Sustainability Watch 2006 Report

Implementation Barriers to Sustainable Development

A Civil Society Assessment in 15 countries in Asia, Africa and Latin America

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A Southern Civil Society Network

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Executive Summary

Sustainability Watch is a network of civil society organizations (CSOs) in Africa, Asia and Latin America, working to promote **governmental accountability for sustainable development**, through ongoing **qualitative monitoring and constructive dialogue** at the national and international levels.

Sustainability Watch focuses on the pursuit of the Millennium Development Goals (MDGs) in the context of monitoring the implementation of the Johannesburg Plan of Implementation. By doing so, Sustainability Watch seeks to increase Southern civil-society networks' ability to engage more efficiently in advocacy for pro-poor sustainable development.

This first international Sustainability Watch Report 2006 presents the assessments made by national CSO networks of the **existing implementation barriers hindering the effective realisation of sustainable development goals**. The report summarizes the findings of national Sustainability Watch reports developed in 15 countries in Africa, Asia and Latin America (see Annex 1: Summary of the National Sustainability Watch Reports).

The purpose of this cumulative report is, first and foremost, to provide insights useful to promoting and enhancing a continuing dialogue at the national level between civil society organizations and governments on how to work together toward sustainable development goals.

Specifically, this report intends to provide Southern governments, civil society and donors with a useful perspective on how to improve the capacities to overcome the current **implementation crisis** regarding MDG 1 and 7 in pursuit of poverty reduction and environmental sustainability. This report will also serve to substantiate the work of the United Nations and other international organizations interested in the realization of the MDGs, and in improving policies and mechanisms to support governments in complying with their MDG commitments.

Monitoring Sustainable Development

Chapter 1 provides an introduction to the Sustainability Watch network, explaining the methods used to monitor sustainable development at the national level and to draw up the national Sustainability Watch reports.

Sustainability Watch focuses on the pursuit of the MDGs in the context of monitoring the implementation of the Johannesburg Plan of Implementation, with particular emphasis on MDG 7 (Ensure environmental sustainability) and its linkages to MDG 1 (Eradicate extreme poverty and hunger) and MDG 8 (Develop a global partnership for development).

The MDGs offer a unique approach that provides for monitoring specific targets and indicators, reflecting the implementation of policy commitments made at the World Summit on Sustainable Development (WSSD), held in Johannesburg, South Africa in 2002.

Sustainability Watch believes that good monitoring of the agreed commitments enables the identification of constraints and bottlenecks, emerging issues, opportunities and threats, as well as appropriate remedial actions.

In 15 countries, national CSO networks have analyzed the following aspects in their national Sustainability Watch reports:

- Process of MDG country reporting and monitoring;
- Official MDG Country Report and indicators;
- Linkages between poverty and environment, and sustainability and good governance;
- Financial resources for sustainable development; and
- Implementation barriers to sustainable development.

Critical Situation for Sustainable Development

Chapter 2 examines the debate on sustainable development since 1992, highlighting the trends and shifts in the discourse and involvement of the various stakeholders and partners in sustainable development.

Since the Earth Summit in 1992, sustainable development has not failed to materialise for lack of talk. However, the world is facing a serious implementation crisis. World leaders have made a host of international commitments to sustainable development between Rio in 1992 and the recent 2005 World Summit. Nevertheless, most of these commitments have yet to be met.

There has indeed been a shift from a regulatory agenda in the 1990s to an implementing agenda in this decade. The challenge today is to follow up on the commitments made at international summits, while also ensuring sufficient capacity of national and local governments to implement, monitor and enforce them, with the active participation of communities and stakeholders.

It is time to sound the last call. As projected by FAO, the number of poor people in the world is expected to increase by 100 million by 2015 unless the performance of MDG implementation is drastically improved. It will take more than words to bend this trend and achieve the most prominent MDG 1 of *halving the number of poor by 2015*. About three billion people –almost 50 percent of the world population – now live on less than two dollars a day (World Bank, 2003). Moreover, the environment is being degraded and overexploited, deteriorating the living conditions and livelihoods of the poor.

The Johannesburg Summit brought wide recognition of the implementation crisis, drawing attention to the need for greater monitoring of the progress toward compliance with international commitments.

Sustainability Watch considers it imperative to deal with all three dimensions of sustainable development: economic growth, ecological sustainability and social equity. And poverty – arguably the greatest moral challenge faced by the world today – is a social factor at the core of sustainable development. The **link between poverty and environment** must be clearly recognised to ensure development that is truly sustainable.

Civil Society Participation

Chapter 3 presents an assessment of civil society participation, focusing particularly on the MDG country reporting and monitoring process. In most of the 15 countries, the Sustainability Watch network indicates serious gaps in civil society participation and the political will to foster more inclusive processes. In some countries, no framework exists for civil society participation in MDG monitoring and related policy-making. A major issue arising from the absence of civil society participation is insufficient public awareness of the MDGs and lack of public debate about the country's official status report.

Even more disappointing is the scant progress toward adapting a comprehensive system for public participation at the national level, on the basis of which governments, CSOs, and other stakeholders can act. Principle 10 of the Rio Declaration and Agenda 21 defined the general principles of public participation as access to information about the environment, participation in decision making affecting the environment, and access to justice in environmental decision making. According to the national Sustainability Watch reports, although some efforts have been made, most countries continue to operate without such systems.

Assessment of Official MDG Country Reports and Indicators

Chapter 4 presents the 15 national networks' assessments of the official MDG Country Report and of national indicators. The national Sustainability Watch networks have tried to compare the official MDG Country Report with their own ample experiences of working in communities. This has produced three main findings regarding the MDG Country Reports:

- There are limited reliable data, and the current data and baselines available are insufficient for an accurate assessment. Consequently, the countries can, at best, make an informed guess with regard to their progress toward achieving MDG 7 (and its linkages to poverty reduction).
- The indicators used to measure progress toward MDG 7 are inadequate, and environmental sustainability has largely been neglected.
- The monitoring of progress toward environmental sustainability is generally weak. MDG 7 is almost only reported by the governments regarding access to water and sanitation services (Target 10), while very few of the 15 countries have reported on Target 9 of integrating the principles of sustainable development into national policy and reversing the loss of environmental resources.

A general weakness identified in most national Sustainability Watch reports is the inadequate indicators of MDG 7. This shows a general lack of understanding of the importance of environmental sustainability for economic progress and for poverty reduction. As noted in this report with examples of MDG 7 indicators (e.g. forestry coverage), the conservation of natural reserves cannot be seen in isolation from the families' livelihood strategies and the social, economic and political processes. Sustainability Watch is particularly concerned about the poor reporting on Target 9, which shows the need for mainstreaming environmental sustainability into the other seven MDGs.

Regional Perspectives and Trends

Chapter 5, 6 and 7 present perspectives and trends from the three continents: Africa, Asia and Latin America.

Africa has the highest population growth rate in the world. Poverty has perpetuated underdevelopment and mismanagement of resources in the region. Among the seven African countries participating in Sustainability Watch, all except South Africa are classified as Highly Indebted Poor Countries (HIPC). The lack of a holistic approach to sustainable development has been highlighted by the national reports as a major barrier to progress. Conflicting policies and incoherent regulatory frameworks often result in failure to benefit the poor as intended.

In addition, the African CSOs report that a severe obstacle to achieving sustainable development and the MDGs is associated with weak and frequently corrupt governments. This was the motivating factor in the establishment of the African Peer Review Mechanism through the New Partnership for Africa's Development (NEPAD), which has not produced the expected improvements.

Asia has some of the most densely populated regions in the world. According to the four national Sustainability Watch reports from Asia, the governments have prioritised the environment and sustainable development in national legislation and strategies. However, severe problems have been identified in implementing these policies. According to the national reports, governance issues seem to be at the heart of these barriers, as manifested by: a) lack of official budget allocations to sustainable development programmes; b) weak or non-existent mechanisms to implement sustainable development activities; and c) government corruption wasting valuable resources.

Furthermore, the market-oriented growth model espoused by the governments as the framework for their respective socio-economic development strategies is biased in favour of liberalization, privatization, free trade and foreign investments, which in some cases works contrary to the very principles of sustainable development. For example, in many countries the free market system is allowing the mining industry to threaten the conservation of forests. Moreover, the weak ministries of environment lack capacity to check the continuing exploitation of natural resources.

Latin America remains the most unequal continent in the world in socio-economic terms, with 43 percent of the population considered poor. The four Latin American CSO networks pointed to poor governance and widespread corruption as the most critical implementation barriers in Bolivia, Guatemala, and Nicaragua. The exception is Costa Rica, which has achieved rule of law with a solid judiciary and government institutions and proactive promotion of environmental sustainability.

As reported from Nicaragua in the case study on the biggest natural reserve in Central America, a combination of poverty, lack of employment opportunities and resource degradation caused by illegal logging and large foreign mining companies has resulted in the rapid advance of the 'agricultural frontier' at the cost of natural tropical rainforest. Presenting an alternative, farmers' organisations and CSOs have successfully promoted sustainable agro-forestry as the best way to secure both livelihoods and rainforest conservation.

Findings on Implementation Barriers to Sustainable Development

Chapter 8 presents an overview of implementation barriers to sustainable development as identified in the 15 national Sustainability Watch reports. Notwithstanding the diversity of contexts and cultures in the 15 countries analyzed, each report states that sustainable development has *not* been effectively implemented at the national level. The following **key barriers** to sustainable development have been identified:

1 ***Market-oriented economic/trade development frameworks*** that do not pay serious attention to environmental constraints and do not invest sufficiently in mitigating the environmental impacts of development processes. This point includes the lack of planning for land and natural resource use in accordance with ecological limitations and opportunities.

2 ***Weak governance*** translating into an inability to produce enough equitable economic development and social services to catch up with population growth, a reluctance to challenge unfair trade liberalization regimes and to ensure investment in environmental protection. This is also manifested by outright corruption and weak public financial management, aggravated by the lack of accountability to citizens, to be upheld by civil society.

3 ***Institutional constrains*** indicated by the lack of fully functioning, coherent and decentralized strategies, institutional mechanisms and capacity for sustainable development implementation, proper monitoring with emphasis on the interaction between poverty, environment and governance, and with extensive civil society participation, particularly at the community level.

4 ***Inconsistent policies*,** as sustainable development principles are institutionalized in national laws, but are contradicted by other policies at the expense of the environment, as few governments invest sufficiently in mitigating the impacts of natural resource exploitation.

5 ***Inadequate resources*** as demonstrated by the low public and private investment in sustainable development and the continuing imposition of some misguided conditionalities in official development assistance (ODA), as well as the highly unsustainable debt problem, which significantly restrains the capacity of countries to achieve the objectives of sustainable development.

Strategic Directions and Recommendations

Chapter 9 presents some strategic directions and recommendations to national governments, civil society organisations, donor countries and international organisations. All these actors can play a major role in overcoming barriers to sustainable development.

The experiences and analysis gathered by the 15 national Sustainability Watch networks concur on one common finding: for developing countries, regardless of the commitments entered into in numerous international agreements, sustainable development remains an abstract concept. Can sustainable development ever become a matter of substance, translated into a new reality?

Sustainability Watch believes that it can.

Key strategic directions toward implementing sustainable development at the national level include:

1 Sustainable development is possible if governments seriously and urgently adopt **National Development Strategies aimed at accelerating implementation of** the MDGs (as all governments committed themselves to doing at the 2005 World Summit).

2 Sustainable development is possible if **governance structures are strengthened**. The primary responsibility for implementing sustainable development lies at the national level. Progress hinges crucially on the nature of the development policies as well as political will, financial resources, consolidation of good and democratic governance and strengthening of public institutions' capacity. The latter includes timely dissemination of information and consultation with stakeholders, as agreed in Principle 10 of the Rio Declaration.

3 Sustainable development is possible by **strengthening the focus on the poverty-environment linkages**. This gives rise to recommending a more integrated approach to environmental sustainability (MDG 7). Sustainability Watch intends to work together with the Poverty-Environmental Partnership (PEP) on indicators to determine these linkages with the aim of improving future MDG country reports.

4 Countries will not attain the MDGs without local community action. Sustainable development requires the "**localization of the MDGs"**, where community based organisations, local governments and other stakeholders are best placed to adapt and make the MDG goals locally relevant according to local priorities and needs, and to help implement such policies on the ground.

5 Sustainable development is possible if the impacts of the **market-oriented economic development framework** are seriously mitigated. In the multilateral trade negotiations (Doha Round), Northern countries have shown no intention of changing their basic trade policies, which impoverish millions of families depending on agriculture in developing countries. Some developing countries have surrendered to the pressures of industrialised nations and international financial institutions to embark on unilateral economic opening. The advocacy of CSOs has not succeeded in turning the Doha Round into a real "development round", which could have contributed to environmental sustainability and poverty reduction in developing countries.

6 The pursuit of the MDGs can become a force for sustainable development, if **reporting and monitoring are improved.** In order to draw up pro-poor sustainable policies in a country, accurate, up-to-date and reliable data are needed. In addition, countries should adapt some MDG indicators to their national context.

Recommendations

Based on the six key strategic directions, the following recommendations are put forward, addressed to governments, donors and international organizations, and civil society organisations for overcoming barriers to the implementation of sustainable development:

National Governments Should:

- Take immediate steps toward the adoption of a national development strategy (or PRSP) that accelerates the implementation of the MDGs through an open and consultative process involving all stakeholders. In addition, increase the involvement of civil society organisations in determining the most appropriate implementation and monitoring of these strategies.
- Give the same level of hierarchy to economic, social and environmental agencies, including a considerable increase in the funding for environmental sustainability.
- Establish a permanent system for increased multi-stakeholder involvement in decision making related to sustainable development, in line with Principle 10 of the Rio Declaration.
- Encourage, institutionalize and support local initiatives on sustainable development. Local monitoring systems (with appropriate indicators) on the MDGs and other related sustainable development activities should also be promoted.

Donor Countries and International Institutions Should:

- Support the efforts made by both national governments and CSOs to design and adopt the National Development Strategies to achieve the MDGs within the set timeframe, ensuring broad consultation with all stakeholders.
- Demand that all decisions and requests for support from governments related to sustainable development and MDG implementation be properly consulted with national and/or local stakeholders, in line with Principle 10 of the Rio Declaration.

- Eliminate conditionalities imposed on developing countries that demand privatization and liberalization of their economies, and that prevent them from meeting the targets of poverty reduction and environmental sustainability.
- Provide for an independent CSO monitoring component in sector programmes and budget support; and demand from governments that CSOs participate in monitoring the implementation of MDGs and other initiatives related to sustainable development.
- The UN and World Bank should ensure that MDG monitoring includes the environmental targets and indicators from the Johannesburg Summit, often referred to as part of the MDG Plus (related to renewable energy, biodiversity, fishing, marine protected areas, harmful chemical substances). Their indicators should be linked to poverty reduction (MDG 1).

Civil Society Organizations Should:

- Build or strengthen coalitions/networks of CSOs addressing economic, social and environmental issues that are competent, legitimate and accountable to community based organisations.
- Initiate systematic advocacy for the adoption of a National Development Strategy aimed at accelerating the achievement of the MDGs. In addition, CSO monitoring of such a process should be prioritized. Efforts should be made to include independent CSO monitoring in sector programmes and budget support.
- Engage governments and other stakeholders in "localizing MDGs" and promote win-win undertakings between poverty reduction and job generation that are congruous with environmental sustainability.
- Enhance organizational strategies and collaborative mechanisms to effectively and constructively participate in decision making related to sustainable development at the national and local levels.
- Advocate for the review and harmonisation of existing national economic development policies and strategies to eliminate aspects that are inconsistent with the principles of sustainable development.

Sustainability Watch hopes that this report will help foster the debate and action needed to overcome barriers to sustainable development, with governments becoming more inclined to involving civil society. We also wish to provide some inspiration as to how the pursuit of the MDGs may serve to boost accomplishment of the Johannesburg Plan of Implementation.