

International Association for the Advancement of Innovative Approaches to Global Challenges (IAAI)

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# Stakeholder Input to Cluster 1 of Intergovernmental Committee of Experts on Sustainable Development Financing

# Systemic Innovation in Resource Mobilization for Sustainable Development Engaging Local Actors in Provision of Global Public Goods

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

(source: World Commission on Environment and Development (WCED). Brundtland Report: Our common future. 1987)



<u>Photo</u>: **Investing in Sustainable Development – Our Ethical Responsibility towards Future Generations** (Theme Photo of International Conference "<u>Imagining the Worst; Foresight, Ethics and Extreme Climate Scenarios</u>" Bled (Slovenia), May 2011)

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15 November 2013, Klagenfurt am Wörthersee (Austria)

## **Questions of ICESDF Cluster 1:**

 What is your assessment of the effectiveness, consistency and synergies of <u>current flows</u> and <u>instruments for financing sustainable development</u>?

 a. What are the biggest challenges?
 b. What are the biggest opportunities?

 What are <u>key factors</u> in the domestic and international environment that should be taken into account by the Committee?

## IAAI/GloCha Input to Cluster 1 of ICESDF:

A long term strategy for Financing Sustainable Development needs to look at Systemic Shortcomings of Market Economy and global SD Governance, fix them with market near mechanisms for local provision of global public goods and provide an Enabling Environment and appropriate Incentive Mechanisms for engagement of Global Citizens, Social Entrepreneurs and Local Communities/Cities in Resource Mobilization for Sustainable Development.

### Challenges, Opportunities, Concepts and Initiatives:

- Challenge 1addressing SD financing needs systemically in the context of economic governance<br/>(fixing market failures) and integrating it in global governance modernization efforts
- Challenge 2 using Science, Technology and Innovation (STI) for the development of conceptual frameworks and tools for participatory documentation, assessment and monitoring of sustainable development action of global citizens, social entrepreneurs and local communities/cities in the context of Sustainable Development Goals (SDGs) and connecting the 3 dimensional added value vector (private, local public and global public) of these SD activities with a financing mix comprised by market based funding coming from immediate beneficiaries combined with innovative local and global public and philanthropic funding.
- Challenge 3 getting everybody involved in SD action (mass mobilization for SD)
- Opportunity 1 Compensating market failures systemically: designing SD governance towards optimal provision of public goods for present and future generations and thus safeguarding SD resources for future generations
- **Opportunity 2** Connecting **Volunteering**, **Global philanthropy** and **Social Entrepreneurship** with SDGs through **common conceptual framework** (*"Local Provision of Global Public Goods"*) and **common information and communication infrastructure**
- **Opportunity 3** Enabling and empowering **global youth** to engage as **(micro) social entrepreneurs** in collaborative public wealth creation and **SDG implementation** -> mass mobilization (e.g. through Global Youth Music Contest) and enormous **employment potentials**
- Opportunity 4 Inspiring future oriented (Foresight) public sector innovation and multistakeholder partnerships (e.g. "Global Challenges Centers" for local and global coordination of local level multistakeholder action) and Facilitating development of innovative eGovernance for SD

# Systemic Requirements for Engaging Local Actors in Resource Mobilization for Sustainable Development

Engaging Local Actors in Provision of Global Public Goods has to be understood as an effort of steering billions of very small resource use decisions towards big global sustainable development goals. This requires a systemic social and technological innovation effort with simultaneous action in several fields:

- (science based) Public Sector Innovation (connecting/enabling in a simple and measurable way local level multistakeholder SD efforts with global governance -> "Local Provision of Global Public Goods"
- ICT Infrastructure (combining Open Government Data, Big data and Social Media)
   Mass Mobilization
- Incentive Structures: games (fun and societal recognition), funding, values/ethics
   Youth Leadership
- Business models for Sustainable Development focused (micro) Social Entrepreneurship
   Knowledge Collaboration & participatory evaluation
- Innovative Financing (social impact investing, local/global & private/public blended funding, catalytic funding, voluntary global (SD) tax, ..)

IAAI/GloCha will be delighted to work with UN system in this field.

IAAI/GloCha Initiatives for innovative SD Resource Mobilization (advance info related to "ICESDF Cluster 2: Mobilisation of resources and their effective use"):

- 15/15/15 UN Civil Society Resource Mobilization Partnership Voluntary Commitment
  - My SDGs Global Youth Music Contest & Global Challenges Giving Pledge
    - Global Challenges Centers Global Challenges Urban Games Global Challenges World Cup

# About IAAI:

**International Association for the Advancement of Innovative Approaches to Global Challenges** is an ECOSOC and UN DPI accredited civil society organization based in Klagenfurt am Wörthersee/Austria.



IAAI develops and implements **conceptual and technological innovations for local level resource mobilization for sustainable development** ("GloCha System", see info in Annex II) and has been heavily <u>involved in Rio+20 UN conference on Sustainable Development</u> by facilitating <u>Rio+20 Issues</u> <u>Cluster on Innovation</u> and organizing <u>Rio+20 Global Youth Music Contest</u>.



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# Background Info to IAAI/GloCha Input to ICESDF

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# 1. Introduction – Why is there a Need for Systemic Innovation in SD Resource Mobilization?<sup>1</sup>

The most important step towards Sustainable Development resource mobilization is to Fix Market Failures and Institutional Failures of global sustainable development governance.

#### "Make the Economy a more effective tool for advancing SDGs!"

(Quote form a presentation of Mr. John Talberth of World Resources Institute on Green Economy shown at UN in NY in a Rio+20 preparatory workshop March 2011, see 2 slides and links to more info below)



presentation of John Talberth (WRI) at Rio+20 Green Economy Workshop, UN NY, March 2011 http://docs.wri.org/share/greeneconomy/#work1

Strategy documents on SD Financing need to understand the inherent systemic failures of market economy (such as externalities and inadequate investment in public goods) and use economic governance tools for SD financing.

Underlying causes<sup>2</sup> (Chapter "I. Imperative to Act - Economy out of Balance" of John Talberth's paper on Green Economy)

Roadmap documents should also strive to **identify the root causes of inefficiency**, **unsustainability**, **and inequity**. Some have traced these shortcomings to a series of **market and institutional failures** inherent to the **neo-classical growth models** such as **externalities**, **inadequate investment in public goods**, competitive barriers, and asymmetrical access to information. Others cite key barriers in the areas of finance, fiscal policy, skills, **innovation**, public procurement, and planning. Others trace the origins of economic crises to the lack of democratic oversight in the institutions of global and national economic governance. Still others assert that an economy which requires growth in its physical dimensions is doomed to fail on a planet with finite resources.

All or perhaps just a few of these shortcomings and causes may be **relevant for any particular country, state, or city**. The important point, however, is for **roadmap documents to begin with an articulation of the problems green economy reforms are designed to address**.

**Taxation** and **expenditure approaches** need to be at the heart of SD governance<sup>3</sup> but – for incentivizing engagement of local actors (global citizens, local communities/cities and social entrepreneurs) in addition regulatory and institutional approaches are needed.

Regulatory	Taxation	Expenditure	Institutional
approaches	approaches	approaches	approaches
<ul> <li>Caps on emissions and effluents</li> <li>Protected areas</li> <li>Best management practices</li> <li>Land-use zoning</li> <li>Product standards</li> <li>Environmental markets</li> <li>Fishery quotas</li> <li>Offset requirements</li> </ul>	<ul> <li>Ecological tax reform</li> <li>Tariffs</li> <li>Development impact fees</li> <li>Tax credits and exemptions</li> <li>Preferential taxation</li> </ul>	<ul> <li>Green infrastructure</li> <li>Workforce training and development</li> <li>Subsidies</li> <li>Research and development</li> <li>Loans</li> <li>Procurement</li> <li>Grants and aid</li> <li>Technology transfer</li> </ul>	<ul> <li>Transition planning processes</li> <li>Performance indicators</li> <li>Property rights</li> <li>Judicial/administrative remedies</li> <li>Supply chain certification</li> <li>Eco-labeling</li> <li>Access to information</li> </ul>

Sample of Policy	Options	in the Green	Economy	Toolkit <sup>26</sup>

<sup>3</sup> ibid, page 7

<sup>&</sup>lt;sup>1</sup> recommended reading: John Talberth, Erin Gray, A Framework for Green Economy Roadmaps, World Resources Institute, Washington, 2011, <u>http://www.uncsd2012.org/content/documents/431Roadmap%20to%20the%20Green%20Economy%2011-1.pdf</u>

<sup>&</sup>lt;sup>2</sup> John Talberth, Erin Gray, A Framework for Green Economy Roadmaps, World Resources Institute, Washington, 2011, page 3

http://www.uncsd2012.org/content/documents/431Roadmap%20to%20the%20Green%20Economy%2011-1.pdf

VI. Financing Strategy<sup>4</sup>

How can the green economy transition be financed? Transitioning to the green economy along any particular pathway will necessitate **changes in how governments, banks, pension funds, corporations, and even individuals spend, loan, and invest money** to build capital and create quality green jobs. It will also require changes in how money is being raised so that **taxes, tariffs, and fees provide disincentives for wasteful, polluting, and unsustainable forms of economic activity**.

# 2. Addressing Limitations of Present Day Global Governance – New Public Finance – Towards Multistakeholder Provision of Global Public Goods

**UN system funding** – and thus global sustainable development governance funding is based on contributions of member states to the UN. As member states are facing significant **public finance challenges**, they very often cut contributions to UN system and international cooperation programs and **fall short on their global development cooperation financing commitments**.

"Aid commitments from 1970, reaffirmed by donors at numerous summits and conferences since then, are **not being met**. Aid resources reached 0.32 per cent of the gross national income (GNI) of Development Assistance Committee (DAC) members in 2010, well short of the UN target of 0.7 per cent of GNI."

(further reading: MDG Gap Task Force, http://www.un.org/en/development/desa/policy/mdg\_gap/index.shtml)

When developing a framework for Financing of Sustainable Development within nation state centric UN system for the coming decades, we need to draw **lessons from MDG implementation gap analysis**, UNFCCC finance talks etc. and **be aware of the fact that even though SD financing commitments might be made** in the context of Official Development Assistance by member states, **implementation of these commitments remains very questionable** if no significant changes in the way global development cooperation functions, happen.

Limits of present day global governance: "New approaches to global action, policy and governance are needed!"<sup>5</sup>

Until recently **nation-states and their intergovernmental organizations** have been seen as the **key agents to manage the global commons and provision of global public goods**. However, the **limits** of the nation-state system as conventionally understood have been increasingly apparent during the decades of asymmetric and contested globalization dynamics (during and since the end of the Cold War). Substantial disparities in wealth and seemingly intractable poverty of large regions, global pandemics like AIDS and bird flu, more extensive and pernicious forms of transnational crime, pollution of the seas and the growing pace of climate change are only a few examples of challenges that indicate **new approaches to global action, policy and governance are needed.** 

One common response is to **support strengthening of intergovernmental organizations**, from the **United Nations** to the International Criminal Court. Another is to call for **developing a global state and system of global representative government**. A **return to the grassroots** is passionately promoted by many. Yet others say that **fortifying global market mechanisms is the answer** (Khagram, 2006).

<sup>&</sup>lt;sup>4</sup> ibid, page 7

<sup>&</sup>lt;sup>5</sup> Waddell, S. and S. Khagram (2007). Multi-stakeholder global networks: emerging systems for the global common good; in: Partnerships, Governance And Sustainable Development: Reflections on Theory and Practice edited by P. Glasbergen, F. Biermann and A. P. J. Mol. Cheltenham Glos, UK, Edward Elgar Publishing: 261-287. <u>http://networkingaction.net/wpcontent/uploads/files/WaddellandKhagram-EmergingSystems.pdf</u>

# 3. It's Time for Innovation!<sup>6</sup>

# "Local Provision of Global Public Goods" - A Conceptual Framework for Multistakeholder SD Action

Having shortcomings of market economy and global (sustainable) development governance in mind, it is clear that **innovative approaches to provision of global public goods** and readiness for **global public sector innovation** are needed:

**Public finance is in transition**. For the most part, the world still practices what might be termed conventional public finance—paying to achieve public policy purposes mainly from public revenue, now and in full. And we know that this way of meeting public policy goals often leaves **many goals underfunded**—something seen most acutely today in the Millennium Development Goals

New policy approaches and financing technologies are emerging that could allow us to pursue public policy goals more efficiently at lower cost and with higher welfare gains. Often involving **public-private partnering** that builds on the comparative strengths of all partners, these new approaches and tools permit **better risk management** (avoiding costly crises), more **sustainable resource management** (avoiding further loss of resources), a **better understanding of incentives** (motivating actors to abide by agreements and follow rules), and better ways of harnessing **private finance and initiative** (meeting challenges that would otherwise remain unmet or underfunded).

Inge Kaul and Pedro Conceição (eds.), **The New Public Finance- Responding to Global Challenges**, 2006 http://web.undp.org/thenewpublicfinance/index.html

**Partnerships – combining different sources of financing for SD** (including "Market creation or strengthening")<sup>7</sup>

Internalising externalities	ſ	Market creation or strengthening					
Internationly externatives		Taxes, fees and levies					
	ſ	Corporations (	(for p	profit)			
Private sources	ł	Corporations (	Corporations (not for profit)				
		Individuals					
	ſ	National	ſ	Developed country sources			
Public sources	J		l	Developing country sources			
Public sources		International	ſ	∫ International financial institutions			
	L	International	l	International organisations and agencies			
Partnerships	-{	Combination of	fva	ious different sources			

Table 1 Financing mechanisms for global public goods

Handling in an innovative and differentiated way value components of economic activity that are not part of resource use decisions in free market economy – the key to modern multistakeholder SD governance:

# Externalities and Public Goods are root cause of market failure and most of SD governance intervention needs.

It is the **working hypothesis** of this optimistic input to ICESDF Consultation, that it is possible in 21<sup>st</sup> century to identify, document and evaluate the different externalities' and public goods' value components of economic activity by means of **new conceptual frameworks**, modern **ICT tools** and **mass mobilization** campaigns.

Understanding the **multidimensional vector of SD relevant economic activity** and its **crowdsourced evaluation** provides the basis for varying **financing mixes** (see next graph for financing options for global public goods):

<sup>&</sup>lt;sup>6</sup> The concepts presented here are based on the work of Rio+20 Issues Cluster on Innovation <u>http://uncsd.iisd.org/news/rio20-issues-cluster-on-innovation-produces-brief-on-innovation-for-sustainable-development/</u>

<sup>&</sup>lt;sup>7</sup> F. Sagasti and K. Bezanson, Financing and Providing Global Public Goods: Expectations and Prospects, Ministry of Foreign Affairs of Sweden, Stockholm, 2001, <u>www.gci.org.uk/Documents/SMFA .pdf</u>, page viii

	Could a market be created, or international taxes or fees be	<ul> <li>Create markets with property rights, price formation mechanisms, competition policies, information exchange procedures and regulatory agencies</li> <li>Guaranteed purchase global public goods products or services</li> </ul>
		<ul> <li>Establish international tax systems (requires international authority, or coordination of national agencies)</li> <li>Charge user fees and determine assessed contribution by users and beneficiaries</li> <li>Charge for the use of resources or the removal of nuisances</li> </ul>
To what extent can externalities associated with the global mublic good	For-profit or not?	•Grants and donations from foundations, non-governmental organisations, religious groups and other non-profit entities •Contributions from academic institutions from their administrative budgets
\ ••••	CORPORATIONS	<ul> <li>Donations and social responsibility activities of private corporations</li> <li>Internal corporate practices geared to provide global public goods</li> </ul>
	S.INDIVIDUALS	• Gifts and donations from individuals • Lotteries and other games of chance
EXTENT PRIVATE Should private or public agents be involved in the	E From developed o developing countri	<ul> <li>Contributions from ODA channeled through bilateral agencies (grants, soft loans, guarantees, export credit, debt swaps)</li> <li>Contributions from the budgets of non-ODA ministries and agencies</li> <li>Tax incentives for private firms to provide public goods (Removal of incentives and subsidies for activities that produce a public bad.)</li> </ul>
financing of the global public good? Should financing be provided primarity by national or international	e NATIONAL by INTERNATIONAL COUNTRIES tional	<ul> <li>Developing country contributions to the provision of public goods.</li> <li>Resources to pay for loans associated with the provision of a global public good         <ul> <li>Tax incentives for private firms to provide public goods. (Removal of incentives and subsidies for activities that produce a public bad.)</li> </ul> </li> </ul>
3 570711.9	INTERNATIONAL FINANCIAL INSTITUTIONS (mainly MDBs)	<ul> <li>Grants to finance the provision of a global public good, usually from net income or trust funds. Use of administrative budgets to provide global public goods directly</li> </ul>
	Which types of international international international	•Loans to developing countries to finance complementary activities to provide global public goods
(See explanatory notes in footnote 4)	/	•Grants from UN and regional trust funds, and from their administrative budgets

Figure 3 A framework for exploring financing options for the provision of global public goods

# 4. Introducing Global Citizens and Social Entrepreneurs as Global Public Goods Providers<sup>8</sup>

One of the **systemic shortcomings of global environmental governance** and internationally agreed environmental goals or sustainable development goals in general is that **subnational governance levels** as well as **individual activities and resources of global citizens and local communities** are not considered in sustainable development governance system design directly.

#### International Cooperation – Everybody's Business<sup>9</sup>

For much of the **20th century** the dominant paradigm has been for the **private sector to create monetary wealth** and **government to deal with the social and environmental fallout** through **regulation and redistribution** (aided to different degrees by **charities**). That model is failing. Even in the richest countries, governments are struggling to deliver on such basic services as education and healthcare, and job creation is lagging and projected to continue to do so for the near future. Public services are also going to be hit in many countries by the fiscal hangover of the current economic crisis, compounding the chronic deterioration of government budgets as the world's population ages and dependency ratios grow.

It is inevitable that private citizens, non-governmental organizations, and the private sector will have to carry more of the future burden in tackling social and environmental problems in the 21st century, and that all sectors will need to work more effectively together. The countries that succeed in meeting the needs of their populations will be those that can innovate to produce new solutions, test the effectiveness of those solutions, and, if proven, take those solutions to scale. To do this, **countries will need to deploy the resources of the different actors – government, the private sector, and non-governmental organizations – better, individually and in partnership, than they do now.** 

New models of social innovation – social enterprise, corporate social responsibility, philanthropy, social investment – have proliferated in the past decade.

As modern **Information and Telecommunication Technologies** proceed, global community has nowadays the technical potentials to connect with global citizens and their consumption and lifestyle decisions - which are the fundamental drivers of all environmental and development challenges the world is facing as a collective.

The challenge of the **Rio+20 follow-up Sustainable Development Goals** regime is to integrate with an "action oriented", "universally applicable" concept that "addresses and incorporates in a balanced way all three dimensions of sustainable development and their interlinkages" that facilitates "active involvement of all relevant stakeholders" (see SDGs background chapter below).



Head of IAAI youth programs Jean Paul Brice Affana and IAAI secretary Miroslav Polzer highlighting the potentials of 7 billion volunteers for UN

IAAI has developed in the framework of Major Groups Rio+20 Issues Cluster on Innovation some concrete concepts and tools (the so called "GloCha" System, see annex for more info) for engaging global citizens and local multistakeholder partnerships for SD in global sustainable development efforts.

The basic rationale of these efforts is to improve global challenges response mechanisms of global community by aligning intellectual and financial resources and action of global civil society with vision, goals and work of United Nations system.

<u>GloCha Ethics</u>: Everybody can and shall contribute to collaborative sustainable development efforts on local and global level and thus to goals and programs of United Nations system!

<sup>8</sup> Note: IAAI is hosting together with UNEP Office Vienna a panel on "UN Interactions with Local Actors in the Provision of Global Public Goods" at ACUNS Vienna UN Conference 2014 <a href="http://acuns.org/vienna2014">http://acuns.org/vienna2014</a>, 16 January 2014; there these concepts will be discussed with leading global public goods expert Inge Kaul and UN system experts (academia and practitioners) and adapted to the ongoing "Financing SD" debate in the context of Rio+20 Outcome implementation.

<sup>9</sup> World Economic Forum, Everybody's Business: Strengthening International Cooperation in a More Interdependent World - Report of the Global Redesign Initiative, 2010 <u>http://www3.weforum.org/docs/WEF\_GRI\_EverybodysBusiness\_Report\_2010.pdf</u>





Presentation of Rio+20 Issues Cluster on Innovation and 15/15/15 Initiative at Rio+20 Second Informal in New York April 2013, IISD report: <u>http://www.iisd.ca/uncsd/iinzod2/enbots/apr23.html</u>

#### 15/15/15 UN - Civil Society Resource Mobilization Partnership Voluntary Committment

"Global civil society on the one hand commits at Rio+20 to mobilize 15 billion Euros and 15 million volunteers by the year 2015 for UN led sustainable development efforts and on the other hand requests new forms of participation in global SD governance."

These concepts have been developed further by <u>IAAI</u> and <u>Vienna office of Academic Council on the United</u> <u>Nations System</u> after Rio+20 under the title "Local Provision of Global Public Goods" with the aim to have a **Central European thematic leadership** in **Rio+20 Outcome implementation** process and in the process of **Strengthening of ECOSOC** in light of expected **Austrian presidency of ECOSOC in the year 2014**.



<u>Graph:</u> Local provision of Global Public Goods - aligning action and resource use decisions of of global citizens and local communities with vision, goals and work of United Nations system (SDGs, ..)

The main idea of **"Local Provision of Global Public Goods" Conceptual Framework** is, to **frame local level sustainable development action** of **individuals** – especially young people and (micro) social entrepreneurs – as well as **local communities** which deliver an added value in terms of attainment of **globally agreed (UN) goals** as **"provision of global public goods**", to document them, crowdsource their **evaluation** and connect them with **innovative sources of global SustDev financing**. "Local Provision of Global Public Goods" concept is based on market mechanisms combined with public sector innovation and global philanthropy innovation. (recommended reading: Pedro Conceicao, Accomodating New Actors and New Purposes in International Cooperation – The Growing Diversification of Financing Mechanisms in: *Inge Kaul and Pedro Conceição (eds.), The New Public Finance- Responding to Global Challenges, 2006* <a href="http://web.undp.org/thenewpublicfinance/index.html">http://web.undp.org/thenewpublicfinance/index.html</a>).



**Graph:** GloCal Public Goods Market creation - introducing a local action focused global public goods delivery channel and a global action network into existing nation state centric public goods delivery system<sup>10</sup>

<sup>&</sup>lt;sup>10</sup> this is a graph taken from Inge Kaul and Pedro Conceição (eds.), The New Public Finance- Responding to Global Challenges, 2006, page 12 and modified by Dr. M. Polzer (orange and green elements of the graph

In order to increase effectiveness of global SD governance and for scaling up SD efforts, there is a need for developing well functioning **market mechanisms** and a **knowledge management (ICT) infrastructure** for engaging global citizens and local communities as **social entrepreneurs** in global sustainable development efforts.

See the graph below showing the key elements of a functioning market based system for public good provision:<sup>11</sup>

# CENTERED ON A SYSTEM OF SHARED KNOWLEDGE



"Local Provision of Global Public Goods" concept shall help achieve universal global sustainable development goals with an incentivizing multistakeholder engagement architecture (GloCha system), powered by information, where capital (private, public, philanthropic) flows efficiently to the organizations that are having the greatest impact, programs and interventions are more effective and responsive, beneficiaries have a voice and continuous learning, development, and innovation are being facilitated.

"Local Provision of Global Public Goods" concept shall help to raise both the demand side as well the supply side for sustainable development resources and action on local level through:

- Connecting with global philanthropy (e.g. Giving Pledge <u>http://givingpledge.org/</u>, WINGS, <u>http://givingpledge.org/</u>, etc. )
- Global Youth as micro social entrepreneurs (in line with target 18 of MDG8, see bow below)

<sup>&</sup>lt;sup>11</sup> source: markets for good, a US based initiative that aims to improve the system for generating, sharing, and acting upon data and information in the social sector: <u>http://www.marketsforgood.org/markets-for-good-strategic-story/</u>

# MDG 8 DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT Target 16: In co-operation with developing countries, develop and implement strategies for decent and productive work for youth

Youth employment can serve as the dominant means of community participation, active citizenship, autonomy, and independence. Finding the means, the will and the know-how to create a billion jobs over the next ten to fifteen years that not only deliver economic benefits to young people, but also maintain (and even build) the environmental and social wealth, is indeed a great and significant challenge. It is perhaps one of the most important targets in achieving the MDGs and in maintaining our achievements throughout the next century and beyond.

The trade justice and fair trade movements are vital components in creating the global trading system envisaged by Target 12. Young people in the developed world are at the forefront of these movements. Their experiences demonstrate what can be achieved through global North-South partnerships between young people in support of a development agenda.

ICTs provide new opportunities for job creation and youth themselves are currently providing entrepreneurial leadership in ICT industries, creating jobs for themselves and for others. Fostering entrepreneurship is vital in every part of the world and should be considered a key mechanism for development. Supporting young entrepreneurs in the developing world with education, financing, mentorship and encouragement is a critical pathway to bridging the digital divide and fostering the creation of sustainable livelihoods.

source: YOUTH AND THE MILLENNIUM DEVELOPMENT GOALS: Challenges and Opportunities for Implementation; Interim Report of the Ad Hoc Working Group for Youth and the MDGs, 2004, page 47 http://www.un.org/esa/socdev/social/papers/YouthandMDGs.pdf

In the long run **Locally provided Global Public Goods metrics** should become a **new wealth indicator** of local level sustainable development efforts (integrating economic, social and environmental dimension of SD), which will – in addition to an market oriented value indicator and a local level added value indicator (identified by crowdsourced evaluation) provide the basis for **multi-source funding mix** for local level sustainable development efforts

- from direct beneficiaries (market value),
- local level public funding (for local level public added value) and
- global funding (Carbon Financing mechanisms, Official Development Assistance, Global Environment facility, global philanthropy sources, ..)

## 5. Conclusion

A longterm strategy for Financing Sustainable Development needs new thinking incentive structures for multistakeholder partnerships and systemic public sector innovation giving more attention to the SD resource mobilization potentials of global citizens, local communities and social entrepreneurs.

Engaging Local Actors in Provision of Global Public Goods has to be understood as an effort of **steering billions of very small resource use decisions towards big global sustainable development goals. This** requires a **systemic social and technological innovation effort** with simultaneous action in several fields:

- *(science based)* Public Sector Innovation (connecting/enabling in a simple and measurable way local level multistakeholder SD efforts with global governance -> "Local Provision of Global Public Goods (GPG)"
- ICT Infrastructure (combining Open Government Data, Big data and Social Media)
- Mass Mobilization
  - o Incentive Structures: games (fun and societal recognition), funding, values/ethics
  - Youth Leadership
  - Business models for Sustainable Development focused (micro) Social Entrepreneurship
     Knowledge Collaboration & participatory evaluation
- Innovative Financing (social impact investing, local/global & private/public blended funding, catalytic funding, voluntary global (SD) tax, ..)

IAAI/GloCha will be delighted to work with UN system in this field. ©

Annex I - 15/15/15 UN Civil Society Resource Mobilization Partnership







# 15/15/15 UN - Civil Society Partnership:

Mobilizing Resources of Global Citizens for Addressing Global Challenges



Graph: Global Citizens and their Resources for Addressing Global Challenges in the context of UN system

## The 15/15/15 Initiative:

In June 2012 global civil society adopted at **Rio+20 UN Conference on Sustainable Development** – based on an open and transparent process led by **IAAI and Rio+20 Issues Cluster on Innovation** – the so called **'15/15/15 Rio+20 UN Civil Society Resource Mobilization Partnership Voluntary** <u>Commitment</u>' which states that

15/15/15 UN Civil Society Resource Mobilization Partnership Formula' states that global civil society
on the one hand commits at Rio+20 to mobilize 15 billion Euros and 15 million volunteers by the year 2015 for UN led sustainable development efforts and

- on the other hand requests new forms of participation in global SD governance.

15/15/15 UN Civil Society Resource Mobilization Partnership Rio+20 Voluntary Commitment:<sup>12</sup>

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				nallenges Centers and 1 Global Challenges W		outh East Europea	n countries and some	e African countrie	s (for more info

-channeling financial resources from ODA, Carbon financing, etc. to 15/15/15 programs and cooperating with governments on tax incentives and matching funds.

-further roll-out of the initiative to India, China, etc.

-UN- Civil Society Joint Task Force or Commission for institutional engineering towards integration of public and private resources in a renewed UN system. (see People power & Rio+20 for details)

#### DELIVERABLES

Deliverable	Date
heartpower of 150 songs in support of 15/15/15 initiative provided through Global Youth Music Contest www.global- rockstar.net	2013
150 Global Challenges Centers	2014
pledges of 15 billion Euros for programs of Global Challenges centers and other activities documented through 15/15/15 Global Commons Growth documentation system/ Registry of Committments	2015
15 million volunteers endorsing 15/15/15 Charter of Shared Social responsibility for Global Commons and reporting annually about their implementation of the committment	2015

<sup>&</sup>lt;sup>12</sup> http://sustainabledevelopment.un.org/index.php?page=view&type=1006&menu=1348&nr=88

### 15/15/15 Milestone events:

- Round table discussion on "Engaging Global Citizens in Sustainable Development Governance: Human Rights and Human Responsibilities"<sup>13</sup> and Paper presentation of Miroslav Polzer on "Multilevel Climate Change/SD Governance from an Innovation System perspective"<sup>14</sup> at Annual meeting of Academic Council on the United Nations System ACUNS, June 3rd 2011, Waterloo/Ontario (Canada)
- IAAI Workshop "Rio+20 A Window of Opportunity for a Multi-Stakeholder Partnership on Global Commons Growth" at 64th UN DPI NGO conference "Sustainable Societies; Responsive Citizens" Bonn/Germany, 5 September, 2011<sup>15</sup>
- International Conference Knowledge, Youth and Global Commons Orienting Knowledge Systems and Inter-Generational Relations towards Sustainable Development and Rio+20; 15 - 16 Sep 2011, Klagenfurt (Austria)<sup>16</sup>
- International Workshop: Mobilize Diaspora 4SD Mobilization of Intellectual and Financial Resources from Diaspora for Knowledge Based Sustainable Development in Southeast Europe (concept development for Global Challenges Centers), 12.10.2011, Sarajevo/Bosnia and Herzegovina<sup>17</sup>
- Side Event on "Mobilizing Civil Society for Sustainable Development and Rio+20 & The Special Role of Youth" at Second Intersessional Meeting, 15 December 2011, New York<sup>18</sup>
- Informal Strategy Development Workshop "Thematic Priority 'Innovation and Youth' Key to Success at Rio+20?!", 23 Jan 2012, New York<sup>19</sup>
- Rio+20 Issues Cluster on Innovation & 15/15/15 UN Civil Society Partnership Formula: Workshop and Side Event at Rio+20 Third Intersessional, 19 Mar 2012, New York<sup>20</sup>
- 23 April 2012, Side event "Rio+20 Issues Cluster on Innovation & 15/15/15 UN Civil Society Partnership Formula", UN HQ, NLB, New York (at the side event the "15/15/15 UN - Civil Society Partnership" has been publicly entered in the Rio+20 Partnerships Registry http://www.uncsd2012.org/rio20/partnershipregistry.html)
- 14 June 2012, Rio+20 Side Event "Rio+20 15/15/15 Formula Heartpower and Action for The Future We Want, RioCentro (photo below) http://www.uncsd2012.org/rio20/index.php?page=view&type=1000&nr=262&menu=126



- Informal Workshop Building The Resource Base for Civil Society Participation in post Rio+20 UN system, 25 Sept 2012, New York <u>http://www.glocha.info/index.php/latest-news/203-</u> wsresourcescsoparticipationunny
- Strategy Development Workshop Global Civil Society Resource Mobilization Alliance & Global Forum on Innovative Resource Mobilization for Education and Science, 23 October 2012, Vienna International Centre (in coop with ACUNS Vienna and UNIS Vienna) <u>http://www.glocha.info/index.php/latest-news/204-wsremaandgfirmesvienna23oct2012</u>
- 27 February 2013, Vienna International Center, Workshop "How to Institutionalize, Finance and Monitor Multistakeholder Action for the Future We Want?", <a href="http://bit.ly/10yNn2K">http://bit.ly/10yNn2K</a>



• 6<sup>th</sup> of June 2013, Vienna International Center, IAAI led panel on "**Central European Regional Cooperation Potentials on Innovation, Youth and United Nations**" at the international conference "**Intergenerational Learning and Innovation for Sustainable Development**", <u>http://bit.ly/1eTR20s</u>

<sup>15</sup> http://www.glocha.info/index.php/latest-news/149-bonn-2

<sup>&</sup>lt;sup>13</sup> http://www.uncsd2012.org/rio20/index.php?page=view&nr=126&type=230&menu=39

<sup>&</sup>lt;sup>14</sup> http://www.glocha.info/images/stories/news2011/acuns2011/acunspresentationpolzer.pdf

<sup>&</sup>lt;sup>16</sup> www.uncsd2012.org/rio20/index.php?page=view&type=13&nr=372&menu=27

<sup>&</sup>lt;sup>17</sup> http://www.glocha.info/index.php/latest-news/167-sarajevo-workshop

<sup>&</sup>lt;sup>18</sup> http://www.glocha.info/index.php/latest-news/174-joint-event-of-iaai-at-rio20-intersessional-in-ny

<sup>&</sup>lt;sup>19</sup> http://www.uncsd2012.org/rio20/index.php?page=view&nr=506&type=13&menu=23

<sup>&</sup>lt;sup>20</sup> <u>http://www.uncsd2012.org/rio20/index.php?page=view&nr=622&type=13&menu=23</u>

# Outline (as of 04 November 2013)

# Global Challenges Giving Pledge / Global Citizens and Local Communities' SD Voluntary Commitment Registry<sup>21</sup>

#### (First Draft)

Inviting young people - with reference to emerging global SDGs framework - to communicate through My SDGs Global Youth Music Contest (= follow-up to Rio+20 Global Youth Music Contest; to be launched in June 2014 at GloCha conference in Klagenfurt) what they are doing for sustainable development in local and global context and inviting them to develop goals for individual sustainable lifestyle and SDGs civic engagement.

These individual SD commitments of global youth shall be **documented**, **monitored** and **systematically linked with UN systems SDGs implementation framework** for global, national and local SDG implementation action.

ICT based documentation and participatory evaluation tools will help to identify the global added value of such local SD action (= entries to the 'Voluntary Commitments Registry') in terms of global public goods provision in order to link them in future with innovative funding mechanisms and other incentive mechanisms like e.g. serious games.

In a next phase (probably 2015) these youth led micro Sustainable Development Engagement commitments shall be complemented by sustainability competitions/games among local communities/cities in some kind of "Global Challenges Urban Games" in which global challenges giving pledges/SD voluntary commitment of local communities will play an important role.

These global citizen and local community focused SD voluntary commitments and the **gamification of their implementation** should be accompanied by activities in the fields of:

- International standard setting regarding documentation, monitoring and evaluation of resource mobilization for SD and multistakeholder SDGs Implementation Reporting (building on Global Reporting Initiative, ISO 26000 Social Responsibility Standard, UN Evaluation Group etc.) and
- promotion of **interoperability of information systems for global public goods resource management and financing** (global challenges related crowdfunding platforms, global philanthropy data, social entrepreneurship data, Global Environment Facility, Umoja, etc.).



Photo: GloCha @ Rio+20 - winners of Rio+20 Global Youth Music Contest singing their song <u>"Meu Planeta Azul"</u> at the Conference <u>"Choosing Our Future: Open</u> and Participatory Sustainable Development Governance" organized by The Access Initiative, World Resources Institute and UNEP; 19 June 2012, Rio de Janeiro

<sup>21</sup> Note: the "Global Challenges Giving Pledge/Global Citizens Voluntary Commitments Registry" proposal has been developed by Rio+20 Issues Cluster on Innovation in the context of "15/15/15 UN Civil Society Resource Mobilization Partnership" which has been communicated to the official Rio+20 Outcome Document Zero Draft negotiations through Major Group NGOs in March 2012:



Links to more info on Rio+20 Issues Cluster on Innovation, 15/15/15 and its appearance in Rio+20 negotiation process: http://uncsd.iisd.org/news/rio20-issues-cluster-on-innovation-produces-brief-on-innovation-for-sustainable-development/ http://www.uncsd2012.org/content/documents/465Zerodraft%20-%20FINAL%20VERSION%20-%20March%2005.pdf http://www.uncsd2012.org/content/documents/782Presentation%20state%20of%20negotiations%2023%20Apr%2012.pdf 15/15/15 Rio+20 Voluntary Commitment: http://sustainabledevelopment.un.org/index.php?page=view&type=1006&nr=88&menu=1348



<u>GloCha</u> (standing for <u>Glo</u>bal <u>Cha</u>llenges) is a **transinstitutional Global Action Network** based on the conviction/**ethics** that every **Global Citizen** can and shall **contribute to sustainable development on local and global level** and thus to **goals of United Nations** system.

GloCha is a brain child of International Association for the Advancement of Innovative Approaches to Global Challenges <u>www.glocha.info</u>, an UN ECOSOC and UN DPI accredited Civil Society Organization based in Klagenfurt am Wörthersee (Austria) which is also member of UN Academic Impact initiative.



GloCha System has a special focus on engaging and inspiring youth in UN goals and programs and its design has been developed in the run-up to Rio+20 UN Conference on Sustainable Development by a team of about 10 innovation experts in the context of <u>Rio+20 Issues</u> <u>Cluster on Innovation</u> and a team of about 50 global youth leaders in the context of <u>Rio+20 Global Youth Music Contest</u>.

GloCha System's functional logic aims at steering/incentivizing billions of decentral and selforganized decision making processes on resource use of global citizens and local communities/cities towards optimal provision of global public goods worldwide for present and future generations (= Sustainable Development Goals!).

**Governance:** "GloCha Cluster in Support of the United Nations" (central decision making body) *evolving* (meetings held at <u>Vienna International Center in February 2013</u>, at UN Office for Legal Affairs in New York in March 2013, etc.).



GloCa Cluster Formation Meeting at VIC February 2013

## Governance principles:

- transinstitutional (not owned by one institution or person)
- **multistakeholder** (civil society/youth, UN system, local, regional and national public authorities, academia, business, social impact investors, etc.)
- 'global commons' resources management (GloCha assets to be managed in a way that reflects co-ownership of these resources by all humanity – present and future generations)

Although officially not part of United Nations system, GloCha system's ambition is to serve as a central knowledge and transaction platform for civil society/youth engagement in UN system and driver of UN System Innovation towards more effectiveness and global citizen participation.

The long term vision is that one day GloCha system will be integral part of a global citizen focused renewed and invigorated UN system.



#### Annex IV - Further reading:

- Miroslav Polzer, Blueprint for a Knowledge and Philanthropy Driven Global Civil Society reform, paper presented at World Civic Forum 2009, Seoul, http://www.glocha.info./WCF2009 029 S2-I05-2 Miroslav F PolzerBlueprintGlobalCivilSocietyReform.pdf
- IAAI input to Rio+20 Zero Draft Outcome document consultation "PEOPLE POWER & Rio+20 Mobilizing Civil Society for Sustainable Development and Strong United Nations" http://www.uncsd2012.org/content/documents/105IAAI Input CompilationdocumentRio20vers3 Oct30.pdf

Informal<sup>1</sup> RIO+20 Issues Brief on Innovation Produced by the Rio+20 Issues Cluster on Innovation, March 2012



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- Rio+20 Informal Issues Brief "Innovation for Sustainable Development" http://uncsd.iisd.org/news/rio20issues-cluster-on-innovation-produces-brief-on-innovation-for-sustainable-development/
- 151515 info http://uncsd.iisd.org/news/rio20-issues-cluster-on-innovation-produces-brief-on-innovationfor-sustainable-development/ & http://www.glocha.info/attachments/article/206/151515presentationReMA StrategyWorkshopViennaOc t2012 .pdf
- Major Groups's comments on section III through V of Zero Draft of Rio+20 Outcome document, (received by 29 February, 2012) – (Note: there are 5 references to 15/15/15 initiative in this document which has been communicated to the official Rio+20 negotiation process by Major Group NGOs!) http://www.uncsd2012.org/rio20/content/documents/465Zerodraft%20-%20FINAL%20VERSION%20-%20March%2005.pdf
- **Rio+20 The Future we want outcome document** http://sustainabledevelopment.un.org/futurewewant.html
- Miroslav Polzer: Building the Ethical Basis for Global Climate Change Action: An Issue for Science, Religion and/or Negotiation? in: Pavel Nováček, Thomas Schauer (Eds.) Learning from the Futures, The Club of Rome - European Support Centre, Vienna 2011, http://bit.ly/1aXbQ5D
- IAAI, The Rio+20 Global Youth Music Contest Journey Towards The Future We Want Photo documentary, presented in the context of International Day of Youth, 12 August 2012 http://www.glocha.info/index.php/latest-news/201-gymc151515postidy2012



The Rio+20 Global Youth Music Contest Journey Towards The Future We Want Photo documentary n, 12 August 2012 MOUTH AT