

# GREEN GROWTH AND SUSTAINABLE DEVELOPMENT GOALS

A CONTRIBUTION TO THE POST-2015 DEVELOPMENT AGENDA

4-5 NOVEMBER 2013 | SEOUL, KOREA

# Conference Report











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## Asia-Europe Environment Forum (ENVforum)

The Asia-Europe Environment Forum (ENVforum) aims to foster inter-regional cooperation between Europe and Asia on sustainable development and its environmental dimensions. Since ASEM countries represent 52% of the world's GDP, almost 60% of the world's population and 68% of global trade today, cooperation between Asia and Europe is an unquestionable necessity. Interregional collaboration between these regions is also crucial on sustainable development and environmental issues, given the global magnitude of these challenges. To support such collaboration, the ENVforum aims to provide a multi-stakeholder platform for knowledge-sharing, capacity building; offer up-to-date information for policy makers and partner organizations on environmental themes and contribute to the formulation of sound political decisions that are mindful of their environmental impacts.

Established in 2003, the ENVforum is a partnership of the Asia-Europe Foundation (ASEF); ASEM SMEs Eco-Innovation Center (ASEIC); the Swedish International Development Agency (Sida); the Hanns Seidel Foundation Indonesia (HSF); and the Institute for Global Environmental Strategies (IGES) in cooperation with the United Nations Environment Programme (UNEP). During the first decade of its operation, the ENVforum has organized over 50 highlevel international meetings, roundtables, conferences and workshops, bringing together over 1200 selected participants from government, ministries, academia, international organizations, NGOs and civil society and also authored seven prominent publications.

During the period 2013-2015, the ENVforum is actively engaged in the global debate over the future set of Sustainable Development Goals (SDGs), which are to be set within the context of the post-2015 development process. To pursue this activity the mandate was given to the ENVforum by the ASEM Summit in Vientiane, Laos in November 2012. Going beyond its traditional format, the ENVforum launched a program to contribute to the bottom-up process that supports the creation of SDGs and to supply Asian and European countries with a plan for sustainable development to be enacted when the Millennium Development Goals (MDGs) expire in 2015. The program is based on three pillars:

- it undertakes research on possible SDGs and their associated indicators;
- it organizes knowledge-hub meetings of experts working on SDGs creation and indicators as well as on green economy and
- it disseminates the outcomes of consultations to policy makers.

Celebrating its 10<sup>th</sup> anniversary in 2013, the ENVforum organized its latest conference "Green Growth and Sustainable Development Goals: A Development Agenda for Post-2015" in Seoul, Republic of Korea on the 4-5<sup>th</sup> November, 2013. The organizers would like thank the ASEM SMEs Eco-Innovation Center (ASEIC) for the support to the organization of the conference.

This report offers an overview of the issues raised during the conference as well as providing a summary of its proceedings and outcomes.

## Green Growth and Sustainable Development Goals: A Development Agenda for Post-2015

The ENVforum conference was part of the world-wide effort to discuss and support sustainable development as an answer to global environmental challenges. Bringing together experts from the fields of innovation and sustainable development, government and business representatives, the conference aimed to seek answers on:

- How to achieve sustainable development and societal well-being by strengthening the linkages between economy and environment
- How to realize green economic growth
- How to incorporate these issues in the post-2015 development agenda.

Participants to the conference had the opportunity to learn more about green growth and the contribution of Small and Medium Enterprises (SMEs) to green growth as well as about the SDGs and the Post-2015 Development Agenda following the 2012 UNCSD Rio+20 Conference in Brazil.

#### The Post-2015 Development Agenda and a Post-Carbon Future

**Professor Soogil YOUNG**, co-chair and Director for the UN Sustainable Development Solutions Network (SDSN)-Korea Forum, delivered a keynote speech on how the post-2015 development agenda can enhance the creation of a post-carbon future.



Professor Young is a senior Korean economist who has worked on various development and international challenges of Korea since the late 1970s including at KDI as a senior fellow and at KIEP as President. Now based at the KDI School of Public Policy and Management in Seoul as a visiting professor, he launched the 'SDSN-Korea Forum' (SDSNK) on August 23, 2013, in collaboration with Prof. Jeffrey Sachs, Director of the Sustainable Development Solutions Network (SDSN), as the local platform for SDSN in his capacity as a member of the SDSN Leadership Council. He served on the Presidential Committee on Green Growth of the Republic of Korea as its Chairman during 2010~2012. He currently chairs the Research Advisory Committee of the Green Growth Knowledge Platform, a joint undertaking of GGGI,

World Bank, OECD and UNEP. During 1998~2000, he served as Korea's Ambassador to the OECD, also serving as Chairman of the Advisory Board on the OECD Development Centre. Since the early 1980s, he has served on numerous governmental advisory committees, including four Presidential Commissions/Committees. He graduated from the Johns Hopkins University in the U.S. with a Ph.D. in economics.

In his keynote speech, **Professor Young** presented the work of the UN Sustainable Development Solutions Network (SDSN), with a special focus on the SDSN Low-carbon Energy and Sustainable Industry Thematic Solution Initiative and gave an insight into the national and global Green Growth initiatives of the Republic of Korea.

The UN SDSN recognizes climate change as the world's most critical challenge, and suggests decarbonizing the planet's energy systems, aiming at an 80% reduction of greenhouse gas (GHG) emissions. Since de-carbonization will require transformational changes, one of the twelve UN SDSN Thematic Solution Initiatives focuses on low-carbon energy and sustainable industries. In October 2013, the initiative launched an innovative project to prepare deep de-carbonization pathways over the years to 2050 for the world's twelve largest emitter countries. The

pathways will offer mitigation options, technical and infrastructural solutions to decision-makers and aim to contribute to a successful outcome at the COP21 in Paris, France in 2015.

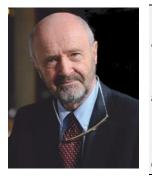
The Republic of Korea, a forerunner in pursuing low-carbon consumption and green growth, launched its national Green Growth initiative in 2008, as the basis for a new development paradigm. To pursue the initiative, a Presidential Committee was established and a National Strategy for Green Growth was launched, which accomplished the creation of a comprehensive institutional framework and a systematic implementation approach to increase the supply of clean energy and mitigate GHG emissions. Investments in green technologies have been already accelerated in the country and as an international spin-off, the Global Green Growth Initiative (GGGI) and the Green Climate Fund (GCF) were launched.

**Professor Young** underlined that after expiration of the mandate of President Lee and the Presidential Committee in 2013, the Republic of Korea is now in transition from "Green Growth 1.0" to "Green Growth 2.0". This transition can also provide an opportunity to consider criticism from civil society and environmental groups, which suggests that the strategy has not properly addressed the interdependencies between green growth and social inclusiveness. In line with the UN Post-2015 Development Agenda, which promotes sustainable development as a universal goal, the green growth strategies should be embedded in the national sustainable development frameworks and should be truly inclusive. To address this challenge, he pointed out that SDSN country networks can serve as bottom-up and open platform for international crowdsourcing of international knowledge, technology, innovations and new business models for a truly inclusive green growth.

"Green growth should be truly inclusive in a fundamental sense, and it can made it so so by placing it in the context of sustainable development framework"- Professor Soogil Young

The Contribution of Businesses to Sustainable Development and the Post-2015 Process

In his keynote speech, **Mr. Brice Lalonde**, Special Advisor on Sustainable Development to the UN Global Compact, addressed the increasing role of business in sustainable development and their potential contribution to the post-2015 process.



Mr. Brice Lalonde is Special Advisor on Sustainable development to the UN Global Compact. Prior to this, Mr. Lalonde was Executive Coordinator for the Rio+20 Conference. Before, he was the French Ambassador for climate change negotiations. Prior to this, he served as French Minister for the Environment from 1988 to 1992, and was strongly involved in global issues. Afterwards he chaired the Round Table for Sustainable Development at the OECD. In addition, he held the position of Director of the Paris office of the Institute for a European Environment Policy. He was the elected mayor of his village in Brittany for thirteen years. Mr. Lalonde also served as chair of the French chapter of Friends of the Earth. He stood in the French presidential election in 1981. He graduated from the Sorbonne University with a degree in classics and law.

In his keynote address, **Mr. Lalonde** explained that the international business diplomacy is an emerging area with growing importance: cooperation between governments and business is crucial to ensure that businesses align with the goals of society and the governments can understand better the world of business.

The history of Corporate Social Responsibility (CSR) concept dates back to the first UNCSD conference in 1992, which resulted in global processes such as the Business Council for Sustainable Development, the International Organization for Standardization and the Global Reporting Initiative. The United Nations Global Compact initiative was set by Kofi Annan in 2000 to serve as an interface between governments and business at a global level. Businesses, which joins the initiative, commit to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption to help ensure that their operations benefit economies and societies. Today the UN Global Compact is the largest corporate social responsibility (CSR) initiative, counting over 8000 companies as members, and operating over 100 different networks many of which in developing countries.

**Mr.** Lalonde explained that businesses can contribute to sustainable development in various ways: every year, as part of their philanthropy activities, 10 billion USD funds and 10billion USD in-kind development support is provided by the 500 largest companies listed in Fortune. Companies are now investing in longer term visions and placing the social benefits of their activities, the interest of employees and costumers ahead of the short-term interest of the shareholders. Most recently, some business are engaged to find new ways to tackle poverty and inequality and ensure access to education, health and gender equality for all. He also outlined that while some companies perform well on the CSR front, many do not. Companies need to follow and be accountable for all principles of sustainable development and have to work closely with the UN and with governments. Global issue platforms that bring together businesses, NGOs and academies, are important pre-conditions for joining efforts of private and public partners, providing also good corporate examples to business. At the same time business seeks signals from the UN and the governments. Therefore the role of governments is crucial in encouraging businesses for more sustainable operation, by introducing better market incentives, creating better regulations and aiming for more sustainable public procurement.

"In the Rio+20 Conference the major outcomes came from the UN Global Compact and the business meetings: there was approximately 200 commitments, amounting to a total of 700 billion USD" - **Mr. Brice Lalonde** 

Introducing the Green Growth concept within the Post-2015 Development Agenda and potential roles for the ENVForum in the process

To discuss the potential placement of the green growth within the post-2015 development agenda and identify contribution roles for the ENVforum in the process, keynote speakers **Prof. Soogil YOUNG** and **Mr. Brice Lalonde;** as well as **Mr. Janos Zlinszky**, Director for the Sustainable Development Academy of Regional Environmental Center for Central and Eastern Europe (REC) and **Dr. Mini Govindan**, Fellow at The Energy and Resources Institute (TERI) joined a panel discussion. The panel was moderated by **Mr. Surendra Shrestha**, Director of United Nations Environment Programme International Environmental Technology Centre (UNEP IETC).

**Mr. Shrestha** emphasized that the concept of green growth has a decade-long history and it as an inspiring approach to be considered for the post-2015 process. To link green growth to the post-2015 development agenda, **Prof.Young** suggested that the ENVforum could take over the approach from of the UN SDSN Thematic Solution Initiatives by identifying specific problems and offering solutions to achieve sustainable development goals. He also advised that de-carbonisation plans can be developed for major ASEM emitter countries. **Mr. Lalonde** discussed the effects and consequences of business advertisement and suggested that the footprint of advertisement sector on homogenization of cultural values should be carefully considered and advertisements should be made accountable.



Thematic Panel with Dr Mini Govidan, Mr Shrestha, Prof. Young and Mr Zlinszky

Mr. Janos Zlinszky outlined that previous experience with democratic transitions in the Central and Eastern European (CEE) region could serve as a useful blueprint for green growth transitions. Such transition will require changing the economic paradigm, exploring win-win opportunities, increasing resource efficiency and productivity, improving quality and upgrading technologies, releasing entrepreneurial and innovation potential and enhancing jobs creation for the new economy. With regards to the post-2015 process, Mr. Zlinszky stated that the SDGs will have to serve clear vision and he underlined the importance of capacitybuilding and institutional development for successful implementation.

**Dr. Mini Govindan** brought the example of India, which has been pioneering ways to green growth: while the country has become one of the leading market economies in the world, it has one of the smallest carbon foot-prints. India has been proactive in addressing sustainability concerns: taking part in different global dialogues and processes, introducing a range of domestic actions and national environmental regulations and more recently, dedicating its 12th Five-Year Plan for sustainable and inclusive growth. The country also recognized that a wide range of actors (NGOs, industries, businesses, and international agencies) should be involved in the discourse on green economy. With regards to the Post-2015 process, Dr. Govindan added that India advocates for the Rio principles of equity and common, but differentiated responsibilities (CBDR) and suggest national flexibility in defining pathways towards sustainable development.

Panelist also discussed how the idea of green growth can support sustainable development. The concept of green growth can address the general call from developing countries for equitable and even growth, which tend to object to the planetary boundaries. The need for transformational change in the current development paradigm and the importance of immediate and targeted actions were both underlined.

**Mr. Shrestha** concluded that to promote the green growth concept for the post-2015 development agenda, the ENVforum could work to identify specific problems and promote specific low-carbon pathways; can look at options to make business advertisements accountable, use the experience of CEE with transitions for capacity building, promote awareness, governance and measurement of sustainable development and further explore the concept of wellbeing and the role for beyond-GDP measures.

#### Working towards a Sustainable Future for All: Eco-innovation in Europe and Asia

**Small and medium enterprises** provide jobs and livelihoods for hundreds of million people and are crucial for the economies of both Europe and Asia. Eco-innovation can trigger businesses, accelerate mid- and long-term sustainable competitiveness at the macro level, and can bring radical breakthroughs to social and environmental challenges, while involving various stakeholders. Thus, eco-innovation is considered as a useful solution to revitalize SMEs and place them on a green growth pathway.



In his presentation, **Mr. Octavian Stamate**, Policy Officer for India & ASEAN countries in the European Commission, Directorate General for Environment, addressed the development and challenges related to eco-innovation and green economy in Europe. Mr. Stamate explained that the European Union (EU) recognizes inequality and poverty as the main challenges of the post-2015 Development Agenda and resource constraints and overconsumption as major problems of the current development pathway. Therefore, the EU urges for transition to a smart and inclusive green economy, which embeds the three dimensions of sustainable development and seeks for structural transformation to circular economy and innovative solution that would ensure optimized flow and use of resources. To support this pursuit through eco-innovation, the EU launched an Eco-innovation Action Plan, which aims to remove regulatory obstacles, offers

models for policies, public procurement and projects to drive eco-innovation and provides financing solutions, such as the Natural Capital Financing Facility of the European Investment Bank and the European Commission.

To maximize the potentials of eco-innovation, there is a need for common understanding of challenges between various actors, for shared targets and milestones, proper indicators to measure progress and revision of policies to address existing barriers. - Mr. Octavian Stamate

Recognizing the need to build capacity of SMEs in ASEM countries, the ASEM Eco-innovation Center (ASEIC) provides consultation for SMEs, promotes inclusive eco-innovation and created the **ASEM Eco-innovation Index (ASEI)** to measure eco-innovation status and potentials of ASEM countries.

The ASEI was presented by **Ms. Esther Ji-Hyun Kim**, Business Development Manager at Sustinvest. The first ASEI was launched in 2012 as a tool to bring the value of eco-innovation to mainstream discourse. Targeting 15 selected countries, the ASEI 2012 was an initial attempt to understand eco-innovation status across Asia and Europe and try to gather and organize related data. The ASEI 2013 was placed on a more solid conceptual framework and the sample of studied countries was extended to 25. The ASEI 2013 includes 20 indicators grouped into four categories, which are: eco-innovation capacity, supporting environment, activities and performances. The analysis of the results took into consideration national trends and socio-cultural features and a comparison among peer groups (income, region) was also carried out. It was concluded that income level correlates with results of the ASEI and the countries from Asia are lagging behind compared to those studied in Europe. The qualitative analysis of the results showed that each country is at different stage in terms of eco-innovation; has different focus in understanding eco-innovation and eco-innovation policies and programmes (except for the European Union). The ASEI is planned to be carried out in 2014 as well and it will be calculated for all ASEM countries based on a further improved analytical framework. Efforts will also be focusing on predicting future scenarios for eco-innovation activities.

The more determined a country's sustainable development targets, the more likely that eco-innovation is adopted by that country - **Ms. Esther Ji-Hyun KIM** 

#### Green Growth, Sustainable Development and Valuation of Pollution and Eco-services

The second panel discussion was dedicated to explore linkages between the concepts of green growth and sustainable development and challenges related to valuation of pollution and ecosystem services. The panel involved **Mr. Ismid Hadad**, chair of the Governing Board for the Indonesian Biodiversity Foundation (KEHATI), **Mr. Surendra Shrestha**, **Mr. Peter King**, Senior Advisor at the Institute for Global Environmental Strategies (IGES), **Dr. Raman Letchumanan**, Head of Environment Division at the ASEAN Secretariat and **Dr. Ying Chen**, Deputy Director and Senior Research Fellow at Research Centre for Sustainable Development (RCSD) at the Chinese Academy of Social Sciences (CASS). The discussion was moderated by H.E. Ambassador Yan Zhang, Executive Director of the Asia-Europe Foundation (ASEF)

**Mr. Peter King** underlined the importance of clarifying the concept of green growth and developing a common understanding of such long-term vision. Humanity must recognize that humans are part of nature and to learn from the circular processes of nature. For this, it is crucial that all professions have a basic understanding of ecology, economic progress is measured through ecological lens and the real cost of pollution and eco-system services are reassessed. Building on the above considerations, when formulating a universal set of SDGs, it will be essential to define first a common set of values for humanity. It should be recognized that current development patterns are underpinned by unsustainable values and there is a need for a genuine transformation that makes humanity part of a sustainable global eco-system and not the driver of it.

**Mr. Surendra Shrestha** emphasized that the post-2015 process will have to address those burning issues that the humanity will have to face in the coming decades. One major problem will be linked to rapid urbanization as the number of people living in urban areas will increase to 6.3 billion in 2050 from 3.1 billion today. This projection reflects the rapid growth of an emerging middle-class in Asia and Africa, foreseeing an even higher pressure on natural resources to accommodate the material demands of this enlarged social group. To tackle these challenges, climate resilient, low-carbon, compact and connected cities will need to be created. Mr. Shrestha continued that a second salient issue relates to unsustainable resource consumption. While 0.2 kg/person/day of waste is produced in the developing world, 2.2 kg-4kg/person/day is the average output in the developed countries. This means that currently 1.2 billion tons of waste is being generated per day, but projects 4 billion tons of waste per day within a decade. Since most of the basic natural resources and minerals will be exploited within two decades, the philosophy of consumption need to be transformed from a linear to circular perspective where waste is used as a resource. Lastly, he added that the third major problem lies in the undervaluation of eco-system services and pollution, as the markets build on the misbelief that natural resources are infinite.

**Dr. Raman Letchumanan** highlighted that past experiences with implementation of environmental goals should be reflected when the SDGs are formulated. The achievement of SDGs will require a transformation in thinking and in finding solutions. While there is no coherent vision for environmental sustainability, there are clear goals for economic development and it is therefore essential that both the economic and the environmental aspects of sustainability are better linked. Although considerable research has been carried out in the field of natural resource accounting, practical progress has been slow; therefore the role of companies and CSR activities are crucial in introducing and undertaking fair valuation of natural resources. He added, however, that not everything can have an assigned market value and that development assistance will still be needed for certain issues.

Citing the example of Indonesia, **Mr. Ismid Hadad** outlined that long-term sustainable development and rapid economic growth have competing priorities in Indonesia and ambitious steps have been taken in an attempt to mainstream environmental and emission reduction issues into the national strategies. Although climate change is considered as an entry point to invest in a sustainable and inclusive future, there is a discrepancy between policies and implementation. Challenges include difficulties in awareness-raising among government officials, differences

between sectoral goals and targets, national and local policies, insufficient co-ordination between institutions and unrecognition of co-benefits of green development. Expanding on this last element, he outlined the importance of cost-benefit analysis for fair valuation and pricing of eco-system services.

**Providing the example of China, Dr. Ying Chen** underscored the importance of interlinking sustainable development and climate change. She stressed that China recognizes climate change as a major, cross-cutting issue of sustainable development. In the 11<sup>th</sup> Five-Year-Plan of the country, ambitious national energy intensity reduction targets were set in 2005. To achieve a 20% reduction over a five-year time-span, China launched various regulations, policies and plans. National targets have been tailored to provincial and cities needs and have launched pilot initiatives for creating low-carbon pilot cities. However, the country is facing challenges related to urbanization, which will continue to have great impacts on energy consumption and emissions.

#### Post-2015 Development Agenda – overview of UN-process



Opening the second day of the conference, **Mr. Surendra Shrestha** gave an overview of the UN post-2015 process. The Rio+20 UNCSD called for mobilizing scientific and technical knowledge to foster progress towards sustainable development and set the direction for the post-2015 process. While considerable progress has been achieved since the setting of the MDGs, new global challenges emerged during the last decade: increased human impact on the environment, increased inequalities, rapid technological changes as well as augmented diffusion and complexity of governance. As result, the post-2015 development agenda should go beyond the traditional focus of the MDGs and should strive for economic development, ensure human rights and social inclusion; accelerate the convergence of living standards and share responsibilities and opportunities more fairly. To tackle these challenges, SDGs are to be set within the framework of the post-2015 process and are planned to replace the MDGs after their mandate expires in 2015.

**Mr. Shrestha** outlined how the MDGs were the first successful global initiative for recognition of poverty and focused on ensuring that basic human needs were provided for the bottom billion people of the planet. However, The MDGs were the result of a UN and donor-led process which proved to be insufficient to generate self-sustaining growth based on progressive local capacity development. To tackle these and other limitations, and to ensure that the development of SDGs will be a UN member-state–led process, an Open Working Group (OWG) was mandated at the Rio+20 UNCSD to lead the consultations on SDGs and submit a proposal to the 68th session of the UN General Assembly. The OWG was established in January 2013, and eight sessions are envisaged to be held until February 2014. The actual negotiations on the Goals will take place between March and September 2014. Parallel to this, the High-Level Panel (HLP) of Eminent Persons the UN System Task Team were both established by the UN Secretary General in 2012 — the first with the aim of fostering a common vision of and providing recommendations for the development process; the latter to contribute technical and analytical inputs related, for example, to the establishment of a global partnership and monitoring possibilities for targets. Thirdly, to ensure the involvement of a wide range of stakeholders, national and 11 thematic global consultations were also launched by the United Nations Development Group.

The Post-2015 Development Agenda aims to set a vision for human development over the next century and in the form of SDGs, it will define a 15-year action plan and set priorities linked to concrete means of implementation. - Mr. Surendra Shrestha

#### Sustainable Development Goals (SDGs) proposals - the way forward after Rio+20

**Mr. Simon Olsen**, Senior Policy Researcher at the Institute for Global Environmental Strategies (IGES) gave an overview of different SDGs proposals. The UN Sustainable Development Solutions Network (SDSN), the UN Task Team (UNTT) and the High-Level Panel (HLP) have all recommended SDGs to be considered for the post-2015 development agenda. These recommendations all build on the MDGs, but recognize newly emerging development challenges, underline inter-linkages among the proposed goals and advocate for human well-being and shared but common responsibilities. All three proposals mention poverty (and hunger), education, health, growth and employment, food security, climate change (and energy), water (and sanitation), environmental sustainability (and biodiversity) and gender as possible themes. At the same time, none of the proposal considers inequality and resilience as a stand-alone goal, but suggests them as cross-cutting issues and keys to poverty eradication. Sustainable consumption and production (SCP) was also not included in the proposals, although the SDSN suggested 'development



within planetary boundaries' and targets, suggested for different goals, about food loss, waste and environmental impacts of production considered certain aspects of SCP.

**Mr. Olsen** concluded that while the proposals give certain indications about possible SDG themes, they have not properly addressed how to develop a more integrated framework of goals that links the economic, social and environmental dimensions of poverty eradication and sustainable development. In addition, several issues were also left open-ended in the proposals. It was not clarified how the post-2015 development agenda should address the issue of SCP and urbanization; to what extent a transformation in economic structures is required; how climate change can be addressed as a development driver and what role can be assigned to private and civil society actors and local governments in the process.

#### A proposal from ASEF: Sustainable Development Goals and Indicators for a Small Planet

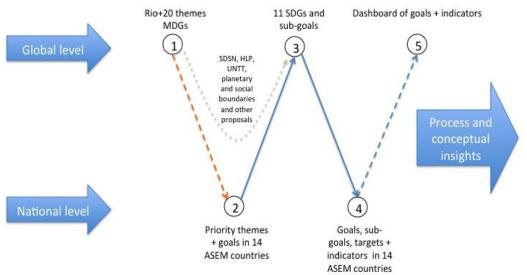
During the first year of the 2013-2015 ENVForum research program a group of international experts have been commissioned to develop a recommended set of SDGs priorities for ASEM countries. The interim version of the report "*Sustainable Development Goals and Indicators for Small Planet*" was published on the occasion of the 10th anniversary of the ENVforum on the 4th of November 2013. The experts involved in the research, **Dr. László Pintér**, Senior Fellow at IISD and Professor at CEU, **Dr. Ingeborg Niestroy**, Researcher at the Public Strategy for Sustainable Development and **Ms. Ella Antonio**, President at Earth Council, presented the methodology and the main findings of the study during the conference.

The study takes on innovative methodologies for selecting areas of focus and priorities for the post-2015 process by reconciling national needs with regional objectives. In order to support monitoring of improvements, a parallel set of indicators have also been developed. By measuring progress in implementation, these indicators are able to provide policymakers with reliable statistical data to identify programs of low effectiveness and promptly correct potential operational faults.

The research was guided by the principles and priorities expressed in various fora and agreements for SDG development such as the Rio Principles and 27 priorities; considered various processes related to the global post-2015 development agenda and SDGs; and was grounded in applicable findings of social and natural sciences and the results of high-level integrated assessments and thematic reports of the UN system. Complementing guidance available through global processes and documents, the project drew on national goals and priorities from sustainable development strategies, medium-term development plans, and similar documents of eight Asian

(Australia, Bangladesh, China, India, Indonesia, Japan, Korea, Singapore) and six European (France, Germany, Hungary, Poland, Sweden, Switzerland) ASEM-member countries.

In order to identify a set of illustrative SDGs, the project developed and adopted a unique methodology that connects global and national perspectives through an iterative process. This duallevel approach ensured that the SDGs have universal relevance and meet global criteria for sustainability while being grounded in national development sustainable priorities, goals and targets. The study also adopted a conceptual framework linking the means (natural capital



and economic processes) and ends (human well-being) of development that ensured that all key dimensions of sustainability (socio-economic development, environmental sustainability and governance) are covered by the goals and sub-goals and that their ordering is logical.

Following the iterative approach and guided by the "Means-Ends" framework, the project identified 11 priority themes with corresponding illustrative goal statements and 41 sub-goal statements as shown below. In addition, to the 11 goals a small number of crosscutting issues (gender, peace and security) have been identified. The 11th goal, adaptive governance and means of implementation was also recognized as strongly linked to all other 10 goals.

The project has also resulted in several lessons that may inform and support the development of SDGs at both global and national levels. Looking beyond the challenge of formulating the SDGs, the project also pointed to the challenges of implementation and concluded that success will depend on whether society can successfully navigate a transition to a world where human well-being goals are met while preserving the integrity of the planetary environment. The finalization of the interim report will be based on comments received from the participants and the alumni of the ENVforum.

The study was recognized by the participants of the ENVforum as a valuable contribution to the post-2105 process. It was outlined that the study takes an innovative approach to the SDG process by grounding on national realities and it was suggested that the report is presented at the ASEM Leaders' Summit.

The report draws the attention to the importance of stock-taking and structuring already existing targets in a consistent manner, demonstrate the similarities and differences between strategies and develop internal coherences among them. – **Mr. David Stanners** 

#### Experts' commentaries on "SDGs for a Small Planet"

To collect European and Asian perspectives for the finalization of the Sustainable Development Goals and Indicators for a Small Planet **Dr. David Stanners**, Head of International Cooperation at the European Environment Agency (EEA) and **Dr. Raman Letchumanan** joined a panel discussion. The panel was moderated by **Mr. Richard Werly**, Correspondent for European Affairs at the Le Temps Daily Newspaper.

With regards to the conceptual framework, it was suggested that a world value survey could be useful to confirm and extend the ultimate ends and psychological needs, which were included in the pyramid. **Dr. Stanners** recommended that the so-called egg-model of sustainable development could also be applied besides the pyramid model. In addition, the aspects of resilience, efficiency, health and well-being, lifestyle and behaviors should be considered. In relation to these uncertainties, emerging issues and megatrends should be examined and forward-looking innovations and technologies should be sought. **Dr. Letchumanan** outlined that the ASEAN proposes that the wellbeing of human should be placed at first place as this concept is understood by everybody, but the issue of resilience and efficiency should also be taken into consideration.

Panel members outlined differences between Europe and Asia, which will have an impact on how suggested sustainable development indicators will be received. **Dr. Stanners** said that in the EU, data collection and accurate monitoring of environmental parameters are required in the Member States, but further work is needed to make better use of the available information. He also suggested that the current indicator review of the Small Planet report, should go beyond what exist already and reflect the values that are important to be measured (i.e. for quality life in urban areas) as well as define timeframe for monitoring. **Dr. Letchumanan** explained that in Asia in spite positive improvements, governments do not priorities environmental monitoring and challenges related to data collection should be tackled. The Association of South-East Asian Nations (ASEAN) aims to formulate the ASEAN Economic Community (AEC) by 2015. For this purpose, a blueprint to achieve the vision; a scorecard to monitor the implementation of the blueprint; and a communications plan to inform and engage all stakeholders was introduced. He suggested that for the development of indicator section of the Small Planet report, the AEC scorecard should be consulted.

**Panelists concluded** that research findings could be translated to country specific actions. Additionally, they could support mutual learning between Europe and Asia; identify blocks towards green growth and green economy, and could define the role of SDGs to tackle these issues. It was also recommended that the study discuss in greater detail how the results were found and show government bodies how they can identify their priorities for SDGs. Since it will be also important to develop an agenda for implementation (one which identifies those areas where investments are most needed). Another W-process could be launched to understand what systems already exist for implementation and how to link existing national-level implementation approaches.

While the importance of focusing more on implementation was recognized, panelists suggested that the methodology and the findings of the report should be polished and disseminated to different stakeholders. The W-model, which was used for the analysis, takes a pragmatic approach to the SDGs and it is well ahead of the global process. Thus the process can inspire people to rethink the current system, develop a clearer vision that guides the goal-setting and as result, acquire ownership for the developed goals.

Governance's Reforms, Capacity Building to Enable SDG's Implementation

A thematic panel session gave opportunity to discuss governance reforms and capacity needs for the SDG implementation. The panel involved **Dr. Ingeborg Niestroy**, **Dr. Peter King** and **Mr. Ruben Zondervan**, Executive Director for the Earth System Governance Project.



Thematic Panel: Governance's Reforms, Capacity Building to enable SDGs implementation.

Mr. Zondervan outlined that when it comes to the implementation framework for sustainable development, different aspects of governance should be considered. First, there is a need for governance to develop SDGs. Once introduced, the governance of SDGs will need to define how the goals and targets can be implemented. To this end, the Earth System Governance concept promotes that governments need to be adaptive so that they can better handle the changes of natural parameters. Lastly, governance by SDGs needs to be promoted among governments, instead other governing goals (such as GDP). When defining a governance goal for SDGs, all the above three aspects and their interrelations should be considered. It was suggested that the SDGs will have a smaller scale of financing compared to the MDG financing, therefore the area intervention cannot be defined based on the existing budget but influence should aim to the process of implementation.

**Dr. Niestroy** and **Dr King** agreed that in order to define the right set of SDGs, stakeholder consultations and a reality check at the national level will be important both in Europe and in Asia, as countries will have different issues to tackle and different capacities to use. In Asia, a focal point for SDGs in the Asia-Pacific region will need to be appointed. Asian countries are also not proactive in suggesting goals, but once approved they will include them in national plans. Europe is much more prepared for national-level implementation of SDGs, having experience with National Councils for Sustainable Development (NCSD), National Sustainable Development Strategies (NSDS) and Local Agenda 21. Few European countries also appointed commissioners for future generations. It was therefore suggested that the experience of Europe in terms of regulatory and institutional framework and in terms of in handling environment issues can serve with good ideas for Asia.

The panel session acknowledged that while there is a clear need for a set of goals-targets and indicators, the national level implementation activities should also be considered and concluded that it is to still to be clarified how governance for implementation can be done and how qualitative aspects of governance can be measured and monitored.

#### Means of Implementation: Strategies for Financing the Future We Want

A second thematic panel session focused on means of implementation for the SDGs. **Mr. Christopher Beaton**, Research Officer at the Institute for International Sustainable Development (IISD) and **Ms. Ella Antonio** joined the panel.

Panelist acknowledged that various financing mechanisms have been identified as central in sustaining economic growth and fuel sustainable development. These include (1) mechanisms for maintaining international commitment, i.e. developed countries have to allocate 0.7% of their gross national income to Overseas Development Assistance (ODA); (2) mechanisms for enhancing domestic resource mobilization such as improving tax revenues, maximizing natural resources revenues, addressing illicit financial flows; (3) mechanisms for engaging 14

the private sector through direct investments and public-private partnerships and (4) mechanisms for promoting international trade.

Recognizing the crucial importance of financing the SDG implementation, the financing working group of post-2015 process, focusing on means of implementations, includes CEOs of central banks. It has already become clear that the OECD countries are not in the position to provide sufficient development assistance to developing countries. Therefore the post-2015 process will need handle that the landscape of development finance have been changed and the role of ODA have been decreased. The panel suggested that the most strategic way to catalyze financing is to mobilise domestic resources as they can boost developing countries' internal strength and potentials. Thus, international development financing must promote reliance on internal strength to mobilize resources rather than reliance on small and diminishing ODAs. Domestic resource mobilization is also the best way to enhance financing capabilities of private sector engagement and to promote trade. For strengthening domestic resource mobilization, both the efficiency of internal systems and the effectiveness of international funds should be enhanced. To this end, the role of central governance can be very important but at the same time, community driven development approaches should be adopted. It was also noted that many countries are currently reconsidering their subsidies framework but changes in this field are expected to be slow.

The panel concluded that open questions about means of implementation include: 1) who will ensure that the promised resources will flow, be spent effectively, and produce desired outcomes and impacts; 2) how to ensure that a performance-based funds allocation will be accepted and useful; 3) what roles should be assigned to regional and global bodies in ensuring the flows of international financing.

#### **Conclusions**

The 10th ENVforum conference aimed at discussing green growth in the context of sustainable development, as well as understanding how to translate green growth into strategies for businesses and how to embed the concept in the post-2015 development agenda.

Closing remarks concluded that while the world faces financial and economic crises and the world leaders aim to stimulate and accelerate economic development, the concept of green growth calls for a transformational change. The presentations and the panel discussions of the event highlighted that the concept of green growth calls for a shift in economic paradigm. Such shift should recognize the importance of solutions for low-carbon consumption, carefully consider the role of business, take on a circular approach in terms resource-use, as well as give prior importance to eco-innovation and fair valuation of eco-system services and natural resources. The green growth concept was also recognized as an inspirational idea to be embedded in the post-2015 development agenda.

With regards to the post-2015 process, participants acknowledged the report "Sustainable Development Goals and Indicators for a Small Planet", developed within the framework of the 2013-2015 ENVforum research programme, as a useful contribution to the ongoing discourse on the development agenda. It was also emphasized that the success of SDGs will highly depend on governance aspects and means of implementation.

Lastly, the organizers expressed their sincere gratitude and heartfelt thanks to the ASEM SMEs Eco-Innovation Center (ASEIC); the Swedish International Development Agency (Sida); the Hanns Seidel Foundation Indonesia (HSF); and the Institute for Global Environmental Strategies (IGES) and the United Nations Environment Programme (UNEP) for their unwavering support to the organization of the event and their commitment to the ENVforum. In particular, the organizers wished to thank all the participants and panelists of the conference for their constructive participation and active contributions to the discussions.



Final Group Photo with the organizers, participants and panelists.

### Agenda

Agenda				
Monday, 4 November 2013 Venue: Grand Hall (B1), Walkerhill Hotel Chair				
Mr Thierry SCHWARZ, Director for Political & Economic Department, Asia-Europe Foundation (ASEF)				
Opening Remarks & Opening Session				
Mr Thierry SCHWARZ				
Director for Political & Economic Department, Asia-Europe Foundation (ASEF) Mr. Yang BONGWHAN				
Director General, Productivity & Technology Bureau, Small and Medium Business Administration (SMBA) H.E. Ambassador ZHANG Yan				
Executive Director, Asia-Europe Foundation (ASEF) Dr. Eric KEMP-BENEDICT				
Centre Director, Stockholm Environment Institute (SEI)				
Dr. Bernhard SELIGER				
Resident Representative, Hanns Seidel Foundation (HSF)				
Mr. Hideyuki MORI				
President, Institute for Global Environmental Strategies (IGES)				
Introductory Session: Asia-Europe Environment (ENVforum) 10-year Celebrations 2003-2013				
Ms. Grazyna PULAWSKA Project Executive, Asia-Europe Foundation (ASEF)				
Keynote Speeches				
Post-Carbon Future and Post-2015 Development Agenda				
Prof. Soogil YOUNG				
Co-chair & Director, UN Sustainable Development Solutions Network(SDSN)-Korea Forum				
Businesses and SDGs: Expectations vs. Realities of Business Operations Mr. Brice LALONDE				
Special Advisor on Sustainable Development to the UN Global Compact,				
former UN Executive Coordinator of Rio+20 Conference				
Discussion Panel on Green Growth and Post-2015 Development Agenda				
Moderator:				
Mr. Surendra SHRESTHA				
Director, United Nations Environment Programme International Environmental Technology Centre (UNEP IETC)				
Panellists:				
Prof. Soogil YOUNG				
Co-chair & Director, UN Sustainable Development Solutions Network(SDSN)-Korea Forum Mr. Janos ZLINSZKY				
Director, Sustainable Development Academy, Regional Environmental Center for Central and Eastern Europe (REC)				
Mr. Brice LALONDE				
Mr. Brice LALONDE Special Advisor on Sustainable Development to the UN Global Compact				
Special Advisor on Sustainable Development to the UN Global Compact				

14:00 - 14:30	Working towards a sustainable future for all: Eco-innovation & green economy in Europe		
	Mr. Octavian STAMATE		
	Policy Officer for India & ASEAN countries, European Commission - Directorate General for Environment		
	Q&A session		
14:30 - 15:00	The ASEM Eco-Innovation Index (ASEI) - Launch of the Report		
	Ms. Esther Ji-Hyun KIM,		
	Manager, Business Development Department, Sustinvest		
15:00 - 15:15	Q&A session		
15:15 - 15:45	Coffee break		
15:45 - 17:30	Green Growth, Sustainable Development and Valuation of Pollution and Eco-services		
	Moderator: H.E. Ambassador ZHANG Yan Executive Director, Asia-Europe Foundation (ASEF) <u>Panellists:</u> Mr. Ismid HADAD Chair of the Governing Board, KEHATI – The Indonesian Biodiversity Foundation		
	Mr. Surendra SHRESTHA Director, United Nations Environment Programme International Environmental Technology Centre		
	(UNEP IETC) Mr. Peter KING		
	Senior Advisor, Institute for Global Environmental Strategies (IGES)		
	Dr. Raman LETCHUMANAN		
	Head of Environment Division, ASEAN Secretariat		
	Dr. Ying CHEN		
	Deputy Director/Senior Research Fellow, Research Centre for Sustainable Development (RCSD), Chinese Academy of Social Sciences (CASS)		
17:30 - 18:00	Closing of the Day		
	Mr. Thierry SCHWARZ Director for Political & Economic Department, Asia-Europe Foundation (ASEF) Ms. Grazyna PULAWSKA Project Executive, Asia-Europe Foundation (ASEF)		
19:00 - 21:00	Reception Dinner 10 year celebrations of the Asia-Europe Environment Forum (ENVforum) Venue: Great Room (2F)		

	Tuesday, 5 November 2013			
Venue: Grand Hall (B1), Walkerhill Hotel				
<u>Co-chairs</u>				
	Mr. Hideyuki MORI, President, Institute for Global Environmental Strategies (IGES) Ms. Grazyna PULAWSKA, Project Executive, Asia-Europe Foundation (ASEF)			
09:00 - 09:05	Welcome			
09:05 - 09:20	Post-2015 Development Agenda – overview of the UN process			
	Mr. Surendra SHRESTHA Director, United Nations Environment Programme International Environmental Technology Centre (UNEP IETC)			
09:20 - 09:35	Sustainable Development Goals (SDGs) proposals - the way forward after Rio+20			
09:35 - 09:45	Mr. Simon OLSEN Senior Policy Researcher, Institute for Global Environmental Strategies (IGES)			
09:45 - 11:00	Q&A session Sustainable Development Goals for a Small Planet			
00.40 11.00	Prof. Laszlo PINTER			
	Senior Fellow, IISD			
	Professor, Central European University			
	Dr. Ingeborg NIESTROY			
Researcher, Public Strategy for Sustainable Development				
	Country Examples of Goals and Indicators for a Small Planet			
	Ms. Grazyna PULAWSKA			
	Project Executive, Asia-Europe Foundation (ASEF)			
	Conclusions of the research and way forward			
	Ms. Ella ANTONIO			
	President, Earth Council Asia-Pacific Inc.			
	Q&A session			
11:00 - 11:30	Coffee break			
11:30 - 12:30	Experts' commentaries on "SDGs for a Small Planet"			
	Moderator: Mr. Richard WERLY, Correspondent – European Affairs, Le Temps Daily Newspaper			
	<u>Panellists:</u> Dr. David STANNERS, Head of International Cooperation, European Environment Agency (EEA) Dr. Raman LETCHUMANAN, Head of Environment Unit, ASEAN Secretariat			
	Q&A session			
12:30 - 13:45	Buffet Lunch Venue: Art Hall (4F)			

13:45 - 14:45	Thematic Panel 1: Governance's reforms and Capacity Building to enable SDGs' Implementation	Thematic Panel 2: Means of Implementation: Strategies for Financing the Future We Want		
	Moderator:	Moderator:		
	Ms. Grazyna PULAWSKA, Project Executive, Asia-Europe Foundation (ASEF) Panellists:	Mr. Thierry SCHWARZ		
		Director for Political & Economic Department,		
	Dr. Ingeborg NIESTROY Researcher,	Asia-Europe Foundation (ASEF)		
	Public Strategy for Sustainable Development	Panellists:		
		Mr. Christopher BEATON		
	Mr. Peter KING	Research Officer,		
	Senior Policy Advisor,	Institute for International Sustainable Development (IISD)		
	Institute for Global Environmental Strategies (IGES)	Ms. Ella ANTONIO		
	Mr. Ruben ZONDERVAN	President, Earth Council Asia-Pacific Inc.		
	Executive Director,	Mr. Brice LALONDE		
	Earth Governance	Special Advisor on Sustainable Development to the UN		
	Business representative	Global Compact		
	Rapporteur:	Business representative		
	Mr. Simon OLSEN	Rapporteur:		
	Senior Policy Researcher,	Mr. Arnaud DUBUS		
	Institute for Global Environmental	Journalist,		
	Strategies (IGES)	Radio France Internationale		
14:45 - 15:00	Coffee Break			
15:00 - 15:30	Reports from Thematic Panels & Q&A sessio	n		
15:45 - 16:00	ASEF and Post-2015 Development Agenda: Scenarios for Future Partnerships. Overview	of the Discussions and the Way Forward		
	Mr. Thierry SCHWARZ			
	Director for Political & Economic Department	t, Asia-Europe Foundation (ASEF)		
16:00	Conclusions of the Conference & Closing Re			
	Dr. Eric KEMP-BENEDICT			
	Centre Director, Stockholm Environment Inst	itute (SEI)		
	Mr. KIM Young-Soo         Project Manager, Hanns Seidel Foundation (HSF)         Mr. Hideyuki MORI         President, Institute for Global Environmental Strategies (IGES)         Mr. PARK Jong Kon         Chief Director, Green business & Technology Support Department			
	Small and medium Business Corporation(SBC)			

### About the Organisers



The Asia-Europe Foundation (ASEF) promotes understanding, strengthens relationships and facilitates cooperation among the people, institutions and organisations of Asia and Europe. ASEF enhances dialogue, enables exchanges and encourages collaboration across the thematic areas of culture, education, sustainable development, economy, governance and public health. ASEF is a not-for-profit, intergovernmental organisation located in Singapore. Founded in 1997, it is the only institution of the Asia-Europe Meeting (ASEM). Together with about 700 partner organisations ASEF has run more than 600 projects, mainly conferences, seminars and workshops. Over 17,000 Asians and Europeans have actively participated in its activities and it has reached much wider audiences through its networks, web-portals, publications, exhibitions and lectures.

For more information, please visit www.asef.org



ASEM SMEs Eco-Innovation Center (ASEIC) was established in 2011 with the principal mandate of promoting Asia-Europe cooperation to create and enhance eco-innovation of small and medium sized enterprises (SMEs) in both regions. Having agreed upon the importance of SMEs as main engine of innovation and growth, ASEM member countries have joined together to create ASEIC as international platform where growing environmental regulations and eco-innovative technologies are shared and new business opportunities are created, and ultimately implementing the vision of green growth around the globe.

For more information, please visit: http://www.aseic.org/main.do



The Swedish International Development Agency (Sida) provides enhanced opportunities for a dialogue with regional partners with an environment focus, thereby strengthening Swedish co-operation in the area of environmental action.

For more information, please visit http://sida.se



Based in Munich, Germany, the Hanns Seidel Foundation (HSF) is a German political foundation with 35 years of experience in civic education in Germany and international co-operation around the world.

For more information, please visit http://hss.de/english.html



Established in 1998, the Institute for Global Environmental Strategies (IGES) is an independent, not-for-profit think tank, based in Japan. It goes beyond research to provide practical ways to protect the earth's environment and to realise greater sustainability and equity in the global community. While the outlook of IGES is global, the principal geographical scope of its activities is Asia and the Pacific region, an area which is experiencing rapid economic development and which will affect the global environment through its population growth, urban environmental problems and other environmental issues.

For more information, please visit http://iges.or.jp



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