

Sustainable Development and Green Economy

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The idea of Sustainable Development is a new terminology that grew from numerous environmental movements in earlier decades and was defined in 1987 by the World Commission on Environment and Development (known as Brundtland Commission, 1987) as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. In other words, when people make decisions about how to use the earth’s resources such as forests, water, minerals, gems, wildlife, etc., they must take into account not only how much of these resources they are using, what processes they used to get these resources, and who has access to these resources as well as how much resources should left for coming generations. This contributed to the understanding that sustainable development encompasses a number of areas and highlights sustainability as the idea of environmental, economic and social progress and equity, all within the limits of the world’s natural resources. It contains within it two key concepts:

1. The concept of **needs**, in particular the essential needs of the human-kind (present and future generations), and
2. The concept of **limitations** of natural resources (non-renewable resources)

Further, Sustainable Development concept accomplishes the equal growth of social, economic and environmental pillars. This growth of equity is described by the world scientist in different manners and given different terminologies such as sustainable growth, green growth and inclusive growth later on. For achieving the goal of sustainable development, numerous approaches, strategies, mechanisms and instruments have been proposed and practiced in the different parts of the world. Green Economy is such one of approaches proposed by the world environmental economists and other scientists including policy/decision makers. Thus, Green Economy is one of major themes of Rio+20 Conference which will be held in Rio de Janeiro, Brazil from 20th to 22nd June 2012 that the world community looks for possible and affordable solutions for the global multiple crises induced by the unsustainable consumption and production practices of industrialized nations / developed countries.

The world’s rapid economic growth put increasing pressure on environment systems, jeopardizing its sustainability. Most of the countries are today confronted with multiple crises relating to energy, water, food, finance and climate change. Environmental impacts due to unsustainable consumption and production are posing unprecedented challenges to almost all the countries. Reversing these unsustainable patterns that are ingrained in massive resource intensive infrastructure and it is a tremendous challenge today. Therefore, every country and every individual is obliged to meet the ever increasing costs of reversing the “business as usual” scenarios. These crises, especially in the context of climate change, energy, water, food and finance provide a unique opportunity for a fundamental restructuring of economic development models that could encourage and sustain a Green Economy.

Recognizing the complementary nature of environment and economic policies, the United Nations defined the term “Green Economy” in the context of sustainable development and poverty eradication by the General Assembly Resolution 64/236, which is to be decided at the United Nations Conference on Sustainable Development in Rio de Janeiro in 2012. Accordingly, “a Green Economy in the context

of sustainable development and poverty eradication and the institutional framework for sustainable development” are the major two themes of Rio+20 Conference.

The concept of Green Economy may not reflect clearly the disparity between countries which translate as different development challenges and many possible interactions among environment, economic and social factors. In addition, this concept has not been well defined in order to capture economic reality of the developing countries; endorsing such an initiative will be an obstacle. While some countries see a redefinition of the economy in “green” terms as a path towards sustainable development, others fear the concept is synonymous with trade protectionism and conditionalities. Many partners believe that Green Economy will pose many threats as while it does provide opportunities.

Transitioning to a green economy by developing countries to meet their national development objectives requires adequate financing, technological support as well as sufficient time for their workforces to acquire skills to engage in such economic activities. This process will entail economic, technological and social costs and it is yet to be determined as to how this transition in developing country like Sri Lanka could be funded.

Private sector involvement in this process is one of the options that foreseeing by the negotiators and supported for the Green Economy. However, there is a fear among many stakeholders of sustainable development arena that who will control the green economy as currently many multinational business entities have dominated some critical areas of environment, bio and energy technologies.

The other associate with the green economy concept is the preparation of human resources for green jobs. This type of jobs requires special skills sets and system-wide drastic transformation of technologies. In the preparation for green economy, different countries are in different stages of preparing their skills and knowledge bases as the scales of economies are entirely different to each other. Speculations emerge that there will be high abundance of the so-called “decent jobs” in this category.

During the negotiations of Rio+20 outcome document by the member states to the United Nations Conference of Sustainable Development (UNCSD/Rio+20), developing countries highlighted the need of ensuring right of national governments to regulate market mechanisms to promote new and innovative investments in green technologies to meet the sustainable development targets.

Under this negotiation process, Group77 and China (G77+China) where Sri Lanka is represented, recognized that Green Economy in the context of sustainable development and poverty eradication shall be guided by and in accordance with the 1992 Rio Principles, in particular the principle of common but differentiated responsibilities (CBDR), Agenda 21 and the Johannesburg Plan of Action (JPOI) and contribute towards achieving internationally agreed development goals, including Millennium Development Goals (MDGs), as well national capabilities and priorities.

Main points of contention revolved around on going inter-governmental negotiations whether Green Economy should be discussed as one of several approaches to achieving sustainable development and poverty eradication. Group77 and China believes Green Economy as one of several approaches, including adequate provisions on means of implementation (MOI), respect other development models, not focus solely on market-based solutions, include social policies, include a leading role for the State and elaborate on both what Green Economy should and should not be.

The Group77 and China supports the sovereign right of states to exploit their own resources in text on each country choosing an appropriate path towards Green Economy; and proposes developed countries undertake significant lifestyle changes in text on managing natural resources in a Green Economy.

In this context, many developing countries are not comfortable with this rather ambiguous term “Green Economy”. Nevertheless, developing countries imagine that Green Economy must involve the active participation of all stakeholders and civil society, and should be a people-centered development paradigm that promotes the people’s role, natural resource management and ensuring sustainability.

Many African countries like to seize the opportunities in the Green Economy and fast-track their economies. Also it believes that the adaptation of Green Economy will leap frog their commodity-based economies to technology-driven ones, especially for the creation of jobs. The Group insists that global development partners and technology providers should give higher priority for the region to compete with other developing countries.

Green economy cannot and should not entail a “one size fits all” approach rather should acknowledge country specific conditions including external impacts and promote customized solutions. It believes that corrective mechanism and better incentives are required to adjust behavior of economic agents to be more “green” in every aspect.

In this process, country like Sri Lanka should be mindful to ensure that the solutions and incentives should be attuned to each country’s potential and limitations in terms of energy availability, financial capability and natural resources as well as cultural heritage.



For centuries, Sri Lankan people have been engaged in eco-friendly lifestyles – Buddhism and Hinduism culture-based simple lifestyles. Their ways of “thinking and acting green” has contributed the socio-economic and environmental policies of the successive kingdoms and governments. For many developing countries, the Green Economy in the current context seems to be reinventing the same wheel with additional and complex technical nuances which need to be tested and proven.

Though the Green Economy has not been adequately defined yet, Sri Lanka should not welcome the term as a whole except the positive elements of the concept, such as renewable energy, sustainable agricultural practices, including water management, and possibility of creation of new jobs around this term that will help poverty eradication and economic development in the country.

[This article has been written fully based on the knowledge and experiences obtained attending the inter-governmental negotiations on preparation of the Rio+20 Outcome Document in New York.]