ensure an efficient integration of all three pillars of sustainable development in the process of establishing a high-level political forum (HLPF). A greater vertical integration within the institutional framework for sustainable development is required, i.e. the need to ensure stronger and a more effective coordination and coherence among the national, subregional, regional and international deliberations on sustainable development. A regular universal monitoring system should be set up for the national and global implementation of sustainable development. In this context, the role of regional commissions was emphasized for achieving two important objectives: (a) to serve as mechanisms that would bring about a greater consolidation of national inputs into the global deliberations; and (b) to enable continuous monitoring of progress in achieving sustainability made by the member States. A prerequisite for advancing a sustainable development was an active engagement and contribution to the sustainable development process of all countries in the region in a practical manner. Montenegro in cooperation with countries in the region, the relevant organizations of the United Nations system, international development agencies, bilateral donors and a wide range of national stakeholders, was committed to establish a centre for sustainable development.

Mr. Enrico Giovannini, President of the Italian National Institute of Statistics and Chair of the Conference of European Statisticians, noted that substantial improvement in statistical and monitoring systems is required. For establishing an adequate monitoring and assessment system of measuring the progress towards sustainable development, as a first step there is need to have in place an adequate methodology, expertise, as well as financial and human resources. There are still many countries and statistical areas where even the basic data are lacking or are of low quality. It is crucial that statisticians are involved in the development of SDGs at an early stage. The experience with Millennium Development Goals (MDGs) has demonstrated how the lack of investment in statistics may result in lack of comparability of data. Since 1992, many countries and international organizations have developed sets of indicators to measure sustainable development using different approaches which makes the results harder to compare and difficult to conclude whether a country is on a sustainable path or not. To address this challenge, ECE jointly with the European Commission (Eurostat) and OECD have developed a conceptual framework to harmonize the existing approaches. In June 2013 the Heads of Statistical Offices of countries in the region plan to adopt the framework along with suggested indicators for sustainable development. This work serves as a valuable contribution to the ongoing process of developing SDGs and the respective targets and indicators. It is of

crucial importance that the SDGs and the related targets would be measurable. It will be more complicated to measure sustainable development than measuring MDGs. Therefore it is important that the conceptual work done by ECE together with Eurostat and OECD is taken into account. Once the SDGs are established, ECE should continue its work to align the framework and the indicators with the actual SDG targets. It is also vital to find simple ways to explain complex issues – e.g. intergenerational equity – to broader audiences, and link the concept of long-term “sustainability” to the issues of current policy interest, such as “vulnerability” and “sustainable and equitable welfare”.

Mr. Vladimir Zakharov, Director of the Institute of Sustainable Development and member of the Russian Federation Civic Chamber, highlighted the need to strengthen a broad sustainable development movement for a tangible progress at the national, regional and international levels. The involvement of government, business and civil society is necessary. In particular, an active involvement of the civil society, including the broad public organizations and the expert sustainable development institutions, should be ensured. Activities should be carried out to raise broad public awareness and create incentives for participation. Awareness could be raised also in innovative ways – using e.g. cultural heritage as a motivator along with the environmental one, and delivering the message by means of big events, e.g. Olympic Games, or business practices. The SDGs should be incorporated into the general, social and economic strategies and action plans. At the same time, “windows of opportunity” for specific actions should be used. There is a need for a regional and national adaptation of the sustainable development agenda and the related indicators. Also the need to adapt SDGs to the special situation of the nature-rich countries (such as Brazil or Russian Federation) should be considered.

Mr. Jan Dusik, Acting Director and Regional Representative of the United Nations Environment Programme (UNEP) Regional Office for Europe, underlined the role of UNEP in its new strengthened format with the United Nations Environmental Assembly of UNEP as the new governing body. It was expected that with the new programme of work (2014–2015) and mandate, UNEP should enlarge the scope of its operations in regions and countries on policy dialogue, capacity-building and the implementation of concrete projects. Such an increase in UNEP’s delivery of policies and products would be done through an enhanced cooperation with countries and with other partners in the United Nations system, including the regional commissions, such as ECE. The joint work will focus on defining areas and priorities towards empowering countries in the pan-European region on their way towards a better environmental sustainability. Regarding the HLPF, it should be developed in a way to attract high-level participation by countries, as well as to ensure a multi-stakeholder interactive participation. The HLPF’s regional component should be developed on the basis of existing platforms and forums to avoid establishing new forums and duplication in activities. The “Environment for Europe” process could be used for this purpose, at the same time enlarging its scope to cover the other two pillars of sustainable development. Concerning the SDGs, they should be measurable and should take into account the existing relevant goals and indicators, including those in the multilateral environmental agreements, sustainable consumption and production goals, and others. Identifying most efficient ways to link the SDGs with the post-2015 development agenda is one of the main challenges facing the international deliberations.

In the ensuing interactive discussion from the floor delegations addressed the following clusters of issues: modalities of HLPF; development of SDGs and related indicators, as well as linkages with the post-2015 development agenda; the regional dimension of the HLPF and SDGs, and the stakeholder participation. One or more speakers and participants raised the following points:

1. Concerning HLPF, the establishment of HLPF should take into account the lessons learned from the Commission on Sustainable Development (CSD). It addressed environmental, social and economic aspects of sustainable development in an integrated manner, provided the only global interactive meeting place for governments and non-governmental actors and agreed policy recommendations to further implement the Johannesburg Plan of Implementation (JPOI) and Agenda 21.
2. However, any CSD failures should not be repeated when setting up the HLPF. Often, environment ministries took the lead, hindering a balanced integration of sustainable development pillars. CSD was ineffective in ensuring the full implementation and monitoring of Agenda 21 and JPOI.
3. The HLPF should serve as a dynamic platform directly linked with the Economic and Social Council, and working at a higher political level (General Assembly) at regular intervals ('hybrid model'), to ensure the highest level of political guidance needed to address the challenges of sustainable development and to realize a balanced integration of its three dimensions.
4. It was mentioned that the HLPF should have an action-oriented agenda and a strong review mechanism.
5. The exact modalities on the link to the Economic and Social Council still need to be discussed in the ongoing negotiations in New York. Possible options included the HLPF to meet at ministerial level as a special session of the Economic and Social Council and at regular intervals at the General Assembly level, back to back with the high-level general debate of the General Assembly in September, to facilitate high-level participation. It was mentioned that the HLPF should not become "another Economic and Social Council" or issue directives to the Member States.
6. The HLPF should not be created as a new, heavily bureaucratized structure. Delegations called for a better use of already existing United Nations processes and institutions to achieve policy coherence and set the stage for more integrated, coherent and substantive debates. The strengthened UNEP should feed environmental issues into the HLPF discussions.
7. Regarding SDGs, the Open Working Group (OWG) on SDGs and the post-2015 development agenda process should ultimately converge into one single framework. Concerning the substance, any proposal for SDGs should reflect the three overarching objectives and essential requirements for sustainable development, i.e. poverty eradication, changing unsustainable patterns of production and consumption, and protecting and managing the natural resource base of economic and social development.
8. SDGs should be global in nature and universally applicable to all countries, limited in number, action-oriented and easy to communicate. A reservation was made against broadening the concept of sustainable development by including issues like peace and security in the post-2015 development agenda.
9. The importance of taking into account the measurement aspects when setting up the SDGs and targets was highlighted. A regular mechanism needed to be established for monitoring the achievement of the goals and regional commissions could have an important role to play in this.
10. Measuring the regional and global dimensions with the same indicators might not be possible. Some flexibility will be required to take into account regional and national circumstances when developing targets and indicators for the post-2015 development agenda.

11. Regarding the regional dimension, it was noted that the Regional Implementation Meetings organized by the regional commissions provided a useful platform for the exchange of sustainable development viewpoints and best practice experiences. The lessons learned from these meetings should be taken into account when addressing the institutional structure for regional inputs to the HLPF.
12. The regional commissions should assume an active and strong role in both the HLPF and SDG processes, also acting as a “conductor” between global and national levels. ECE could continue to facilitate the discussions on issues that are specific to the region with a view to contributing to the work of the HLPF.
13. The role of ECE in the implementation of policy decisions should also be considered. ECE is well equipped with tools, such as innovation performance reviews, housing profiles, environmental performance reviews, which could efficiently facilitate the implementation of policy decisions. ECE is leading in the implementation of Principle 10 of the Rio Declaration (through its Aarhus Convention), which serves as a replication model for other regions, such as the Economic Commission for Latin America and the Caribbean (ECLAC) region.
14. The efficient cooperation with UNEP and other partners in the region should be continued.
15. Regarding the organization of regional meetings providing input to the global HLPF, various opinions were expressed. Support was expressed for the continuation of the organization of regional meetings convened by ECE in partnership with UNEP and others. It was stressed that the ECE regional meetings could provide a unique opportunity to discuss at an early stage potential critical issues in advance of the global discussions.
16. In principle, a proliferation of regional meetings should be avoided. It was also suggested to consider the regional institutional set-up only after the set-up of the HLPF is finalized. However, a question was raised about the value of having regional meetings organized at all and it was suggested to use existing processes and forums instead.
17. The HLPF should attract representatives from all three dimensions of sustainable development. The inclusive participatory model of the CSD could be the starting point and other models of civil society participation and consultation could also be explored avoiding duplication and making use of existing structures (e.g. Aarhus Convention).
18. The idea to have a representative for future generations in the HLPF and to promote intergenerational equity was voiced.
19. The importance of the major groups’ active involvement and participation in the ECE regional implementation meetings and other meetings was highlighted. It was suggested to continue with this approach.
20. The HLPF should involve all relevant State and non-State actors as well as the United Nations system organizations, so that they can take ownership of the decisions and implement them in their work, increasing the role of partnerships and voluntary commitments in order to enhance implementation. The particular role of diverse stakeholders, such as business, local communities, and women was emphasized.

**Item 3: Economic developments and challenges in the ECE region:
the role of innovation in creating a dynamic and competitive
economy**

Keynote speech: Mr. Néstor Osorio, President of the Economic and Social Council, underlined the importance of innovation to address the interconnected economic,