

BUILDING THE FUTURE WE WANT

A Planet for Life
SUSTAINABLE DEVELOPMENT IN ACTION

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Building the future we want

The 2015 edition of *A Planet for Life* will reach bookshelves a few months before a meeting of the United Nations General Assembly in September 2015, when member states will determine a new development cooperation framework and design the 2016-2030 sustainable development goals (SDGs). In December 2015, France will host the 21st Conference of the Parties (COP 21) of the United Nations Framework Convention on Climate Change (UNFCCC), a decisive step in negotiating and adopting a global climate treaty. Following the same timetable, the Global Partnership for Effective Development Co-operation will devise financing modalities for the SDGs; the group will also suggest the forms of partnership and governance needed to overcome the challenges to implementing the SDGs and the climate treaty.

A superficial understanding of these events could convey the idea that global leaders will once again meet, write down lyrical declarations and leave international bureaucracy the daunting task of turning words into actions. The contributors to this book tell a different story: that the stakes at this '2015 juncture' far exceed those of other recent global talks.

In line with the increasing momentum behind this drive to make 'sustainable development' the norm internationally, *A Planet for Life* explores what the promise of the '2015 juncture' really means. Contributors to this volume report on their exchanges with a host of stakeholders involved in behind-the-scenes negotiations and the United

Nations consultation process. Readers will learn in the first part how negotiators are seizing the moment to build a sustainable world and advance toward a comprehensive environmental and social contract.

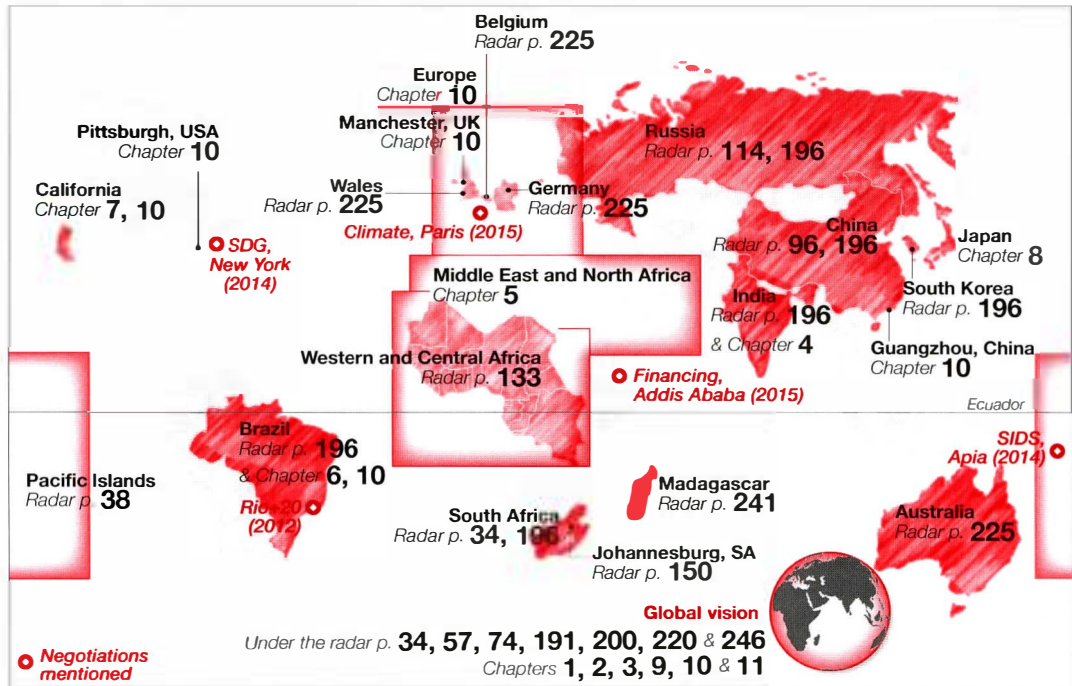
Beyond the negotiators, central and local governments, private-sector companies, and civil society create concrete responses to environmental and social challenges. The second part of the 2015 edition of *A Planet for Life* tours five continents to understand what countries and regions are actually doing to achieve sustainable development in often ambitious ways, tackling their own local – and global – problems, in the face of frequently more immediate challenges to growth, competitiveness, employment and equality. In the third part, we address implementation issues and financing for development options more specifically, with an overview of key propositions for making sustainable development financing a lever to transform economies and societies.

How are territories addressing the issue of sustainable development?

'A Planet for Life Series' takes a worldwide view of the issue, examining the ways in which various countries are addressing sustainable development challenges. For each country, several questions are raised: How do countries see their development in the year 2030? How do they determine priorities for growth, employment, redistribution and environmental protection? What trade-offs are made? How are priorities and trade-offs debated within society? What mechanisms fuel growth trajectories and what margin for manoeuvre do countries have? What are the sustainable development challenges for countries? Who raises these challenges and what is the appropriation by economic (particularly industry) and social actors? How do they disrupt national development strategies?

Looking at the paths taken by various countries, we see how sustainable development and 'green growth' concepts percolate through society, distilling into development plans. Sometimes such concepts even form the strategic backbone for decision-making by public authorities. Some localities and nations rally all their development efforts around notions of sustainability. **Jae-Seung Lee** shows this to be the case in South Korea (Under the radar 7). In 2008, the country launched an ambitious 'Green Growth Strategy' that continued under the second (2013-2018) 'Five-Year Plan for Green Growth'. **Marcelo Carneiro, Stéphane Guéneau and Fabiano Toni** (Chapter 6) present Brazil's long history of integrating environmental issues into its development strategy; it underpins efforts to preserve biodiversity and the Amazon rainforest, and to promote a sustainable agribusiness model. **Liu Changyi and Liu Zhe** (Under the radar 4) review the rise of an 'ecological civilization' in China. They also show how environmental issues have become central to China's agenda, as the government proposes the launching of an 'energy revolution' and drives forward an ambitious 'Energy Development Action Plan for 2014-2020' to reduce Chinese energy intensity. The movement affects the great emerging countries and Western powers (see Chapter 7 on the 'United States and California, by **Louise Bedsworth**). It also affects many lower-income countries, as illustrated by **Alexandre Magnan** in

FIGURE 1 Countries and regions covered in this edition



his focus on Small Island Developing States (Under the radar 2), one of these states having made a commitment to becoming the ‘world’s first “carbon-neutral” country through energy efficiency and renewables’.

Countries also promote the social dimensions of sustainable development. **Valérie Schmitt and Daniel Kamelgarn** (Under the radar 1) show this in the progress made by social-welfare protection schemes globally. Not even including the efforts of pioneering countries, such as Argentina, Brazil, China, Colombia, India, Mongolia, South Africa, and Thailand, ‘social protection has continued to grow since the Second World War, both geographically and in the number of sectors covered’ worldwide. The authors explain that ‘in Sub-Saharan Africa, private mutual health systems have developed to address the lack of social protection schemes for workers in the informal economy’. Some African cities, such as Johannesburg, presented by **Anne Odic** in Under the radar 7, ‘make their social priorities the engine of their development strategies’. In MENA countries, **Samir Aita** (Chapter 5) recalls that unemployment and frustration fuelled by the perception of injustice have led to a crisis that would later be coined the Arab Spring. ‘The first priority today is certainly to find “decent jobs”, possibly with training, for the millions of young men and women that arrive each year on the job market’, **Samir Aita** acknowledges.

By comparing the histories of how countries have seized on sustainable development and taken concrete steps to achieve it, we can see how strongly crises change politicians' attitudes: suddenly they evoke the need to 'change paths', to 'reorient the country's development', and to 'propose a new global compact' to turn the crisis into an opportunity to boost more inclusive and sustainable growth. The 2008 economic and financial crisis exemplified this on an international scale; in many countries, it hastened the adoption of sustainable development concepts by leaders, both within the state apparatus and in company boardrooms. Such crises may also be more local, as in China, where huge waves of pollution and smog engulf large cities, demonstrating the urgent need to reconsider environmental issues.

A reading of these histories shows the concepts and tools that have already entered society through various channels. In developing and emerging countries, civil society proves a major conduit, as **Théo Bouma** (Under the radar 2) explains in his article about the growing maturity and professionalism of non-governmental organizations (NGOs). He claims 'there are now many countries where national NGOs are recognized by policymakers and are truly part of the public debate.' Such organizations play a critical role in public discourse, reintroducing previously excluded actors and stakes to 'give a voice to the poorest and the weakest people, and to lobby and educate leaders and influence policies.'

However, sustainable development is no longer just a political slogan or a societal demand. Over the past ten years, it has started to become an economic and industrial reality. The way societies take sustainability into account affects the way companies position themselves and seize opportunities, proposing goods and services to meet new demands. The work of **Nicolas Vincent and Raphaël de Guerre** shows this as they look at the flourishing of 'social business' (Under the radar 11). **Valérie Schmitt and Daniel Kamelgarn** further illustrate how business can propose services central to social insurance coverage.

In effect, an entire network of actors and factors has coalesced around the subject of sustainability. 'Success depends on a solid base of research and data and strong communication skills, but also on the mobilization of political courage among governments,' **Mark Halle** explains. He introduces the notion of 'action coalitions' marching forward, noting that 'addressing fossil fuel subsidy report in Egypt, or India, or Mexico, requires the data available from the International Energy Agency of the World Bank and their official contacts at the national level. It requires to understand the political economy of skilled players in-country, in civil society, in academia, and in the media; and it requires trusted spokespersons prepared to stand up and express the inconvenient truth and offer alternatives.'

Even when agendas change, the promised changes do not automatically happen, despite the political will and substantial investments brought to bear. Sustainable development cannot be decreed from the top down. Indeed, we often see major disappointments, as with South Korea's 'Green Growth Strategy'; a plan that was nowhere near as popular as the authorities had hoped, while its achievements in energy decarbonization remain debatable. When it comes to changing their development

trajectory, countries suffer powerful inertia and strong social and technical barriers, such as ‘fossil-fuel public subsidies’. Such forces slow down change; as **Mark Halle** explains, ‘most of the key issues around sustainable development share a common thread – they require a change in the pattern of incentives and disincentives that govern the consumption and lifestyle behaviour of citizens’.

What is at stake at the ‘2015 juncture’?

With the achievement of many (but not all) of the UN’s Millennium Development Goals (MDGs), the movement to define new SDGs finds its roots in the changes most countries have made to their development plans as they integrate environmental concerns. Development can no longer be imagined without the modifier ‘sustainable’; the slogan has become the standard, one we have watched gain purchase over the years in previous editions of *A Planet for Life*. After more than forty years of gradual progress, since sustainability was first embraced at the 1992 Rio Summit and the link between development and the environment was first recognized by officialdom, sustainable development has become the watchword, the expectation, the norm. The first and major issue at stake is for political leaders and stakeholders to make the global sustainable development agenda a genuine *transformative* agenda in their own territory.

Other issues come into play, as **Armand Rioust de Largentaye** explains in his analysis of the ‘historical construction of the “2015 juncture”’ (Chapter 1). The SDGs will belong to what we might call the ‘Group of Twenty (G20) Era’, unlike the MDGs, which were set up in 2000 at a time when the world’s existing balance of power was entering into its twilight. That world was upended as large emerging nations – China foremost – burst onto the scene, rebalancing economic and political power between countries. Subsequently, the architecture of international aid also underwent great change, and needs further reinvention. ‘The mapping of donors is rapidly changing,’ **Pascal Canfin** notes (Under the radar 9). For example, African countries now have a choice of three funders for infrastructure projects of any size: bilateral and multilateral development banks, the Gulf States, and China as it shifts from aid recipient to donor.

A Planet for Life informs us of the ins and outs of international negotiations. It shows that states are the primary actors; they lead the negotiations and are likely to conduct implementation in their territories. Over time, the number of states that negotiate and make implementation decisions has increased considerably. Countries like Colombia or Nigeria (Guatemala was at the initiative of SDGs) stand out in their drive to push for negotiation and change. **Alexandre Magnan** (Under the radar 2) explains how Small Island States seize on climate issues in the UNFCCC and the ‘unique opportunity to make their voices heard internationally.’ Indeed, they end up stimulating ‘a revival of the traditional negotiation processes of the United Nations.’ What is new is that at Rio+20 countries acknowledged that this challenge was universal and had to be addressed by all countries, regardless of their income level. Debates within OECD countries on ‘post-growth’ societies exemplify this. The need for cooperation, learning and experience sharing between OECD and non-OECD countries has never been so acute.

With decades of low growth and a high level of investment in R&D and education, Japan provides a striking example of the pace and difficulties of adjustments and reforms, as **Robert Boyer** shows in his Chapter 8, where he explores the route for what he calls an ‘anthropogenetic regime’ and a new industrial model to which education, culture and health especially contribute.

In this transformation process, non-state actors are also becoming increasingly involved, whether companies (multinationals, SME, social businesses), civil society organizations (NGOs, trade unions) and local authorities (major cities); these non-state actors are playing an increasing role in the preparation of negotiations, or even in the negotiations themselves. In *Under the radar 3*, **Csaba Kőrösi**, a major contributor to negotiations centring on SDG implementation, describes the mechanics of building consensus on the SDGs and shows how the negotiations clearly extend beyond inter-country relations. ‘Only a part of the work was done in the negotiation room. Around 80% of meetings and consultations took place in between sessions, with the majority of discussions being bilateral or involving stakeholders other than member states.’

When setting up the negotiation process, the goal was to enlarge the arena as much as possible, opening it to anyone who wanted to participate, making the ‘we want’ become reality. The global political arena can no longer only be open to historical and institutionalized ‘Major Groups’. Challenging the Major Groups approach inherited from Rio, internet-based participation mechanisms ‘aim to enhance the ability of civil society actors around the world, organized or not, to express their perspectives, organize deliberations, take action and increase their participation and engagement in the creation and implementation of sustainable development norms and agreements’ **Carole-Anne Sénit** (Chapter 3) tells us. To this end, the United Nations created an Internet site to host an open forum where anyone can say what he or she thinks about the SDG proposals. Carole Anne-Sénit examines how well this tool has been received and how much it can really guide negotiations. Quantitatively, the site has proven very successful. Qualitatively, it does not change the status quo; the most active contributors are groups with significant communication budgets and global reach. In addition, the technology itself creates a barrier: Internet access remains highly unequal across the world.

Are we moving towards a comprehensive environmental and social contract?

According to the post-2015 agenda set out by ‘The Future We Want’, sustainable development can be reduced to a limited series of universal, coherent and implementable goals, reflecting the harmonious preferences of nations. These goals, drafted by the open working group (OWG), are explored in **Csaba Kőrösi’s** chapter (*Under the radar 3*). The existence of a list of universal, implementable and coherent set of goals had not been established before the SDGs and one could wonder why. Before Rio+20, UN texts did not contain any, or at least very few such examples; and attempts at defining such goals did not simultaneously fulfil these three properties.

Csaba Kőrösi emphasizes that ‘the transformation potential of the SDG package is so great that many of the countries involved in the negotiations may not even fully comprehend the possible magnitude, which may be similar to that of the industrial or digital revolutions.’ One question arises here: will SDGs deliver real transformation in territories and countries, and if so, at what conditions?

Mark Halle is sceptical on the capacity of large UN Summits to really deliver transformation. He does not have much trust in the ‘repeated and disappointing mega-summits, the pious reports of independent commissions, or the monotonous series of failed intergovernmental negotiations.’ Instead, he emphasizes the ‘wave of the future’ of new initiatives, that merge top-down and bottom-up approaches, ‘new forms of action, involving alliances of players from across the spectrum, coalitions of donors, and positive action at the public policy level.’ He notes that ‘Diversity and experimentation are the most likely routes to success.’

In his chapter, Mark Halle further argues that ‘we are stuck when it comes to making progress on issues that depend on addressing the equity gap’, adding that ‘we will not reach sustainable development unless and until we can take on equity as the fundamental core of the challenge. This means conceiving of a form of economic organization that respects both the social floor and the planetary boundaries.’ Diversity and experimentation is required at the micro level as much as the macro level to make sustainable development policies and projects deliver.

Henry de Cazotte and Céline Ramstein (Under the radar 11) provide examples and evidence of the proliferation of voluntary initiatives on sustainable development issues, such as global warming, taken by development actors (public authorities and agencies, companies, the financial sector, NGOs, local universities, etc.). A new architecture seems to be emerging from these various networks of actors, alongside and in conjunction with the international negotiations between states. They highlight how much, for instance, the Global Alliance for Climate-Smart Agriculture, which includes large agribusiness multinational companies whose models are highly controversial in terms of environmental sustainability or social inclusion, and is attacked by NGOs and defenders of family farming. The authors raise several questions, that remain unanswered, and that must be addressed seriously in debates: ‘in what way do these projects have a real impact on emissions and do they represent the latest embodiment of green washing, in the absence of control mechanisms and international reporting?’. One major challenge is ‘to imagine a system of monitoring, evaluation and coordination within or linked with the United Nations.’ This issue is part of the ongoing talks in the post-2015 agenda.

Nicolas Vincent and Raphaël De Guerre (Under the radar 11 bis) explore the opportunity for social business to bridge the implementation gap of national sustainable development policies in Madagascar. There is no silver bullet for (sustainable) development problems, they warn. ‘In addition to the usual difficulties for small and medium-sized enterprises in developing countries (such as financing, business environment, knowledge of the market, etc.), social business projects face additional difficulties inherent to their model.’ They add that ‘there is a significant tension between the social objective and the imperative of financial stability.’

Changing the way development is measured is a key building block of a common narrative on sustainable development, intelligible by all in every country. **Lucas Chancel, Géraldine Thiry and Damien Demailly** (Under the radar 10) provide striking evidence of the use and misuse of Beyond GDP (BGDP) indicators in a set of European countries. The actual transformation triggered by BGDP initiatives with regard to national accounting systems and the design of public policies shows that there remains much work to be done in terms of crafting a new social contract for the route to 2030. Taking due note of this and pushing for a far more radical agenda, **Michael Albert** (Chapter 11) makes the claim for a complete reshuffling of our institutions, laying out the principles of what he calls ‘participatory economics’, ‘without competition, without an authoritarian centre, and arriving at a worthy plan that manifests collective self-managed preferences all by a process consistent with, manifesting, and facilitating other features sought for society including balanced jobs, equitable remuneration, and self-managing councils - and thus without class hierarchy and rule’.

Reinventing development and its financing

Implementation issues encompass development financing and other topics such as innovation protection and transfer, institutional capacity building, and policy space enabling experimentation and learning by doing. The focus for 2015 is being placed on development financing, with the Addis Ababa Conference in July addressing this issue. At least two key questions will be raised during the Conference. The first deals with the mobilization of additional financing sources, complementing conventional official development assistance (ODA), that will be needed to meet the massive financing needs of the SDGs and the post-2015 development agenda more broadly. The second relates to the definition of new allocation criteria for ODA, so as to use it where it has the highest leverage or catalytic effect. Both of these issues are closely related and provide the foundations to the Addis Ababa talks.

In Chapter 9, **Voituriez, Giordano, Bakkour and Boussichas** show us that the financing needs for development after 2015 are estimated to be, on a yearly basis, at least twenty times higher than the current annual ODA amount, which reached a record level in 2013 of \$134 billion. The bulk of the additional funds required to cover the financing needs of the post-2015 agenda must therefore come from other sources of long-term financing – pension funds, insurance companies, sovereign wealth funds, among other institutional investors. They contend however that ODA remains unescapable and a core component of the development financing ecosystem – even if is marginalized in terms of volume – because of its unique capacity to carry over some risks that private actors will never dare to take on. Because of the political and institutional reforms it entails, the mobilization of domestic resources is a highly sensitive issue. To be properly addressed, it requires in many cases substantial reforms: tax collection systems, capacity building for civil servants, the strengthening of democratic institutions monitoring government expenditure, the development of international norms and standards for combating illicit fiscal and financial flows

(account transparency for companies, action plans on base erosion and profit shifting, public budget transparency, open data, etc.). While there seems to be a consensus on the need to prioritize domestic resources mobilization, political hurdles remain that are hindering the making of this high profile agenda and in turning the momentum into action.

As **Pascal Canfin** (Under the radar 9) emphasizes in his chapter, the average tax burden in OECD countries is 35%, and about 15% in the countries of Sub-Saharan Africa. Illicit financial flows coming out of Southern countries are up to ten times greater than the amount of ODA. Bringing an end to abusive transfer pricing that concentrates value in very low tax countries is a high priority on an agenda that is progressing much more rapidly than we would have thought possible four years ago. Accounting transparency for every country is now part of the negotiations of the financing of the post-2015 agenda.

Beyond the discussion on the amount of financing, the debate on development financing offers an opportunity to observe the progress of the construction of international cooperation efficiency, South-South and triangular in particular. **Laetitia Martinet** (Under the radar 9 bis) analyses the period that has seen the announcement of the creation of new international financial institutions originated by member countries of the BRICS (Brazil, Russia, India, China and South Africa), China in particular. The New Development Bank (NDB), the Contingent Reserve Arrangement (CRA), the Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund (SRF) have been created as a result of the frustration experienced by emerging countries with regard to the rigidity of the international financial architecture. She recalls that 'it is also an expression of China's will to strengthen its regional and global geopolitical weight.' However, she warns, 'while there is no doubt that these institutions have a geopolitical importance, their short-term impact on the architecture of aid is open to debate.' The differences in the design of international cooperation between traditional and emerging donors may be an obstacle: while the former cooperate according to rules that are common to DAC members, a sort of 'gentlemen's agreement' on development, the latter see international cooperation through the prism of the comparative advantages of each partner.

How can we better connect (sustainable) development finance and climate change mitigation financing? The idea laid out by **Jean-Charles Hourcade** (Under the radar 9 ter) consists in creating a new real asset – the climate remediation asset – whereby Central Banks could remunerate emission reductions and incentivize investors to invest in low carbon and sustainable projects or technologies. Comparable to the clean development mechanism of the European Emission Trading Scheme, it does not act as a 'punishment' like a carbon tax, but as a reward for constructing the Future we want.

Conclusion

'Building the Future We Want' has three key messages. First, we have long past the often-evoked criticism of the output of UN discussions as producing nothing but 'pious wishes'. Indeed, the processes have begun: states and stakeholders are making their

moves, both backstage and outside of the UN. Second, our future is not written in stone; rather, we must collectively build it, experiment, learn, and exchange ideas on the possible pathways towards sustainability. It is not the job of the UN or national governments alone; it is everybody's business – scientific and technical organizations, academic institutions, civil society, community and faith-based organizations, media and above all businesses. Multi-stakeholder participation marked the development of the SDGs and it should drive their implementation. Third, a sustainable world cannot be achieved by decree and the work does not stop once some goals have been written down. The world we are heading for will be the one we make. It may not automatically or necessarily resemble the sustainable world described in the UN report, 'The Future We Want', but it will nevertheless be the future we collectively build. This focus on collective choices and preferences allows us to emphasize everyone's responsibility to transform vague aspirations into actions that we can no longer postpone if we are to build the future we want. ■