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CSD INTERSESSIONAL WORKING GROUP HIGHLIGHTS: TUESDAY, 13 MARCH 2001

Delegates attending the Intersessional *Ad Hoc* Working Group on information for decision making began and concluded general discussion of the Secretary-General's report on international cooperation for an enabling environment for sustainable development during a morning session, and adjourned for the day. The Co-Chair's summary and elements for a draft decision on information for decision making and participation were made available in the afternoon.

INTERNATIONAL COOPERATION FOR AN ENABLING ENVIRONMENT

JoAnne DiSano, Director of the UN Division for Sustainable Development, introduced the Secretary-General's report on international cooperation for an enabling environment for sustainable development (E/CN.17/2001/5). She noted that the report focuses on the implications for sustainable development arising from major changes in the international environment as a result of globalization, and examines initiatives to ensure all countries benefit from globalization through international cooperation.

The G-77/CHINA described the increasing disillusionment among policy makers about globalization due to, *inter alia*, the lack of tangible benefits to, and social dislocation in, many developing countries. He identified actions that could be supportive to sustainable development objectives, including: accelerating debt reduction for highly indebted countries; reversing the decline of Official Development Assistance (ODA) flows; and enhancing access to developed country markets.

The EU and associated countries said the overall effect of international trade and capital flows on sustainable development will depend on whether globalization and economic growth result in social benefits and more eco-efficient resource allocation, or in marginalization of the poor and additional pressure on scarce environmental resources. He emphasized that improved market access and a strengthened multilateral trading system are key to achieving economic development for developing countries.

NORWAY said the global consensus on goals should be complemented by increasing ODA, and said Norway aims to increase its ODA to one percent of gross national product. He called for debt relief without compromising aid budgets and for the CSD to coordinate with the Third Conference on Least Developed Countries (LDC III) and the Financing For Development conference. Regarding national responsibility in creating an enabling environment, he stressed: the importance of national sustainable development strategies and stakeholder input; the need for a supportive macro-economic framework, institutions,

and policy framework on trade; and good governance and social infrastructure, as well as support for access to information, financial resources and capacity building.

NEW ZEALAND said sustainable development requires, *inter alia*: sound, accountable and transparent public institutions and legal frameworks; open, equitable, rule-based, predictable and non-discriminatory trading and financial systems; emphasis on environment, human rights and labor standards in international decision making; coordination between international financial institutions (IFIs), other multilateral agencies and bilateral donors; and expanded partnerships among governments and with other actors. He said New Zealand is calling for a new round of multilateral trade negotiations to enhance effective participation of developing countries in the international trading system.

Stressing the three pillars of sustainable development, SWITZERLAND said globalization and trade liberalization should be accompanied by environmental protection and social justice. He highlighted priority action areas for an enabling environment, such as: cleaner production in developing countries; market access; debt relief; and private financial flows. He said national action is needed in governance, public expenditure allocation to sustainable development, and coordination.

The US said trade and foreign direct investment are critical to building capacity for sustainable development, but noted that only governments can establish the enabling environment, including through legal and regulatory frameworks and incentives, to attract and retain the international and domestic private sectors. He highlighted US provision of ODA, but noted that debt relief must be accompanied by a commitment to poverty reduction and sustainable development.

JAPAN outlined elements for a draft decision, including: providing investment-conducive frameworks; sharing cleaner technology strategies with developing countries; adapting multilateral and bilateral development assistance to the strategic planning requirements of developing countries; supporting financial capacity building; and highlighting the role of the private sector in developing and transferring cleaner technologies.

ARGENTINA underscored the negative impact of subsidies on developing countries and sustainable development. He noted that distortions, such as those created by agricultural subsidies, have damaged the environment. He said the multilateral trade system can provide an enabling environment if, *inter alia*, developed countries eliminate discriminatory trade practices and non-tariff trade barriers.

EGYPT warned against moral obligations that can be circumvented and the loss of credibility of the multilateral system. He noted the absence of good governance at the international level, and called

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for North-South solidarity toward achieving sustainable development and poverty eradication. CHINA cautioned that globalization can enhance developing countries' dependence on developed countries, stated that environmental problems should not be solved through market mechanisms and noted the gap between donor interests and developing country needs in international cooperation. AUSTRALIA stated that ODA plays a catalytic and complementary role to private sector resource flows in achieving development objectives. She identified the UN Framework Convention on Climate Change clean development mechanism and the Global Environment Facility as increasingly valuable tools for sustainable development. The RUSSIAN FEDERATION called for more integrated and strategic policy making and for strengthening of regional cooperation.

Noting that inequitable market access and protectionist barriers constrain sustainable development, CUBA called for the realization of ODA targets, measures to find a lasting solution to the debt problem and the elimination of the structural causes of debt for both low- and middle-income countries.

CANADA said CSD-9 can enhance ongoing debates on improving the reach and effectiveness of international cooperation and should seek to better understand how globalization is impacting international policies and programmes on sustainable development and international cooperation. She said CSD-9 could note that international development cooperation increasingly includes areas that were treated in isolation and requires policy coherence across traditionally separate disciplines, and that LDC III and the Financing For Development conference provide opportunities for addressing such coherence.

SOUTH AFRICA highlighted the negative effects of globalization, and called for, *inter alia*: sustainable mobilization of finance; more effective debt-relief measures and accelerated debt reduction; a time-frame to meet ODA targets; improved access to markets bilaterally and through the conclusion of a new round of negotiations; involvement of IFIs as investors in key economic infrastructure to leverage the private sector; and strategic partnerships that involve civil society and the private sector. BRAZIL welcomed South-South cooperation and stressed the need to: address unsustainable patterns of production and consumption; improve the share of financial resource flows; and turn trade into a powerful tool for growth.

NIGERIA highlighted the marginalization of developing countries due to globalization and the volatility of private financial flows. He noted the overall trend of international aid has declined substantially, resulting in lower budgets for the UN Development Programme and other UN agencies involved in development, and said private sector involvement and public participation cannot change the *status quo* if new and additional resources are not mobilized. He said developed countries have proven they have the capacity, if not the will, to help developing countries and to create partnerships with their private sectors and civil societies. He further said it was "futile" to require developing countries to create an enabling environment, as they lack the power to influence the decisions taken in Bretton Woods institutions.

INDONESIA called for a stable and dynamic trade environment and for debt relief. He noted globalization is resulting in the marginalization of developing countries and deepening the inequalities, and said that total ODA has fallen below UN targets. He added that preferential treatment in trade can increase investments and incomes and can contribute to sustained economic growth and environmental protection. INDIA said that even if poverty eradication and development were the primary responsibility of developing countries, they could not achieve these goals without provision of new and additional resources. She supported a non-discriminatory, open and fair trading system, increased market access for goods from developing countries, common but differentiated responsibilities and meeting ODA targets. PAKISTAN said promises made earlier must be implemented and called for strengthening of the three pillars of sustainable development.

SAUDI ARABIA highlighted: improved market access for developing countries; taxes to reflect carbon content; technology transfer; and a timetable for achieving UN targets for ODA. ALGERIA stated

that globalization has worsened unemployment and poverty in many developing countries, and that the burden of external debt is hindering development efforts and is an obstacle to creating an enabling environment for sustainable development. He emphasized that easing the debt burden must be an integral part of the international community's contribution to international cooperation.

The INTERNATIONAL INDIAN TREATY COUNCIL underscored the value of traditional knowledge, and called on governments and relevant UN agencies and processes to, *inter alia*: observe the principle of prior informed consent in all traditional knowledge research; and strengthen Indigenous Peoples' *in situ* forms of traditional knowledge registration and protection, as well as their customary laws, rather than impose a strict regime of intellectual property rights.

SIDE EVENT: FROM DATA TO INFORMATION TO KNOWLEDGE

Australia hosted a side event on, "Information for Decisions, From Data to Information to Knowledge," at which Tricia Kaye, Director, Australian Environmental Resources Information Network, and Mark Hyman, Assistant Secretary, International and Intergovernmental Issues in Relation to the Environment, presented an Australian initiative to establish a multipurpose database that could be used by civil society and the private sector to make various policy decisions. They outlined work undertaken in the last decade to collect, assess and utilize baseline information on the country's ecosystem in order to provide information solutions for data-poor environments. Using seven different case studies, they demonstrated how the data gathered is used by stakeholders and identified four key lessons to be retained: the need to define goals and information requirements before establishing such an initiative; the need to develop a framework using information standards; the need for information to serve multiple purposes; and the need to involve stakeholders and develop cooperative frameworks in order to guarantee access.

In the ensuing discussion, participants enquired about: the institutional framework within which the initiative falls; the human resource capacity; the total cost of the 10-year initiative; the challenges faced in establishing the network; and whether the initiative has resulted in behavior change. Responding, the presenters said: the initiative falls within an intergovernmental authority and the national environment strategy; has 30 staff members; and costs between AUS\$1-2 million annually, with additional human resource and finances incurred by collaborating institutions. They said it is still early to determine whether behavior has changed, although there is evidence of a more positive attitude among companies required to submit reports. They said the main challenges have been the inability to address technological aspects due to cost and reaching agreement with the other players on a cooperative framework.

IN THE CORRIDORS

The silence among participants about the future of the Commission on Sustainable Development during the discussion on an international enabling environment stunned several participants, in light of the ongoing discussions on the global environmental architecture within UNEP's Ministerial Group on International Environmental Governance and in view of the fact that the issue will likely be discussed at Earth Summit 2002. Although participants were tight-lipped, a number said they had not considered the matter, while others said a series of meetings before CSD-10 is likely to take up the issue. A cautious participant suggested the issue might be discussed "on the margins" of CSD-9.

THINGS TO LOOK FOR TODAY

PLENARY: The Working Group will reconvene at 10:00 am in the ECOSOC Chamber to discuss the Co-Chairs' summary of the discussion on information for decision making and their paper on elements for a draft decision on the same issue. The Co-Chairs' summary and paper on elements for a draft decision on international cooperation for an enabling environment is likely to be distributed in the morning.