

Achieving the Sustainable Development Goals: From Agenda to Action



Published by the Institute for Global Environmental Strategies (IGES)
2108-11, Kamiyamaguchi, Hayama, Kanagawa, 240-0115, JAPAN
TEL: +81-(0)46-855-3700
<http://www.iges.or.jp>

IGES is an international research institute conducting practical and innovative research for realising sustainable development in the Asia-Pacific region.

Copyright © 2015 Institute for Global Environmental Strategies.
All rights reserved.

ISBN978-4-88788-189-1
IGES Publication Code PR1501 (2nd Edition)

This publication may be used, copied, or distributed for non-commercial purposes only and must be referenced properly as entire publication or single chapter in edited volume:

Institute for Global Environmental Strategies. (2015). *Achieving the Sustainable Development Goals: From Agenda to Action*. Hayama: Institute for Global Environmental Strategies.

Edited by Magnus Bengtsson, Simon Hoiberg Olsen and Eric Zusman with support from Emma Fushimi and Shoko Yamanaka

Although every effort is made to ensure objectivity and balance, the publication of research results or translation does not imply IGES endorsement or acquiescence with its conclusions or the endorsement of IGES financiers.

IGES maintains a position of neutrality at all times on issues concerning public policy. Hence conclusions that are reached in IGES publications should be understood to be those of the authors and not attributed to staff-members, officers, directors, trustees, funders, or to IGES itself.

Printed and bound by Edo Create Co. Ltd.

Printed in Japan

Contents

Foreword	v	
Acknowledgements	vii	
List of Abbreviations	ix	
List of Figures and Tables	xvii	
Executive Summary	xix	
1	Governing the Sustainable Development Goals: Closing the gap between aspiration and action <i>Eric Zusman, Magnus Bengtsson and Simon Hoiberg Olsen</i>	1
2	How governance affected progress on the Millennium Development Goals: A quantitative analysis <i>Ikuho Miyazawa and Eric Zusman</i>	23
3	Trends in the international sustainable development policy discourse: Compliance, collaboration or both? <i>Simon Hoiberg Olsen, Eric Zusman and Timothy Cadman</i>	43

4	Accountability for financing the Post-2015 agenda: Lessons from earlier agreements <i>Gideon Rabinowitz, Noriko Shimizu and Kanako Morita</i>	69
5	The role of education in the sustainable development agenda: Empowering a learning society for sustainability through quality education <i>Robert J. Didham and Paul Ofei-Manu</i>	93
6	The role of water security in achieving the Sustainable Development Goals: Realising synergies, balancing trade-offs <i>Magnus Bengtsson and Binaya Raj Shivakoti</i>	131
7	How the Sustainable Development Goals can complement existing legal instruments: The case of biodiversity and forests <i>Tetsuro Yoshida and Eric Zusman</i>	147
8	Achieving the multiple benefits of a sustainable development goal for energy <i>Tetsuro Yoshida and Eric Zusman</i>	165
9	Conclusions: Bringing the agenda into action <i>Magnus Bengtsson and Simon Hoiberg Olsen</i>	177
	Annex 1: List of search terms for Chapter 3	189
	Annex 2: List of the SDGS	191

Foreword

The term “sustainable development” was conceived more than 25 years ago when the world was at a development crossroads. Conventional approaches to development had left millions in abject poverty and placed progressively greater strains on the carrying capacity of the earth’s natural systems. A more sustainable approach to development held promise of fundamentally changing the face and direction of development. Yet for more than two decades governments, businesses, and international organisations have struggled to implement policies consistent with this vision. The sustainable development goals (SDGs) and the post-2015 development agenda within which they are embedded offer a unique opportunity to change course.

This book is written with guarded optimism that the next 15 years can help bring about this much-needed course change. The reason for the optimism is also the focus of the book: governance. The nine chapters cover several timely themes, ranging from the progress on the Millennium Development Goals (MDGs) to challenges in the water sector. But while varying in subject matters, they share the common conviction that reforms in governance will be essential to implementing the policies needed for a sustainable future. The overall message is governance that promotes integration across sectors and inclusion among stakeholders will become vital as countries get ready for the SDGs. Since there is no blueprint for putting in place these readiness conditions, the book begins to open the dialogue that will prove determinative for the SDGs over the months and years to follow.

The Institute for Global Environmental Strategies (IGES) looks forward to contributing to that dialogue. IGES is an international research institute that conducts strategic policy research on sustainable development in Asia and the Pacific. Headquartered in Hayama, Japan, IGES envisages itself as not only contributing analytical inputs into discussions over the SDGs but also actively equipping governments and non-government stakeholders with the tools and platforms needed to bring the post-2015 development agenda into action. This book begins to take important steps in that direction. We look forward to working with our partners in and beyond Asia and the Pacific to move the world onto the path that achieves a sustainable future for all.

Hironori Hamanaka
Hayama, Japan
September 2015

Acknowledgements

Books are rarely produced by one person working in isolation. True to form, this publication reflects the collective effort of many thoughtful and generous people who gave liberally of their time and energy to bring this project to fruition. On behalf of the Institute for Global Environmental Strategies (IGES), I would like to express my sincere appreciation to all those mentioned below.

The book *Achieving the Sustainable Development Goals: From Agenda to Action* was conceived by the Flagship Team of the IGES Programme Management Office (PMO) and researchers in the Integrated Policies for Sustainable Societies (IPSS) Area. Invaluable guidance, leadership and contributions came from IGES Sustainable Development Goals (SDGs) Task Force and its Advisory Group. Useful critique and inputs were received through regular IGES-wide in-house meetings held on different aspects of the SDGs and related issues. The IGES Quality Management team of Mark Elder and Hidefumi Imura provided a constant source of encouragement and feedback, helping to sharpen the focus and recommendations of the chapters considerably.

The book would not have been possible without the comments and able support from Ian Barnes, Peter King, Tetsuya Ishii, Toshiyuki Iwadou, Eisaku Toda and Kazuo Matsushita. My gratitude also goes out to in-house and external resource persons, especially Timothy Cadman from Griffith University, Gideon Rabinowitz from the Overseas Development Institute (ODI) and Kanako Morita from Keio University.

The book was prepared, laid out and edited by a core team at IGES consisting of Magnus Bengtsson, Emma Fushimi, Yoriko Itakura, Jun Kamio, Ikuho Miyazawa, Simon Hoiberg Olsen, Shoko Yamanaka, Tetsuro Yoshida and Eric Zusman. Contributions to the chapters from other colleagues at IGES came from Lewis Akenji, Ilona Aleksiaunaite, Robert Didham, Paul Ofei-Manu, SVRK Prabhakar, Henry Scheyvens, Noriko Shimizu, Binaya Raj Shivakoti and Shom Teoh. The Chair of the Board of Directors of IGES, Hironori Hamanaka, provided overall guidance.

IGES has also benefited greatly from interactions with colleagues working on the post-2015 development agenda and the SDGs in other institutes. This publication would not be possible without gracious support from the Project on Sustainability Transformation 2015 (S-11-4). This interdisciplinary research initiative on SDGs was started by the Ministry of the Environment, Japan in 2013 to provide analytical inputs to this important process. I also appreciate the opportunity to work with the Independent Research Forum (IRF) producing timely outputs and securing joint funding. I am also looking forward to working with the Sustainable Development Solutions Network (SDSN) to disseminate the main findings.

Last but not least, I would like to express my special appreciation to the different teams within IGES. We realise working across sectors has been a challenge for all of us, but preaching integrated approaches in this publication necessitates walking the talk. Certainly, this book represents only the very initial analysis of what will be needed to take action on the SDGs agenda. Therefore we very much hope that research and action partnerships will work to help bring the key messages of this book to life.

Hideyuki Mori
Hayama, Japan
September 2015

List of Abbreviations

10YFP	10 Year Framework of Programmes on SCP
ADB	Asian Development Bank
ASEF	Asia-Europe Foundation
CBD	Convention on Biological Diversity
CBDR	Common But Differentiated Responsibility
CBD SBSTTA	Subsidiary Body on Scientific, Technical and Technological Advice to the Convention on Biological Diversity
CC	Control of Corruption
COP	Conference of the Parties
CO ₂	Carbon Dioxide
DESD	United Nations Decade of Education for Sustainable Development
EE	Environmental Education
EFA	Education for All
ESD	Education for Sustainable Development
FfD	Financing for Development
FfD1	First Conference on Financing for Development

FfD2	Second Conference on Financing for Development
FfD3	Third Conference on Financing for Development
FSF	fast-start finance
FTT	Financial Transaction Tax
GA/UNGA	General Assembly of the United Nations
GCED	Global Citizenship Education
GDP	Gross Domestic Product
GCE	Global Campaign for Education
GCF	Green Climate Fund
GE	Government Effectiveness
GEF	Global Environment Facility
GEFI	Global Education First Initiative
GHG	Greenhouse Gas
GNI	Gross National Income
GNP	Gross National Product
GPSD	Global Partnership for Sustainable Development
HIV	Human Immunodeficiency Virus
HLP	High Level Panel
ICLEI	International Council for Local Environmental Initiatives
IFIs	International Financial Institutions
IGES	Institute for Global Environmental Strategies
IMF	International Monetary Fund
IPBES	Intergovernmental Science and Policy Platform on Biodiversity and Ecosystem Services
IPCC	Intergovernmental Panel on Climate Change
IRF2015	Independent Research Forum 2015
IWRM	Integrated Water Resource Management

JICA	Japan International Cooperation Agency
JPOI	Johannesburg Plan of Implementation
LDCs	Least Developing Countries
LTF	long-term financing
MDGs	Millennium Development Goals
MOI	Means of Implementation
M&E	Monitoring and Evaluation
NGOs	Nongovernmental Organisations
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OWG	SDGs Open Working Group
PISA	Programme for International Student Assessment
QESD	Quality Education for Sustainable Development
REDD	Reduced Emissions from Deforestation and Forest Degradation
RL	Rule of Law
SABER	Systems Approach for Better Education Results
SCP	Sustainable Consumption and Production
SDGs	Sustainable Development Goals
SDSN	Sustainable Development Solutions Network
SLE	Sustainable Lifestyle and Education
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNFCCC	United Nations Framework Convention on Climate Change
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGA/GA	General Assembly of the United Nations
UNSG	United Nations Secretary General

VA Voice and Accountability
WTO World Trade Organisation

List of Figures and Tables

Figures:

Figure 1.1 The great acceleration	9
Figure 1.2 Planetary boundaries	10
Figure 1.3 The Oxfam donut	11
Figure 1.4 Analytical framework: Three views on governance	15
Figure 3.1 Research approach	52
Figure 3.2 Frequency of the term “governance” over time	60
Figure 3.3 Frequency of references to compliance-based governance over time	60
Figure 3.4 Frequency of references to collaborative governance over time	61
Figure 4.1 Estimates of North-South climate finance flows (USD billions) 2009-2010	77
Figure 5.1 Two parallel development tracks and their influence on education	100
Figure 5.2 Two parallel approaches for empowering a learning society for sustainability	122

Figure 6.1 Linkages between water security and other aspects of sustainable development	137
Figure 6.2 An illustration of how countries may interpret targets and MOI for an SDG on water	139
Figure 8.1 Deficits in access to electricity and non-solid fuels, and primary energy demand in selected countries	167

Tables:

Table 2.1 Summary of literature review	32
Table 2.2 regression results	36
Table 3.1 The distinguishing characteristics of two forms of governance	46
Table 3.2 Surveyed literature	48
Table 3.3 Summary of documents analysed	50
Table 3.4 Key emphasis on compliance and collaboration over time	54
Table 4.1 Overview of the accountability characteristics of selected sustainable development financing agreements	83
Table 4.2 Examples of private finance tracking and related gaps	85
Table 5.1 Education means of implementation (MOI) and recommendations	117
Table 5.2 Recommendations on two approaches to a learning society for sustainability	125
Table 6.1 Signs of global water security crisis	133
Table 7.1 Status of agreed subsidiary objectives for the 2010 biodiversity targets	151

Executive Summary

The Sustainable Development Goals (SDGs) are the centrepiece of a new development agenda. This agenda envisages a world free from poverty and deprivation, and where the fundamental conditions for human prosperity—healthy ecosystems, a stable climate and a clean environment—are safely maintained. This vision is expected to guide international organisations, the private sector, civil society, and governments in all countries and at all levels in the shared pursuit of a healthier world and a better tomorrow. Governments will likely agree on the SDGs in September 2015 in New York, culminating a two-year negotiation process. The recently completed 3rd International Conference on Financing for Development (FfD3) in Addis Ababa, Ethiopia, was the latest milestone in that process, concluding with an agreement upon, amongst others, a technology facilitation mechanism to help implement the SDGs. But while this process has made some headway on this new mechanism and other means of implementation (MOI), considerable work lies ahead in bringing this new development agenda into action.

This book *Achieving the Sustainable Development Goals: From Agenda to Action* joins the timely discussion on what should happen after the SDGs are adopted. It deals with the questions of how globally agreed goals can be made relevant to different national and local contexts, and what institutional architectures and policy frameworks can pave the way for achieving them. More specifically, the book focuses on how

building essential skills and base competencies for government institutions; this will not only be essential for achieving basic development priorities but could offer a springboard for a more integrated, transformational and universal agenda under the SDGs. Failure to get these institutional fundamentals in place could stall progress at the formative stages of SDG implementation.

Chapter 3 identifies two basic forms of governance: top-down enforcement-based governance (compliance) and governance based on voluntary stakeholder engagement (collaboration) (the second and third views in the introductory chapter). It then uses a combination of qualitative and quantitative methods to analyse how the discourse of governance has evolved in key intergovernmental documents and agreements on sustainable development. Based on this analysis, the chapter shows that over time there has been a notable increase in references to both compliance and collaborative governance, with an especially pronounced increase in references to collaboration. The chapter concludes that national governments should aim for governance arrangements that complement conventional compliance with those fostering multi-stakeholder collaboration and apply this in their planning and policy making.

Chapter 4 focuses on financing. Its analysis of international agreements on financing identifies key elements for keeping signatories accountable. It argues that clear commitments, strong monitoring frameworks, and substantial high-level dialogues on follow-up measures were essential for accountability in past international agreements. It also identifies a need for indicators not only to monitor the input side—how much funding is provided—but also how funds are spent and how this contributes to concrete development outcomes. These findings are expected to apply not only to financing agreements but international agreements in general. Looking at the outcome of the recently held FfD3 meeting on finance, it concludes that the vague and general commitments of that agreement will make accountability challenging.

Chapter 5 underlines that improving the quality as well as the quantity of education is essential to sustainable development. Few other areas offer as great a return of investment as qualitative upgrades in education. As such, the inclusion of quality education needs not to be seen as simply an SDG but also an essential MOI for other SDGs. Making connections between education and other SDGs will reduce the likelihood that less quantifiable elements of quality education are cut from policy agendas,

governance—the way authority is exercised and decisions are made and executed—can infuse action into the new development agenda. The book is divided into two main sections. The first half focuses on how governance and finance affected broad-based development goals; the second half concentrates on governance and MOI for education, water, energy and biodiversity.

The introductory chapter outlines an analytical framework that stresses how three different aspects of governance influence development: 1) the make-up of national government institutions; 2) the interaction between the design of international agreements and national compliance with their provisions; and 3) the facilitation of collaboration across multiple stakeholders at multiple levels (see Figure 1 below). It suggests that implementing the SDGs will require attention to how the main actors and primary motivations in these three views can help countries make progress on the SDGs. It further argues that the insights from each of these views can be seen by looking at how governance and other MOI affected past international policymaking processes and how it is likely to affect future developments across (Chapters 2 through 4) and within key sectors (Chapters 5 through 8).

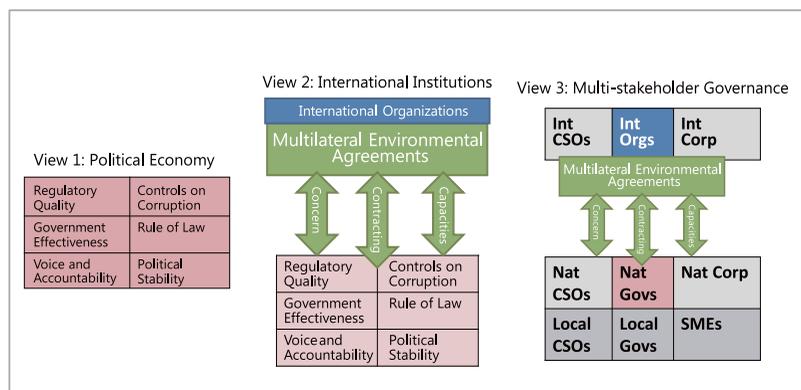


Figure 1 Analytical framework: Three views on governance Source: Authors

Chapter 2 draws chiefly on the first perspective of governance (the make-up of national government institutions) to show that effective governments and rule of law had a significant influence on progress with the MDGs for a wide range of countries. It concludes that international organisations and donor agencies should devote more resources to

budgets, and curricula. The chapter further argues that Education for Sustainable Development (ESD) offers an actionable approach to enhancing education quality.

Chapter 6 argues that the key to making water systems more secure is an integrated perspective that positions water at the core of the SDGs. Failure to operationalise such an integrated perspective could have ramifications for several areas, including food, health, energy and environment. The chapter contends that capturing synergies goes beyond simply recognising water management’s inherent complexities; these have been well-documented in calls for integrated water resources management (IWRM). Moving beyond IWRM requires policies and practices that leverage synergies between water and other sustainability objectives. However, which synergies countries pursue will vary depending on the importance they attach to: 1) improved access; 2) enhanced efficiency; and 3) systems transformation (see Figure 2 below).

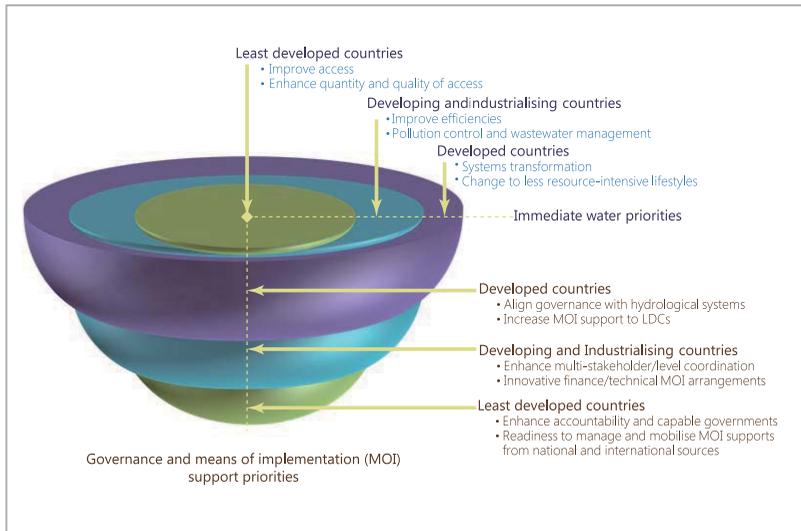


Figure 2 An illustration of how countries may interpret targets and MOI for an SDG on water Source: Authors

Chapter 7 maintains the SDGs are uniquely positioned for “synergistic interactions” with existing legal instruments, namely the Convention on Biological Diversity (CBD) and its Aichi Targets. Capturing these complementarities will necessitate recognising the multiple benefits of integrating biodiversity into the SDGs as well as due attention to

consistency between targets, national planning and policies, multi-stakeholder engagement, and reporting and review mechanisms.

Chapter 8 suggests a well-designed energy SDG can alleviate poverty, improve health and wellbeing, and mitigate climate change. But realising these multiple benefits requires countries to tailor SDGs to national contexts. This will involve placing varying weights on energy access, energy efficiency, renewable energy and energy conservation. These context-appropriate targets are likely to be more effective when embedded in enabling policy environments that allow local governments and businesses to introduce and scale up energy-saving innovations as well as to deploy renewables. Existing initiatives such as Sustainable Energy for All (SE4All) could help support the scaling process; leveraging synergies between energy and other SDGs could also contribute to implementation and scaling of an energy SDG.

Chapter 9 summarises the book's main conclusions and proposes future research. In particular, it highlights the importance and possible tensions within shifts to more integrated and inclusive forms of governance. It further outlines a broadening of research methodologies to actively involve multiple stakeholders in the generation of research outputs, focus on partnerships, and on effective multi-stakeholder participation. These elements are likely to become preconditions for turning aspirational goals and targets into transformational actions.

1

Governing the Sustainable Development Goals: Closing the gap between aspiration and action

Eric Zusman

Magnus Bengtsson

Simon Hoiberg Olsen

1 Introduction

In 2015, the governor of California imposed mandatory water restrictions in reaction to a four-year drought that threatened to paralyse his state's economy. Two years prior, the leadership of China unveiled a series of clean air action plans to curb smog episodes that had begun to choke their country's prosperity. And a year before that, policymakers in Brazil concluded public consultations to help tighten biodiversity targets intended to safeguard some of the world's most valued species and fauna. From California to China to Brazil, the world is addressing a range of sustainability crises. Awareness of how these crises form and interact is growing fast.

The seeds of this awareness were planted more than four decades ago. In 1972, the United Nations convened the first global environmental conference, the United Nations Conference on the Human Environment (UNCHE). At UNCHE, world leaders established the United Nations Environmental Programme (UNEP) to support international cooperation on environmental problems. Since that milestone meeting, the numbers of environmental institutions and agreements have increased sharply; the numbers of government, business, and civil society groups professing support for a sustainable future have followed suit. What has not improved is the state of the environment. Sustainability has become commonly referenced on paper but much less evidenced on the ground. In consequence, the world has already transgressed several planetary limits; humanity is running out of safe operating space by pushing up against many others (Rockström et al., 2009).

This unfortunate state of affairs gives rise to a pressing question: why has support for a sustainable future coincided with society drifting further from that ideal? This question does not lend itself to simple answers. An issue area with as many inherent interlinkages and complexities as sustainable development belies easy solutions. A quick survey of the relevant institutional architecture and policy landscape, however, converges on two broad sets of underlying causes. The first is that key provisions in international environmental agreements, national legislation and local action plans go unimplemented or are implemented ineffectively, resulting in persistent "implementation gaps." (UN, 2012, p.

10). The second is that closing these implementation gaps does not necessarily require more agreements, policies or action plans, but improved governance and institutions.

Yet the transition to more sustainable forms of governance is also easier said than done. The challenge involves not only reforming the internal workings of governments and adjusting external incentives from international institutions, but aligning the interests of increasingly diverse sets of actors operating at different levels of decision making. This challenge is compounded by vested interests and institutions that give inertia to business-as-usual development and thereby lock in the status quo. This book is thus written with a keen awareness that the governance challenge ahead is formidable. It is also written with cautious optimism that the same challenge can be overcome. This guarded optimism stems from experience and opportunity.

The transition to more sustainable forms of governance is easier said than done

In terms of experience, over a four decade period—beginning with UNCHE (1972) and including critical advances at the Rio Earth Summit (1992) and Johannesburg (2002) as well as the Millennium Development Goals (MDGs)—the world has gleaned valuable insights into how different forms of governance have yielded implementation successes and failures. The lessons learned offer useful guideposts as concerned stakeholders contemplate course corrections and ways forward. In terms of opportunity, much of this reflection is informing discussions over a new set of sustainable development goals (SDGs) and a post-2015 development agenda. With an agreement expected in September 2015, the SDGs and post-2015 development agenda could guide development until 2030. Importantly, the SDGs will likely include two goals related to governance (Goal 16 and 17) and separate enabling targets for sector specific goals (UN, 2015). Mirroring analyses prior to the start of formal negotiations, governance is integrated across and within the SDGs (Olsen & Elder, 2013).

Yet, as implied by the cases of California, China and Brazil that began this chapter, whether the SDGs can make a difference will hinge on governance both across and within key sectors. This book hence includes a section that focuses on governance and finance in general (Chapters 2, 3 and 4) followed by a section on governance in the context of the

education, energy, water and biodiversity goal areas (Chapters 5, 6, 7, and 8). Text boxes on sustainable consumption, cities and other pertinent themes supplement chapter-length analyses. The closing chapter identifies areas for future research, focusing specifically on the need for more integrated governance approaches and the role the research community and civil society could play in helping to implement the SDGs. The book's key messages can be summarised as follows:

1. For many countries, capable government administrations and legal institutions proved instrumental in alleviating poverty, improving maternal health, extending educational access, and achieving other development priorities covered by the Millennium Development Goals (MDGs). International organisations and donor agencies should devote more resources to ensuring government agencies and legal institutions possess the skill sets and base competencies to achieve these priorities.
2. Building these skills and competencies will not only be essential for achieving basic development priorities like those under MDGs but could offer a springboard for a more integrated, transformational and universal agenda under the SDGs. Failure to get the institutional fundamentals in place could stall progress at the early stages of SDG implementation.
3. While financial means of implementation (MOI) often feature in international negotiations, institutional MOI are set to gain more attention as countries and international organisations get ready for the SDGs. Both governments and development partners should look beyond financial MOI when putting in place the readiness conditions needed for transitioning to the SDGs (Chapters 2 and 4).
4. When considering readiness conditions, countries should aim to complement and combine governance arrangements based on top-down compliance with those fostering multi-stakeholder collaboration. There is growing recognition in intergovernmental documents of the need to complement compliance-based and collaborative governance, and national governments should not treat this as empty rhetoric.

5. How synergies between compliance and collaboration are captured will vary across countries. Some countries may provide research universities and progressive city governments with economic incentives to work together on piloting innovative solutions (Chapters 3 and 9). Others may strengthen protection of property rights to encourage green businesses to transfer these solutions to foreign markets. Yet others may engage expert communities and concerned citizen groups to support the review and follow-up of SDG implementation. A final set of countries may link together some of the above possibilities to forge effective implementation pathways for the SDGs (Chapters 6, 7 and 8).
6. The mechanisms for tracing the performance of finance will be as critical as the amounts of finance allocated for SDG implementation. The importance of holding signatories accountable for the performance of finance at pivotal junctures in decision making processes cannot be overstated. Accountability of MOI inputs—the resources made available—as well as SDG outputs in the form of development outcomes are especially critical since the post-2015 development agenda will not be legally binding (Chapter 4).
7. Although the SDGs and post-2015 development agenda will not be legally binding, they can help complement implementation of the ongoing initiatives such as the Aichi Targets on Biodiversity (Chapter 7) and Sustainable Energy for All (Chapter 8). Participants in these initiatives should leverage the SDGs to legitimise new norms forming around their areas of concern and think creatively about what governance arrangements and MOI are needed to make them actionable.
8. Thoughtfully-conceived governance arrangements will be vital to strengthen the qualitative dimensions of an education goal. A credible commitment to quality education in national laws, district budgets and school curricula could bring unprecedented returns for development and help achieve a range of other SDGs (Chapter 5).
9. The SDGs can enable advocacy coalitions to put renewed emphasis on integrated governance approaches to energy, water and biodiversity. The application of integrated approaches in these policy

Others may strengthen protection of property rights to encourage green businesses to transfer these solutions to foreign markets

areas is likely to vary across countries. One factor distinguishing these approaches across countries is the relative weight placed on: 1) securing access to basic resources; 2) stabilising consumption through efficiency gains; and 3) curbing consumption with lifestyle and system changes (Chapters 6, 7 and 8).

10. Some SDGs will serve as MOI for other SDGs. National policymakers should consider governance arrangements that can support cross-agency decision making and budgeting to capitalise on cross-goal synergies. International organisations and research institutions would do well to work together to build tools illustrating opportunities for synergies across SDGs as well as between SDGs and various MOI (Chapters 6, 7 and 8).

The remainder of this introductory chapter sets the context for the rest of the book. It begins by introducing recent perspectives of sustainability and the role of governance in steering a more sustainable course. It then discusses how governance is treated in three strands of literature: 1) political economy on requisite functions of governments (rule of law, government capacity, controls on corruption); 2) institutionalism on the design elements of international institutions; and 3) multi-stakeholder governance on an enabling environment for collaboration. The chapter then highlights how these perspectives on governance can help improve governance of the SDGs. The chapter concludes with an overview of how the remaining eight chapters aim to communicate that overriding message, thereby helping to close implementation gaps.

2 Staying within planetary limits: A role for governance

Since UNCHE in 1972, the international environmental community has been advocating an approach to development that stays consciously within ecological limits. However, in 1982 when member states took stock of what had been achieved in the decade following the UNCHE they concluded that progress had been far from satisfactory; the global environment had not improved but continued to deteriorate (UN, 1982). Responding to this apparent shortfall, the United Nations established a commission chaired by the former prime minister of Norway to look into the causes behind the limited progress and build global momentum for change. This commission, known as the Brundtland Commission, held a large number of hearings throughout the world with a wide range of

stakeholders and produced the report *Our Common Future*, which popularised the concept of sustainable development (Brundtland, 1987).

Our Common Future underlined that a healthy economy depends on a healthy environment, meaning that human development and environmental protection are closely interlinked and mutually dependent and therefore cannot be dealt with in a piecemeal fashion (Brundtland, 1987). The commission also underscored the significance of considering the welfare of future generations through its often-cited definition of sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland, 1987).

This perspective on the development-environment nexus resonated with observers from diverse backgrounds and set the tone for the next major global meeting on development: the 1992 UNCED conference in Rio de Janeiro. The UNCED adopted the Agenda 21, a comprehensive plan for achieving sustainable development globally, which received significant attention and spurred the establishment of national and local coordination committees and strategy documents. Local implementation and stakeholder involvement were points of emphasis. Despite these well-intended efforts, however, the two following global meetings on development—in Johannesburg in 2002 and Rio de Janeiro in 2012—concluded that progress had again been limited; the global environment had continued to deteriorate, poverty remained widespread, and inequity was increasing. Despite four decades of considerable effort, the global community had still not delivered on its repeated promises to curb human impacts on the living planet and to ensure a life in dignity for all.

There are many reasons why so little progress has been achieved. One contributing factor is the failure to recognise the interconnectedness and interdependence between different aspects of sustainable development. Economic planning in most cases still does not consider long-term environmental impacts and how these affect society. Similarly, private enterprises still tend to “externalise” the damage they do to the environment, passing the bill for those damages to society in general. Furthermore, the idea that developing countries can focus on economic growth and clean up later also remains commonplace. In practice, governments do not seem to have taken seriously the fact that development cannot be sustained by simply focusing on one dimension at the expense of the other (Hopwood, Mellor, & O’Brien, 2005).

In a similar vein, governments have also failed to recognise the limited utility of the economy-only paradigm, despite repeated efforts to expose its faulty logic. Some of these attempts contended that “environmental stewardship” can add the often-overlooked ethical considerations to the capital accumulation that frequently underpins conventional growth models (Worrell & Appleby, 2000).

One of the most significant contributions to the discussions on sustainability is the concept of planetary boundaries

Others argue that the “great acceleration” over the past century and a half demonstrates the deep flaws in these models. This acceleration involves exponential increases in energy and water use, food production, urbanisation, and other measures of development which have

placed progressively weightier strains on the carrying capacity of natural systems (see Figure 1.1) (Steffen et al., 2004).

In recent years, attention has been drawn to more illustrative metaphors to convey similar sentiments. One of the most significant contributions to the discussions on sustainability is the concept of planetary boundaries (Rockström et al., 2009). The boundaries metaphor highlights that there are limits to how much damage humans can safely do to the planet. Beyond these limits, the risks of systemic planetary collapse are expected to be significant and non-linear. The highest profile example of possible non-linear disruptions stems from anthropogenic climate change (IPCC, 2014); as illustrated in Figure 1.2, there are numerous others. The concept of planetary boundaries for human impacts has changed the earlier discourse on sustainability; the idea that there are quantifiable limits to which we must commit introduces a new way of thinking. Achieving sustainability is not only a matter of reining in humanity's impact on the planet in general but also of keeping the impact within the limits that allows human civilisation to continue.



Figure 1.1 The great acceleration Source: Steffen et al., 2015

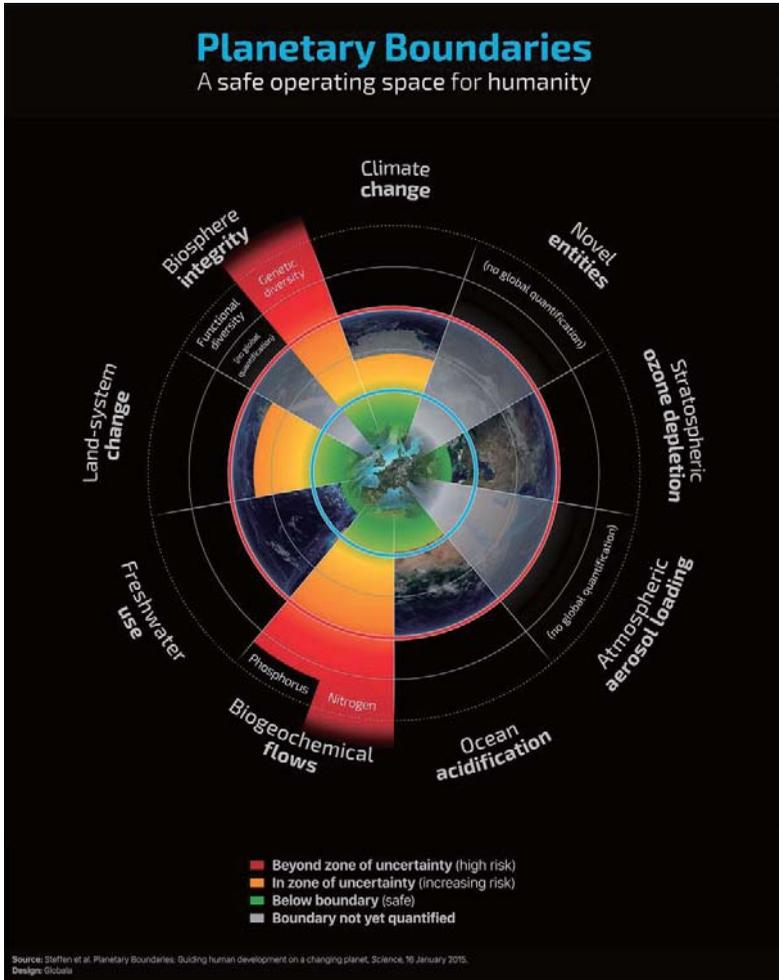


Figure 1.2 Planetary boundaries Source: Steffen et al., 2015

Scientists' work on planetary boundaries has been accompanied by more attention to the social dimensions of development. The most noteworthy attempt to link these social and environmental dimensions is often referred to as the Oxfam donut (Raworth, 2012). The donut shows the planetary boundaries that humanity needs to stay within, and combines these with social limits that are preconditions for well-functioning societies

and human wellbeing. Accordingly, the lower limits are the social foundation that serves as the developmental baseline below which populations face extreme poverty and deprivation. The upper limit is an environmental ceiling above which populations threaten to irreversibly exhaust natural resources and damage ecosystem services. The task for societies is to navigate a path within this “safe operating space”—focusing available resources and human ingenuity to a much greater extent on unmet essential needs while simultaneously ensuring that the aggregated impact on the planet stays within safe limits, considering uncertainties by taking a precautionary approach. Steering development along such a path of moderation is a challenge for the whole world. The question is how this can be done.

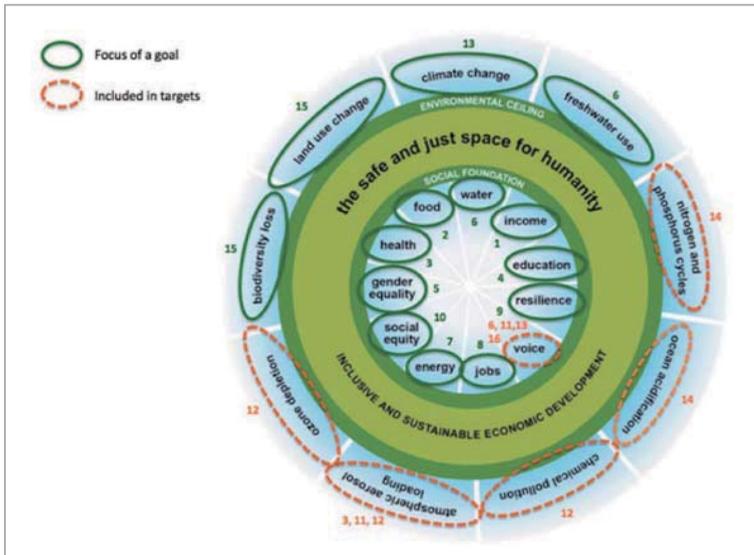


Figure 1.3 The Oxfam donut Source: Raworth, 2014

Some have underlined that the key to staying within the safe operating space is ensuring the three aforementioned dimensions of development balance on a sound foundation of *governance*. Sachs (2013), for instance, argues that achieving “the three bottom lines” of sustainable development are contingent on good governance. But improving governance requires careful deliberation on how governments, businesses and civil society organisations can work together to move

from varying starting points to more sustainable destinations. The literature on governance can shed some light on the thinking and experience that can steer the world safely within limits.

3 Governance for sustainable development

The concept of governance predates the introduction of sustainable development by millennia (Plato, 1991). Its modern-day renaissance owes to a desire to improve the efficacy of public services and private investments in line with mainly neoliberal development policies in the early 1990s (i.e. protection of private property rights) (Williams & Young, 1994; World Bank, 1993). In the past two decades, definitions of governance have expanded from not only supporting free markets but enabling pursuits of other development priorities, including preserving the environment. While an exhaustive review of the governance literature is beyond the scope of this chapter, three strands are particularly relevant: 1) a political economy view; 2) an international institutionalism view; and 3) a multi-level and multi-stakeholder governance view.

The first strand focuses primarily on how the features of governments at the national level can enable socioeconomic development. A recurrent theme is why some countries develop faster—albeit not necessarily more sustainably—than others. Some of this literature traces the differences in development to relatively narrow institutional innovations such as the protection of private property rights (North & Weingast, 1989). Others have taken a broader view of desirable features of governments. The World Bank's Worldwide Governance Indicators (WGI), for instance, capture properties of governance such as rule of law, controls on corruption, and regulatory quality that would *prima facie* seem good for development. These properties are then captured in quantitative indicators that can be used to identify correlations with various development outcomes (see Chapter 2). To illustrate, a sizable literature examines the impact of corruption on countries' development prospects (Campos, Dimova, & Saleh, 2010).

A second view on governance focuses on the interactions between multilateral environmental agreements and national governments. Much of that literature has analysed the extent to which designs of international institutions have elicited compliance with their key provisions (Andersson & Ostrom, 2008). A typical set of these "compliance" arguments underlines that well-designed international institutions can influence three

C's: 1) domestic concerns over environmental issues; 2) financial, institutional and technical capacities to adhere to an agreement; and 3) the overall contracting environment in which the agreement is implemented, including mechanisms for monitoring progress (Haas, Keohane, & Levy, 1993). Others have noted that an agreement's design has some influences on compliance, but the nature of the problem, the interests of countries, and other factors outside the agreement's design itself can play an even greater role in its performance (Mitchell, 2003).

A third and final school of thought also argues for looking beyond whether and why governments comply with international agreements. In adopting this broader view, it observes some of the most innovative solutions to environmental problems involve "collaboration" between governments, the private sector, and civil society. Proponents of collaborative governance have highlighted the potential for an iterative collective problem solving process to identify solutions to shared concerns (Ansell & Gash, 2008). A sub-branch of this strand known as multi-stakeholder, multi-level governance suggests that solutions increasingly involve various stakeholders collaborating within and across different levels of decision making (Meuleman, 2008). For instance, climate change solutions can be identified and transmitted through emergent networks of cities that crosscut traditional boundaries of statecraft horizontally and diagonally (Andonova, Betsill, & Bulkeley, 2009). Another approach sharing some of these core features is known as polycentricism. The polycentric perspective stresses that different actors at different levels play unique roles in identifying, implementing and assessing collaborative solutions; moreover, the locus decision-making power shifts from different actors at different levels during different junctures of this process (Andersson & Ostrom, 2008), (see Chapter 3). Much of the collaboration literature also intersects with a branch of studies on sustainability transitions that require aligning varying actors to identify and scale up innovative solutions at niche, regime and landscape levels (Frantzeskaki, Loorbach, & Meadowcroft, 2012; Lachman, 2013).

Some of the most innovative solutions to environmental problems involve "collaboration" between governments, the private sector, and civil society

The three main approaches to governance outlined above—political economy, international institutions and multi-stakeholder

collaboration—take an important step forward in elucidating the main actors, the primary means and ultimate aims of governance. For instance, the political economy view tends to underline the requisite functions of national governments for achieving a variety of development objectives. The international institutions' view features the interplay between international agreements and national governments in the pursuit of compliance. The multi-stakeholder governance perspective shines a light on the role of an expanding web of actors and means that can locate and bring to scale collaborative solutions. But while the actors, means and ends in these approaches differ, collectively they offer important insights in how governance can help close persistent implementation gaps.

More specifically, closing the implementation gap might require national governments possessing several essential properties; international agreements strengthening the three C's with a view toward compliance; and multiple stakeholders at different levels collaborating and spreading innovative solutions.

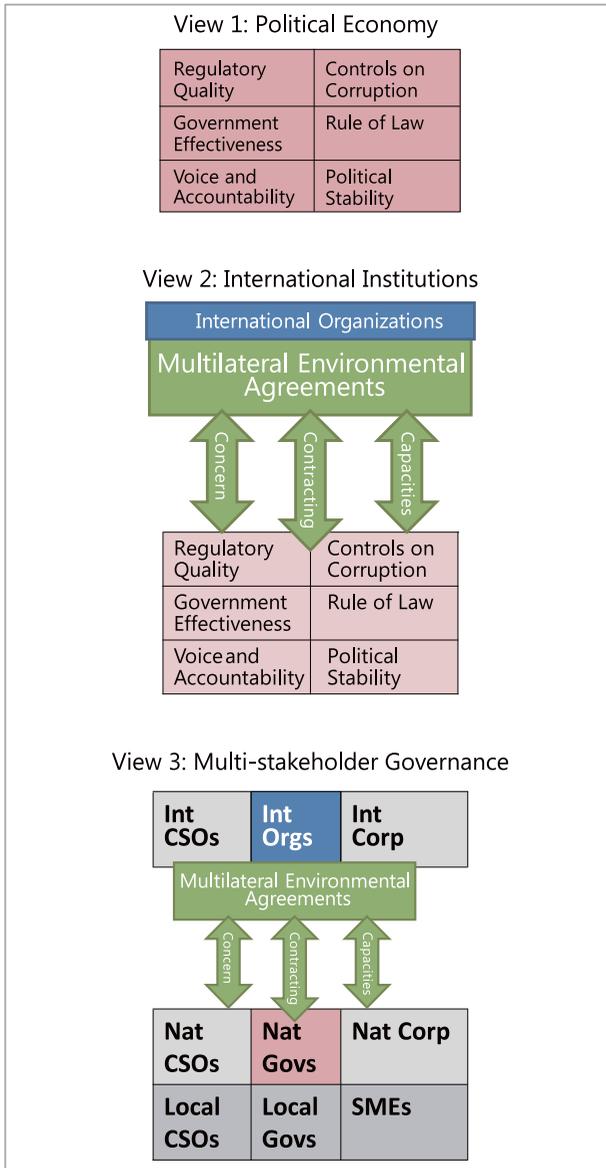


Figure 1.4 Analytical framework: Three views on governance
Source: Authors

A critical question is whether the three views reflect what is already happening or should happen to improve governance for sustainable development. To a certain extent, they reflect progress. From UNCHE to UNCED to JPOI, there has been a growing emphasis on optimising the work of national governments, strengthening the design of international institutions, and enabling collaboration between multiple stakeholders at different levels. Moreover, there were also attempts under the MDGs to support national governments, sharpen the activities of international institutions, and align varied actors to achieve goals under a global partnership for development. Further and as mentioned previously, the SDGs will likely have a governance goal, an MOI goal, and separate governance and MOI-related targets that could draw upon and then extend this progress for the next 15 years.

But to a certain extent, the three views reflect the need for improvement. From UNCHE to UNCED to JPOI, questions remain over the desirable features of national governments, the design of international institutions,

This book fits into a growing need to relay the lessons of the past with a view toward improving governance for sustainable development

and how multiple stakeholders at different levels can collaborate. Similarly, achieving the lone MDG on environmental sustainability was hampered by ill-equipped national governments, poorly designed international institutions, and misaligned incentives for collaboration. Furthermore, there remains limited thought on how

these three views could build upon and mutually reinforce each other under a set of SDGs that are intended to be aspirational, transformational and integrated. Last but not least, there is an as-yet unmet need to bring these three views to bear on both governance across and then within particular sectors. This book thus fits into a growing need to relay the lessons of the past with a view toward improving governance for sustainable development. The remainder of this chapter reviews how the other eight chapters of this book work towards that end.

4 Overview of the following chapters

Chapter 2 draws upon political economy literature to determine which aspects of governance led to progress on MDGs. Employing a quantitative approach to identify correlations between aspects of good governance and MDG progress, the chapter finds that countries with more effective governments and stronger rule of law experienced the greatest success with the MDGs. The chapter also underlines that government effectiveness and rule of law tend to be correlated with controls on corruption, suggesting that the former may lead to improvements in the latter. While coming to these conclusions, the chapter also notes the need to consider a significant difference between the MDGs, which were mainly organised around single-issue objectives and the SDGs, which are intended to be more holistic and integrated.

Chapter 3 draws upon the literature on institutions and sustainable development governance to analyse how references to different forms of governance and MOI have evolved over time in key intergovernmental documents on sustainable development. Based on relevant scholarly literature, it makes a distinction between two forms of governance: 1) top-down compliance-driven governance, and 2) collaborative governance employing softer voluntary engagement of various stakeholders. Using text analysis and qualitative analysis, the chapter shows that there has been a notable increase in references to both compliance-driven and collaborative forms of governance. The chapter further shows that these trends are mirrored in literature that increasingly calls for complementarities between compliance and collaborative forms of governance. It concludes that it will be critical for national governments to capture these complementarities.

Chapter 4 focuses on a critical but contested MOI: financing. The chapter underlines that much of the discussion of international development finance has concentrated on the quantity as opposed to the quality of finance. By looking at the quality of finance the importance of monitoring the use of finance comes more clearly into view. From there the chapter contends that monitoring both the supply and use of finance will be critical to enhancing accountability in the post-2015 development agenda.

Chapter 5 surveys a growing body of literature and practice that underlines that quality education is essential to sustainable development. Few other areas offer as great a return of investment in terms of

development outcomes. As such, the inclusion of education in the SDGs and post-2015 development is much welcomed. Further, the inclusion of quality education needs not to be seen as simply a goal in itself but also an essential MOI for other SDGs. This multi-dimensional framing will help policymakers at different levels to better envisage the pivotal role for quality education and reduce the likelihood that some of the less quantifiable elements of quality education are not cut from budgets, policy agendas and curricula. The chapter also elaborates on critical MOI that can help strengthen quality education in a future development agenda.

Chapter 6 argues that the key to making water systems more secure is an integrated perspective that positions water at the core of the SDGs. Failure to operationalise an integrated perspective could have ramifications for several areas, including food, health, energy and environment. It then contends that operationalising an integrated perspective goes beyond simply recognising water management's inherent complexities. These complexities have been well-documented in calls for integrated water resources management (IWRM). Moving beyond IWRM requires policies and practices that leverage synergies between water and other sustainability objectives. However, which synergies countries pursue will vary depending on the importance they attach to: 1) improved access; 2) enhanced efficiency; and 3) systems transformation. Governance arrangements that engage multiple stakeholders at multiple levels will become more critical as countries shift their emphasis from the first to the third set of above priorities.

Chapter 7 maintains that the SDGs will aim to strengthen the coverage of biodiversity as previously included under MDGs, but also the Convention on Biological Diversity (CBD) and the Aichi Targets. While the chapter acknowledges the possibility of duplication of the CBD and the Aichi Targets (especially reporting mechanisms) the rapid decline of biodiversity necessitates an integrated approach with other goal areas as well as the elevated status and heightened awareness on the issues that the SDGs could potentially deliver. In short, the added value of the SDGs requires finding complementarities with existing legal instruments in international efforts to conserve biodiversity.

Chapter 8 suggests that an energy SDG should offer a long-term ambitious vision and serve as an inspiring reference for national level target-setting. Within this ambitious vision, countries will need to set their own national energy targets and action plans. While targets and actions

will need to be tailored to national circumstances, the energy SDG should encourage countries to pay varying degrees of attention to four key challenges: 1) energy access; 2) energy efficiency; 3) the share of renewable energy; and 4) reduction in energy consumption. To help implement the energy SDG, the chapter recommends enabling reforms such as feed-in-tariffs (FITs) as well as reallocating government subsidies from fossil-fuels to renewable energy and energy efficiency. Last but not least, it maintains that in order to avoid exceeding the two degree temperature increases (over pre-industrial levels) national follow-up processes need to introduce targets for reduced energy consumption in high-income countries.

Chapter 9 summarises the main conclusions of the book and proposes topics and roles for the research community. It proposes a broadening of research methods to actively involve multiple stakeholders in the generation of research outputs, with a focus on partnerships, and on effective multi-stakeholder participation. These elements are likely to become important parts preconditions for turning aspirational goals and targets into local and national actions.

The book proposes a broadening of research methods to actively involve multiple stakeholders in the generation of research outputs, with a focus on partnerships, and on effective multi-stakeholder participation

References

- Andersson, K. P., & Ostrom, E. (2008). Analyzing decentralized resource regimes from a polycentric perspective. *Policy Sciences*, 41(1), 71–93. doi:10.1007/s11077-007-9055-6
- Andonova B., Betsill M., Bulkeley H. (2009). Transnational Climate Governance. *Global Environmental Politics*, 9(2), 52–73.
- Ansell, C., & Gash, A. (2008). Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory*, 18, 543–571. doi:10.1093/jopart/mum032
- Brundtland, G. H. (1987). *Our Common Future*. (G. H. Brundtland, Ed.) *Oxford paperbacks*. Oxford University Press. doi:10.2307/633499
- Campos, N. F., Dimova, R., & Saleh, A. (2010). *Whither Corruption? A Quantitative Survey of the Literature on Corruption and Growth*. IZA Discussion Paper No. 5334. Bonn: The Institute for the Study of Labor (IZA)..
- Frantzeskaki, N., Loorbach, D., & Meadowcroft, J. (2012). Governing societal transitions to sustainability. *International Journal of Sustainable Development*. 15 (1/2), 19–36. doi:10.1504/IJSD.2012.044032
- Haas, P., Keohane, R., & Levy, M. (1993). *Institutions for the Earth: Sources of Effective International Environmental Protection*. *Global Environmental Accord: Strategies for Sustainability and Institutional Innovation*. MIT Press.
- Hopwood, B., Mellor, M., & O'Brien, G. (2005). Sustainable development: Mapping different approaches. *Sustainable Development*, 13(1), 38–52.
- IPCC. (2014). *Climate Change 2014: Synthesis Report*. (R. K. Pachauri. and L. A. Meyer, Ed.) *Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*. Geneva.
- Lachman, D. (2013). A survey and review of approaches to study transitions. *Energy Policy*, 58, 269–276. doi:10.1016/j.enpol.2013.03.013
- Meuleman, L. (2008). *Public Management and the Metagovernance of Hierarchies, Networks and Markets: The Feasibility of Designing and Managing Governance Style Combinations*. Heidelberg: Physica-Verlag.

- Mitchell, R. B. (2003). International Environmental Agreements: a Survey of their Features, Formation, and Effects. *Annual Review of Environment and Resources*, 28(3), 429–461.
- North, D. C., & Weingast, B. R. (1989). Constitutions and commitment: the evolution of institutions governing public choice in seventeenth-century England. *The Journal of Economic History*, 49(04), 803–832.
- Olsen, S. H., & Elder, M. (2013). *The Role of Governance Post-2015. IGES Issue Brief on SDGs*. Hayama.: IGES
- Plato. (1991). *The Republic of Plato*. (A. D. Bloom, Ed.) *The Journal of Hellenic Studies* (Vol. 2nd ed.). Basic Books.
- Raworth, K. (2012). A Safe and Just Space for Humanity: Can we Live within the Doughnut. *Oxfam Policy and Practice: Climate Change and Resilience*, 8(1), 1–26.
- Rockström, J., Steffen, W., Noone, K., Persson, A., Chapin, III, F. S., Lambin, E., ... Foley, J. (2009). Planetary Boundaries: Exploring the Safe Operating Space for Humanity. *Ecology and Society*, 14 (2), 32.
- Steffen, W. L., Sanderson, A., Tyson, P. D., Jäger, J., Matson, P. A., Moore III, B., ... Wasson, R. J. (2004). *Global Change and the Earth System: A Planet Under Pressure. Global Change - The IGBP Series*. Berlin and Heidelberg: Springer-Verlag.
- UN. (1982). Nairobi Declaration. *UN Documents Cooperation Circles*. <http://habitat.igc.org/open-gates/nair-dec.htm>
- UN. (2012). Report of the United Nations Conference on Sustainable Development. New York.
- UN. (2015). Transforming our World by 2030. *Zero Draft of the Outcome Document for the UN Summit to Adopt the Post-2015 Development Agenda*. New York: United Nations.
- Williams, D., & Young, T. (1994). Governance, the World Bank and Liberal Theory. *Political Studies*, 42(1), 84–100.
- World Bank. (1993). *From crisis to sustainable growth - sub Saharan Africa: a long-term perspective study*. Washington DC.
- Worrell, R., & Appleby, M. C. (2000). Stewardship of natural resources: definition, ethical and practical aspect. *Journal of Agricultural and Environmental Ethics*, 12(3), 263–277.