

High-level Panel on Global Sustainability

Second meeting of the Panel

Cape Town, 24-25 February 2011

Meeting Report

Prepared by the Panel secretariat with guidance from the Co-Chairs

Introduction

1. The second meeting of the High-level Panel on Global Sustainability was hosted by Co-chair President Zuma in Cape Town, South Africa.
2. 18 of the 22 Panel members, including the two Co-chairs, were present at the meeting. Ms. Izabella Teixeira, Minister of Environment of Brazil, recently appointed by the Secretary-General to the Panel, was among those present. The four Panel members who were unable to attend were represented by their Sherpas or Senior Advisors.
3. The Panel members had a retreat session, without their Sherpas and Advisors, in the evening of 24 February and the morning of 25 February. The Sherpas and Senior Advisors met separately in the morning of 25 February and again on 26 February, in the latter case to discuss the follow-up to the Panel's deliberations.
4. This summary report covers all sessions of the Panel meeting, with the separate Sherpa discussions of 25 and 26 February summarized in Annex II.

I. Working Groups

5. The co-facilitators of the three Working Groups (WGs) established to advise the Panel on Poverty (Ms. Calmy-Rey and Ms. Diogo), Paradigms (Dr. Han and Ms. Hedegaard) and Markets (Ms. Carlsson and Mr. Babacan [who was not present]) respectively, summarized the respective WG reports focusing on their main findings and recommendations.
 - 5.1 WG 1 on Poverty: Several areas were identified in which progress could be made to reduce poverty, enhance social cohesion and provide employment opportunities while ensuring sustainable outcomes. These areas included investment and policy changes to achieve universal access to clean energy; water and sanitation services; job creation and strengthened social protection systems; agriculture and food security; and principles and policy frameworks ensuring equitable and sustainable practices for natural resources-related investments.

- 5.2 WG2 on Paradigms: The need was highlighted for an innovative paradigm that would constructively deal with global challenges such as climate change and would enrich the lives of people. Low carbon green growth was seen as a means to alleviate poverty in developing countries, enabling governments to jump start this transformation.
- 5.3 WG3 on Markets: There was a need to invest in future growth, additional research, including how to use markets better, how to mobilize resources for investment now. One perceived problem was the lack of incentives for markets and consumers. The need for better governance, transparency and the role of women as consumers and decision-makers in the household were also highlighted.
6. A synthesis paper of the three WG reports had been prepared by the GSP Secretariat at the request of the GSP Sherpas at their meeting on 25 January 2011 in Braunwald, Switzerland, and was presented to the Panel by the Executive Secretary. The synthesis paper provided an overview of issues addressed and gaps identified by the three WGs.
7. It was pointed out that the Working Group reports and the rich array of examples and good practices documented by them, would provide valuable resource material to be used when writing the final report of the GSP.

II. Overall vision of sustainability

8. A discussion of the inadequate level of implementation of the sustainable development agenda in the last 20-25 years pointed to the lack of a long term vision. “Short-termism”, the failure to properly price natural resource use and the market’s inability to tackle inequity, were mentioned as major impediments.
9. Panel Members strongly emphasized the need for intra- and inter-generational equity and social justice as key ingredient to sustainable development
10. Panel members spoke of the need to broaden the understanding of growth and to develop a new approach to managing the global commons.
11. Some Panel members stressed the need for an innovative paradigm based on low-carbon green growth to solve global challenges, while other members felt that it had yet to be proven that this approach was evenly beneficial for developing and developed countries.
12. During the retreat session Panel members discussed their common vision in depth and reached consensus on what the Panel’s overall goal should be, namely: “*To eradicate poverty and reduce inequality, make growth inclusive, and production and consumption more sustainable while combating climate change and respecting the range of other planetary boundaries.*”

III. Framework

13. Panel members further developed a framework that would help visualize the relations between the different pieces of their vision (see Annex I). It encompassed core challenges and cross-cutting means towards the achievement of the overall goal leading to sustainability.
14. Core challenges discussed were planetary boundaries and climate change; environmental degradation; demographics; poverty and inequality; vulnerability to environmental, social and economic shocks; and inadequacy of the North-South frame.
15. Cross-cutting means included the issues of markets; governance; technology; gender equity and empowerment of women. More specifically:
 - 15.1 Markets: Pricing of natural resources was an issue that several Panel Members felt strongly about. It was suggested that the Panel should look at new ways to internalize external costs and come up with a pricing of common goods to reduce consumption. Business as usual was not an option anymore. The Panel should make practical recommendations, including a basic message to prevent ineffective practices (e.g. subsidies of fossil fuels) and find new and innovative ways to catalyze necessary investments. Synergies or partnerships, together with dissemination of good practices, could help boost implementation of recommendations. Financial transaction tax and extending fiduciary principles were also proposed for consideration by Panel members. Some Panel Members raised the issue of costs and trade-offs.
 - 15.2: Governance: This was deemed an important issue and the Panel could attempt to look at loopholes or gaps in governance systems at various levels – international, national, local.
 - 15.3 Technology: It was proposed that the Panel look at the issue of technology, in terms of innovation, cooperation and transfer, particularly to developing countries as a means to reach the overall goal.
 - 15.4 Gender: There was consensus that the issue of women was important – not limited to their rights in reproductive health and role in the society. The Panel should also consider the opportunities presented to women in their lives.
16. An alignment of development and environmental strategies was needed around key sub-goals such as food security and agriculture; decent jobs; small and medium enterprises; access to energy; green growth; disaster risk reduction and resilience; health; education; payment of environmental services; and ensuring sustainability in fragile contexts.

17. Panel members agreed that sustainability was manifested through the eradication of poverty whilst reducing inequality and enhancing social justice; a shift to sustainable production, consumption and inclusive growth; management of common goods and ecosystem with respect to planetary boundaries; and enhancement of security.

IV. Panel's work programme

Guiding principles

18. Looking ahead, the Panel must have a common vision based on key guiding principles.
19. Panel Members agreed on the need to be rigorous and focused on key drivers and high impact solutions. There was the risk of becoming too broad if the Panel tried to cover everything.
20. The panel should look at practical and concrete recommendations or tools for successful implementation. One way would be to gather best practices and show how they worked effectively on the ground. It was suggested that dialogues with various stakeholders could help to develop the recommendations.
21. It was highlighted that the Panel should approach its work in a strategic manner and should adopt the language of economists rather than environmentalists. Members pointed to the need for a reformulation of economics as it failed to address key societal challenges, such as poverty and jobs. It was suggested that markets should be less rooted in themselves and should rather be oriented to serve mankind. Partnerships were necessary to redefine investments and infrastructure.
22. The Panel needed to address how it wanted to make a difference and what was its comparative advantage vis-à-vis other such endeavours. Its recommendations needed to be practical and relevant to the needs of countries.

V. Conclusion

23. Co-Chair President Zuma closed the meeting noting that today's instabilities were no excuse for inaction, but rather it was time to reflect on the good values of the society and act even more decisively now. It was time to advance on sustainability and to connect the dots. He stressed that an issue that would be discussed in the next Panel meeting related to the importance of global governance and how to balance the different levels and platforms of development in countries and regions. He concluded by saying that it had been difficult for the United Nations to do what it was meant to do. The Panel had an opportunity to contribute to making this right.

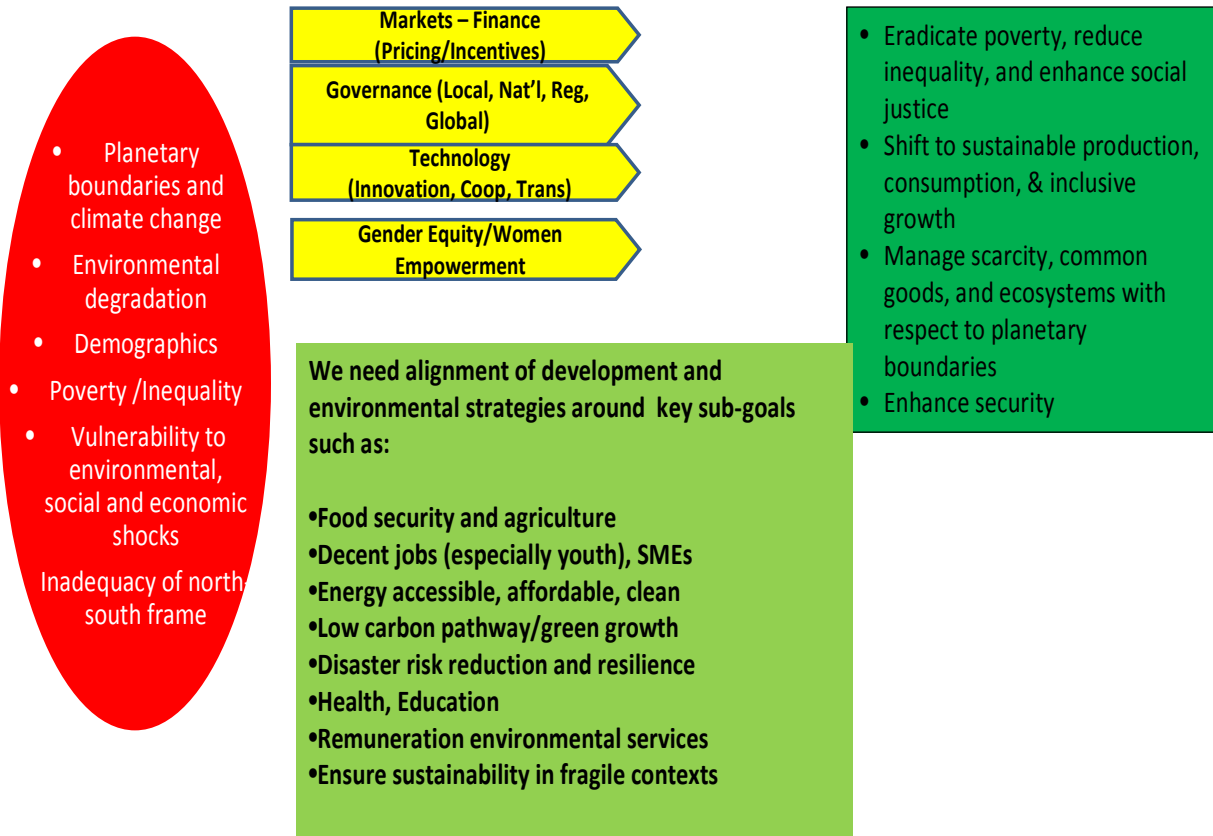
ANNEX I

Framework*

THE GOAL: To eradicate poverty and reduce inequality, make growth inclusive, and production and consumption more sustainable while combating climate change and respecting the range of other planetary boundaries

The SOLUTION: Global Sustainability: A Resilient Planet that Supports its People's Needs

Core Challenges + X-cutting Means → Goals = Sustainability



* Panel members developed this framework to help visualize the relations between the different pieces of their vision. It encompasses core challenges and cross-cutting means towards the achievement of the overall goal leading to sustainability. This is work in progress.

ANNEX II

HIGH-LEVEL PANEL ON GLOBAL SUSTAINABILITY

Meeting of the GSP Sherpas

*Cape Town, South Africa, 25 February 9.30-12.00 hrs
and 26 February 2011, 9.00-12.30 hrs*

Meeting Report

Prepared by the Panel Secretariat with guidance from the Co-Chairs

Introduction

Sherpas/Senior Advisers of all GSP members met in Cape Town in the morning of 25 February to discuss a possible scenario exercise. They further met on 26 February to discuss implementation of the vision articulated at the Panel meeting of 24 and 25 February, and to develop a more detailed work programme for the period leading to the Panel's next meeting (16-18 May 2011). This report attempts to capture the main points of the Sherpas' discussion and was prepared by the secretariat under the guidance of the Co-Chairs.

I. Scenario exercise

On 25 February Sherpas heard a presentation by Dr. Johan Rockström of the Stockholm Environment Institute (SEI), also on behalf of the Tellus Institute, and discussed in depth the possibilities that a scenario exercise would offer the Panel. Some concerns were raised about the feasibility of such an exercise within the short timeframe of the Panel. There was also a reluctance to base such an exercise on "back-casting" from a desirable future, as it would not be easy for the Panel to quickly agree on the specifics of such a future vision. Some Sherpas raised concerns that a scenario exercise would not be able to address the cost of action and could leave a gap between what was desirable and what was feasible. However, they came to the conclusion that this could help identify the high-impact variables.

Overall, Sherpas agreed that a scenario project would usefully complement the Panel's work, particularly when it came to exemplifying visually some of the Panel's eventual recommendations. SEI and the Tellus Institute, working on the PoleStar model, could provide a Business as Usual (BAU) scenario for a number of variables including demographic trends, climate change, poverty. If the work of the Panel allowed for a broadening of the exercise in time, to deliver useful results to the report, this could be done after the May 2011 meeting of the Panel.

II. Matrix of possible WG recommendations

On the 25 February, Sherpas also discussed a matrix of possible recommendations emerging from the three Working Groups that had been established to advise the Panel at

its meeting. The matrix was accompanied by a “traffic light” rating system developed by GSP Secretariat. Sherpas were asked, as a cognitive game, to rate the expected impact and political feasibility of each recommendation. The results were shared with the group and indicated a gap between impact ratings, which were generally high, and feasibility ratings, which were consistently lower. It was felt that the Panel, with the high-level character, visibility and authority of its members, could help bridge the gap between what was desirable and what was politically feasible.

III. The way forward

Based on the Panel’s deliberations, including the agreed key goal and the framework developed by Panel members, Sherpas discussed on 26 February the work that needed to be done till the next meeting of the Panel. Following a number of commitments made by Panel members, directly or through their Sherpas, a number of issues were identified for further elaboration through papers that would be prepared by volunteer “champions”. The list of issues included: planetary boundaries (definitions and practical implications); transition to green/low-carbon economy, especially for the poor; economics / markets; indicators; environmental services, agriculture and food security; energy access for all; innovation (technological, social, etc.); technology (transfer and cooperation); governance for sustainability (at global, national, regional and global level).

A number of issues discussed by the Panel but not yet covered by the above list included: decent jobs; women/youth; biodiversity conservation; education; financing, capital markets.

The Secretariat was asked to provide broad Terms of Reference (ToR) for the preparation of the short papers (5-10 pages), so that they could be examined by the Panel as a set. Initial ideas emanating from the work on those papers could be discussed at the next Sherpa meeting in Madrid on 13-14 April and the papers would have to be submitted before the May 2011 meeting of the Panel as inputs to the discussion. The more those papers were in line with the expressed common vision and the outline, the more useful they would be in providing elements for the eventual report.

Some Sherpas mentioned that this process would be a good opportunity for Panel members to involve civil society on some of those issues to provide ideas. It was furthermore mentioned that it was important not to forget best practices like the ones provided in the three Working Groups.

Final Report of the Panel

Sherpas agreed that it would be useful to get a first draft of the introductory chapter on “Core challenges to Opportunities” and requested the Secretariat to deliver such a draft for the next Panel meeting to test the narrative and get a sense of the eventual report.

Outreach, including regional consultations

The Sherpas discussed a number of outreach activities that would take place before the next panel meeting. They included an interactive dialogue with the UN General Assembly and other consultations in NY on 15-16 March; a meeting with the International Trade Union Confederation in Madrid on 12 April immediately before the 13-14 April Sherpa meeting; and an IUCN-convened meeting in Gland, Switzerland on 16-17 March 2011.

Future Panel meetings and timing of the final report

- GSP3 in Finland on 16-17 May 2011, to be followed by a meeting with Nobel laureates in Stockholm on 18 May 2011;
- GSP4 could be held in late September 2011 in New York, on the sidelines of the General Debate of the UN General Assembly;
- The final Panel meeting, GSP5, which would approve the Panel's report, would probably take place in mid-December 2011.
- The report of the Panel would be handed over to the Secretary-General around the middle of January 2012.