TWN
RIO+20 News Update
8
www.twnside.org.sg
Published by
Third World Network
15 June 2012

Progress on means of implementation first, then "green economy", say G77

Rio de Janeiro, 14 June (Alex Rafalowicz) -- Negotiations on the "green economy" were suspended at 5.25 pm on 14 June when the Group of 77 and China (G77) said that it needs to see progress in the means of implementation before continuing the work in the green economy "splinter group".

Frustration has been growing since the last round of informal negotiations in New York (29 May to 2 June) when developed countries continued to systematically dilute commitments on finance and technology transfer in Section V of the draft outcome document, while at the same time pushing for commitments from developing countries on the green economy. Text by developing countries on means of implementation in the green economy section has also met with resistance from developed countries.

Yesterday at the resumed green economy negotiations here in Rio, the G77 spokesperson said that at some point Member States would need to look not just at "what we are doing but also how we are going to do it."

In the report back by the three splinter groups of Working II to the plenary at 8 pm Patrick Wittman (Canada) who facilitated the green economy group said that the afternoon session (scheduled for 5-8 pm) had to be suspended given the G77's concern at the lack of progress in means of implementation.

Deep differences between developed and developing countries on the green economy text remain in the negotiations that continued over 13 June until lunchtime today (14 June). When the group resumed at 5 pm, the G77 made a short statement explaining its concerns and position.

On 13 June when the splinter group resumed to work on Section III of the draft outcome document ("Green economy in the context of sustainable development and poverty eradication"), delegates faced a text with only one paragraph with the words "agreed ad ref" beside it (para 61).

The group made some progress with Member States reaching tentative agreement on the wording of paragraph 50, the introductory paragraph of the section, and some of the sub-parts of paragraph 52, which lists what "green economy policies" are to do. Paragraphs 53 and 54 were also largely "cleaned" (i.e. brackets and options were removed) but only by moving the contested or divisive elements into other paragraphs, or referencing that they needed to be agreed there.

As the negotiations continued **Wittman** proposed moving all controversial elements into the relevant sub-paras of 52 and to then await the language from "other negotiation groups", to inform the words chosen in this part of the text.

However, it does appear that Member States have accepted the phrasing "policies for a green economy" or "green economy policies" rather than "a green economy" as the subject for the section, with variations on these terms accepted in paragraphs 50, 51 and 52.

Key issues where resolution of differences among Member States was not possible include: recognition of the Rio Principles, particularly principles 2, 7 and 12; language on technology transfer; the specificity of the entire "green economy" concept; and approaches to unsustainable consumption and production patterns.

(Rio Principle 2: States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental and developmental policies, and the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction.

Principle 7: States shall cooperate in a spirit of global partnership to conserve, protect and restore the health and integrity of the Earth's ecosystem. In view of the different contributions to global environmental degradation, States have common but differentiated responsibilities. The developed countries acknowledge the responsibility that they bear in the international pursuit of sustainable development in view of the pressures their societies place on the global environment and of the technologies and financial resources they command.

Principle 12: States should cooperate to promote a supportive and open international economic system that would lead to economic growth and sustainable development in all countries, to better address the problems of environmental degradation. Trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade. Unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided. Environmental measures addressing transboundary or global environmental problems should, as far as possible, be based on an international consensus.)

Paragraph 50 now reads: "We affirm that there are different approaches, visions, models and tools available to each country, in accordance with its national circumstances and priorities, to achieve sustainable development in its three dimensions which is our overarching goal. In this regard, we consider green economy in the context of sustainable development and poverty eradication as one of the important tools available for achieving sustainable development and that it could provide options for policy making but should not be a rigid set of rules. We emphasize that it should contribute to eradicating poverty as well as sustained economic growth, enhancing social inclusion, improving human welfare and creating opportunities for employment and decent work for all, while maintaining the healthy functioning of the Earth's ecosystems. **[Agreed ad ref]"**

The substantive issue removed was the insertion of language by the **European Union (EU)** and **Republic of Korea (RoK)** relating to a "transition toward a green economy", which would have made the subject of the paragraph, and therefore the section more prescriptive. The **EU** accepted that this language could be moved to paragraphs 51, 52 or 53 but the issue has not been resolved and is currently bracketed in paragraph 53.

The **G77** noted that as the text talks of various "tools" it did not make sense to talk about "a" transition specifically and said regardless of the placement it found the language "confusing" and would prefer the **US** suggestion of "efforts toward" rather than "transition."

Paragraph 51, which outlines the guiding principles for "green economy policies", remained stuck due to the **US** refusal to accept strong language on the recognition of international law (bracketing a suggestion that green economy policies should be "in accordance with international law") and because the **US** and the **EU** blocked language recognizing the principle of common but differentiated responsibilities (CBDR).

At Wittman's suggestion of the deletion of the entire paragraph 51, with its elements moved into paragraph 52, the **G77** said that Member States have been avoiding CBDR throughout the entire process "hoping that somebody else would engage on it" but that when the environment or sustainable development is discussed at an international level CBDR is of "fundamental significance" and it should be addressed both in paragraph 51 and paragraph 52 (the Group preferred that they remained as two distinct paragraphs.) The G77 concluded that it was important that the 132 developing countries (of the Group) were listened to as it was these countries that needed development the most.

It was on the negotiations of the sub-parts of paragraph 52, as to what Member States expected "green economy policies" to do, that the deepest divisions between Member States were apparent, with limited progress on any matters of substance.

In sub-para (a), which suggested that "green economy policies" should respect national sovereignty, the right to development and Principle 2 of the Rio Declaration, the **US** continued to oppose the "right to development" and reference to the Rio Principles as it said that language around "principles and rights are legal" and that "we want to be plain spoken."

The **G77** reminded states that the question of a right to development had been agreed in the Rio Declaration (principle 3) and at the UN (General Assembly resolution 41/128 of 4 December 1986) and that to revisit such an issue was not a way forward. It added that states' sovereignty over their own natural resources was not just a Rio Principle but a customary norm of international law and so it was surprising that states were objecting to it. Again the Group reiterated that if states such as the EU had concerns over the "unbalanced" summary of Rio principles in proposed language then the group would support their verbatim reproduction or a direct reference to them.

Similarly, on sub-paragraph 52 (e), the **G77** was firm in insisting that the wording should be based on the Rio Declaration principle 12 (on a supportive and open international economic system), and not on "exogenous" language.

The **US** continued to insist that language relating to 'consistency' with trade 'rules' or 'obligations' was necessary and that reference to the Rio Principles was not acceptable. The **EU** and **Norway** also did not want to cite the Rio Principle.

As an example of the intractability of some issues, and a foreshadowing of the **G77**'s request for suspension of the splinter group, on the question of the "means of implementation" for green economy policies, Wittman proposed skipping sub-para 52 (d), which discusses financial resources, as it was "too difficult." Member States agreed although the **G77** said at the time that at some point states would need to look not just at "what we are doing but also how we are going to do it."

On sub-paragraph 52 (f), which deals with 'closing technology gaps' Wittman proposed removing the references to technology transfer into either paragraph 65 bis or 66, as the issue was dealt with there. The **US** agreed to such an approach saying it wanted to 'avoid repetition' and that wherever technology transfer was mentioned it would insist on adding new language "voluntary technology transfer on mutually agreed terms", (this converts the commitment to transfer technology into a description of normal business contracts on the market).

Mexico said that if the general idea was to 'close gaps' then one element was technology transfer but there were various instruments and tools.

The **G77** agreed and said it was flexible on adding other instruments but that reference to technology transfer should remain as its spokesperson said "if we don't talk about how we are going to do this then I am not convinced we are serious about what we are doing here."

Member States also disagreed on how to acknowledge the specific needs of developing countries in sub-paras 52 (h) and (k) with the **US** rejecting language that focused the sections on developing countries.

The issue of "sustainable consumption and production patterns" present in 52 (l) bis and 54/54bis also divided states with the **G77** and the **EU** and other states agreeing to a compromise language (but not placement) suggesting it needed to be addressed "where it lies" but the **US** proposed deleting the paragraph in its entirety.

The inclusion of language relating to "ecosystem services" remained unresolved with **Switzerland, US** and **EU** insisting on its importance but the **G77** remaining concerned about its inclusion.

Wittman said he would reconvene the group to continue paragraph by paragraph until the afternoon of 14 June at which point he would propose compromise text for the paragraphs already discussed but that meeting (at 5pm 14 June) was suspended after the G77 announced it could not continue until further progress was made on the "means of implementation."