



Earth Negotiations Bulletin

A Reporting Service for Environment and Development Negotiations

Vol. 5 No. 110

Published by the International Institute for Sustainable Development

Monday, 4 May 1998

THE SIXTH SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT 20 APRIL - 1 MAY 1998

The sixth session of the Commission on Sustainable Development (CSD-6) met at UN Headquarters in New York from 20 April to 1 May 1998. Participants considered the economic theme of industry and the sectoral theme of strategic approaches to freshwater management. They also reviewed implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (SIDS) and discussed the cross-sectoral themes of technology transfer, capacity building, education, science and awareness raising. Negotiations on CSD decisions were preceded by a two-day Industry Segment, which consisted of dialogues between NGOs, business, trade union and other major group representatives and government delegates on four topics: responsible entrepreneurship; corporate management tools; technology cooperation and assessment; and industry and freshwater. A High-Level Segment met during the final three days of the two-week session. On 1 May, after the close of CSD-6, CSD-7 convened briefly to elect its Chair and two of its Vice-Chairs.

Three Drafting Groups negotiated seven CSD-6 decisions. Negotiations on texts addressing freshwater and industry issues occupied the majority of delegates' time. During the Industry Segment, NGOs encouraged the CSD to conduct a review of voluntary industry initiatives. A version of their proposal was agreed in the decision on industry and sustainable development. On freshwater, delegates debated at length questions related to technology transfer, financial resources and cooperation among riparian States. Many delegates left the CSD satisfied with the compromises they had drafted, but not entirely convinced that the CSD lives up to the special ECOSOC Commission that was envisaged when it was created.

A BRIEF HISTORY OF THE CSD

The Commission on Sustainable Development (CSD) was envisioned in Agenda 21, the programme of action adopted by the 1992 UN Conference on Environment and Development (UNCED). Agenda 21 called for the creation of the CSD to: ensure effective follow-up of UNCED; enhance international cooperation and rationalize intergovernmental decision-making capacity; and examine progress in Agenda 21 implementation at the local, national, regional and international levels. In 1992, the 47th session of the UN General Assembly set out, in Resolution 47/191, the terms of reference for the Commission, its composition, guidelines for the participation of

NGOs, the organization of work, the CSD's relationship with other UN bodies and Secretariat arrangements. The CSD held its first substantive session in June 1993 and has met annually since then.

In June 1997, five years after UNCED, the General Assembly held a special session to review implementation of Agenda 21 (UNGASS). Negotiations held in a Committee of the Whole, as well as several ministerial groups, produced a Programme for the Further Implementation of Agenda 21. Among the decisions adopted at UNGASS was the CSD work programme, which identifies sectoral, cross-sectoral and economic sector/major group themes for the next four sessions of the Commission. Overriding issues for each year will be poverty and consumption and production patterns.

INTERSESSIONAL MEETINGS RELATED TO CSD-6

INTERNATIONAL CONFERENCE ON ENVIRONMENT AND SOCIETY: EDUCATION AND PUBLIC AWARENESS: UNESCO and the Government of Greece organized this conference, which met from 8-12 December 1998 in Thessaloniki, Greece. Governmental, inter- and non-governmental representatives from 83 countries attended the meeting and adopted the Declaration of Thessaloniki. The Declaration recommends that, *inter alia*, education should be an integral part of local Agenda 21 initiatives, schools should be encouraged and supported to adjust their curricula to meet the needs for a sustainable future, and all actors should contribute to the implementation of Chapter 36 of Agenda 21.

EXPERT GROUP MEETING ON STRATEGIC APPROACHES TO FRESHWATER MANAGEMENT: In preparation for CSD-6's consideration of strategic approaches to freshwater management, an Expert Group met in Harare, Zimbabwe from 27-30

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January 1998. It was hosted by the Government of Zimbabwe and organized by the UN Department of Economic and Social Affairs (DESA). The meeting's report was presented as a Co-Chairs' summary. It notes that integrated water resources management, within a national economic framework, is essential for achieving efficient and equitable allocation of water resources and thus for promoting sustainable economic development and poverty alleviation. Recommendations include: recognizing water as a social and economic good; developing national water policies and continually reviewing them; managing demand for and allocation of water resources based on the principles of equity and efficient use; financing, establishing and maintaining effective data collection and dissemination, information management systems and research; ensuring efficiency, transparency and accountability in water resources management; and strengthening consultation mechanisms aimed at improving donor/recipient dialogues for the mobilization of financial resources.

INTER-REGIONAL EXPERT GROUP MEETING ON CONSUMER PROTECTION AND SUSTAINABLE CONSUMPTION: DESA, in cooperation with the Environment Secretariat of the State Government of São Paulo, convened an Inter-Regional Expert Group meeting in São Paulo, Brazil from 28-30 January 1998. Approximately fifty people participated, including representatives of governments, consumer organizations, business and industry, the academic community, NGOs and international organizations. The meeting focused on the UN Guidelines on Consumer Protection and new guidelines proposed by Consumers International on the basis of extensive regional consultations. The Expert Group Meeting did not attempt to reach consensus on precise wording for new guidelines, but focused on identifying the issues relating to sustainable consumption that should be incorporated into consumer protection policy and making recommendations as to how they might be effectively addressed. They did not review or revise the existing text of the UN Guidelines or consider other areas in which the Guidelines might be extended. Some believed that sustainable consumption could best be integrated into the Guidelines by introducing additional words into existing paragraphs, without otherwise changing the existing text.

INTERNATIONAL EXPERT MEETING ON THE ROLE OF PUBLICLY-FUNDED RESEARCH AND PUBLICLY-OWNED TECHNOLOGIES: This meeting was held in Kyongju, Republic of Korea from 4-6 February 1998. Sponsored by the Korean government and organized by UNCTAD, DESA and UNEP, the workshop addressed: the relevance of publicly-funded research and development (R&D) in the generation and diffusion of environmentally sound technologies (ESTs); examples of technology cooperation to promote the commercialization and diffusion of ESTs in developing countries; and policies and institutional frameworks to facilitate the wider diffusion of publicly-funded ESTs. The meeting's findings and suggestions for new policy initiatives note that many governments explicitly refer in their public policy statements to the need to share ESTs with the developing world, but the extent and pace of transfers are inadequate.

CSD INTERSESSIONAL AD HOC WORKING GROUP (ISWG) ON STRATEGIC APPROACHES TO FRESHWATER MANAGEMENT: The ISWG on Strategic Approaches to Freshwater Management met from 23-27 February 1998 at UN Headquarters in New York. Delegates exchanged views on freshwater issues, highlighting the economic and social values of water and accompanying governmental responses as well as cooperation among riparian States on transboundary or international watercourses. Delegates also offered comments on two iterations of the Co-Chairs' draft report, which provided the basis for negotiation at CSD-6. The report outlines key issues and challenges, calls for action and means of implementation in the areas of information for decision-making, institutions, capacity

building and participation, technology transfer and research cooperation, and financial resources and mechanisms. The report also presents recommendations for follow-up and assessment.

CSD INTERSESSIONAL AD HOC WORKING GROUP ON INDUSTRY AND SUSTAINABLE DEVELOPMENT: The ISWG on Industry and Sustainable Development met from 2-6 March 1998 at UN Headquarters in New York. Delegates again exchanged views on the issue and then offered comments on two iterations of the Co-Chairs' draft report, which formed a basis for negotiations at CSD-6. The Co-Chairs' report offers recommendations for governments, industry and the international community. A final section on future work recommends that, *inter alia*: international organizations study voluntary schemes for industry; the CSD consider, with industry, how the dialogue with industry might be followed up to ensure effective and continuing input from the sector; and governments and industry improve their progress reports on voluntary initiatives and environmental protection. Delegates also briefly considered proposed elaborations of the UN Guidelines on Consumer Protection.

GLOBAL WATER POLITICS: COOPERATION FOR TRANSBOUNDARY WATER MANAGEMENT: The Government of Germany and the World Bank co-sponsored this international forum, which took place in Petersberg, Germany from 2-5 March 1998. It brought together approximately 50 high-ranking decision makers and experts to focus on measures to address the development, security, environment and public-private partnership aspects of water resources management. Recommendations address complementary actions, critical factors and the need for a shared vision, the importance of an integrated approach, institutional frameworks and human resources, and public-private partnerships with companies and community-based organizations.

MEETING ON THE GLOBAL ISSUES OF SUSTAINABLE DEVELOPMENT: A High-Level Meeting was held in Budapest, Hungary from 13-15 March 1998 to discuss key issues on the international environment and sustainable development agenda that emanated from UNGASS, the Third Conference of the Parties to the UNFCCC and UNEP's High-Level Committee of Ministers and Officials. The meeting was attended by environment Ministers and representatives from 19 countries and the European Commission, the UN Under-Secretary General for Social and Economic Affairs, the Executive Director of UNEP and the CEO of the GEF. Participants said the main political challenge for CSD-6 is to achieve tangible results, secure further commitments to action and advance international consensus on the issues placed on the CSD agenda. They stressed the importance of CSD building upon the participatory approaches. Regarding strategic approaches to freshwater management, participants expressed hope that the CSD would decide on the specific modalities for further policy dialogue to be held under its aegis, on concrete actions, and on effective measures to support national efforts.

INTERNATIONAL CONFERENCE ON WATER AND SUSTAINABLE DEVELOPMENT: This conference took place from 19-21 March 1998 at UNESCO Headquarters in Paris. Sponsored by the Government of France, it gathered approximately 600 participants, including Ministers and high-level officials from public bodies in charge of water management in 84 countries and representatives of civil society, UN agencies, international organizations and development banks involved in the water sector. French President Jacques Chirac and Prime Minister Lionel Jospin addressed the Conference. The Conference sought to contribute to the elaboration of strategies necessary for improving freshwater resources conservation and management in rural and urban areas to ensure better-controlled drinking water supply, sanitation and irrigation. Participants convened in three parallel experts' workshops, on improving knowledge of water resources and uses for sustainable management, favoring the develop-



ment of regulatory tools and institutional capacity building, and defining strategies for sustainable management and identifying appropriate financial resources. The Conference adopted a Programme for Priority Actions, comprised of recommendations from the three expert workshops, as well as a Ministerial Declaration.

REPORT OF CSD-6

The sixth session of the Commission on Sustainable Development met for two weeks at UN Headquarters in New York. Agenda items included consideration of industry and sustainable development, strategic approaches to freshwater management, and implementation of the Programme of Action for SIDS. The Commission carried out its work in Plenary meetings and three Drafting Groups. An Industry Segment engaged government delegates and major group representatives in debates on issues related to responsible entrepreneurship, corporate management tools, technology cooperation and assessment, and industry and freshwater. A High-Level Segment brought ministerial representatives to the final three days of the session. Chair's summaries of the Industry and High-Level Segments were included in the CSD-6 report, along with seven decisions developed by the Drafting Groups. This report summarizes these proceedings and the decisions taken by CSD-6.

OPENING STATEMENTS: During the opening Plenary, CSD-6 Chair Cielito Habito (Philippines) highlighted the importance of proper and judicious management of freshwater for peace and security. He noted the dominant role of industry in sustainable development and said it could be the biggest source of funds for sustainable development, especially since the world has moved away from the Rio funding targets. He also stressed the need for partnerships with major groups and noted the wisdom of institutionalizing stronger participation.

Nitin Desai, Under Secretary-General, UN Department of Economic and Social Affairs (DESA), described the impact of UN reform on the CSD. He said integration of development work in DESA will strengthen the impact of the CSD. Other relevant developments include: a task force, chaired by UNEP Executive Director Klaus Töpfer, to strengthen the environmental work of the UN; an Executive Committee on economic and social affairs to examine ways to improve coherence between economic, social and development agencies; and a General Assembly process on financing development to culminate in a conference not later than 2001. He said the CSD process must go beyond the multilateral procedures used to define rights and obligations on security-related issues because the CSD involves commitments to action by non-State actors and requires prior processes of analysis, agreement on facts, and policy consensus building.

The INTERNATIONAL CHAMBER OF COMMERCE (ICC) said the role of industry in the CSD process goes to the very heart of the UN Secretary-General's desire for a better means of communication between industry and the UN. She said industry has addressed the complex sustainable development agenda by implementing voluntary codes of conduct and launching international environmental management systems, and through a business-driven technology revolution to introduce ESTs.

CSD-6 ELECTION OF OFFICERS, ADOPTION OF THE AGENDA AND OTHER MATTERS: On Monday, 20 April, delegates elected Miloslav Hettes (Slovakia) to the Bureau as a Vice-Chair. Rogatien Biaoou (Benin), Michael Odevall (Sweden) and Marta Inés Galindo (Colombia) were elected Vice-Chairs on 22 December 1997. Vice-Chair Galindo also served as Rapporteur. Delegates invited the Ramsar Convention and the Arab Organization for Agricultural Development to attend CSD-6 as observers.

Vice-Chair Hettes introduced the organization of work, highlighting the formation of three Drafting Groups. On the proposed agenda, the G-77/CHINA said the side events should not divert attention from the intergovernmental process of the Commission. INDIA emphasized that the intersessional meetings should facilitate but not substitute for deliberations at the official CSD sessions. Chair Habito said there was limited time for discussion because the CSD session had been shortened to two weeks, and delegates would have to rely on the work of the ISWGs to a greater extent. SUDAN said CSD member States must have time to exchange views and influence the outcome of the session. CUBA said the scheduled three days for Drafting Groups would be insufficient to consider the issues. Following informal consultations, the Chair announced that one hour of open debate on sectoral issues would be added on Thursday, 23 April. Delegates adopted the CSD agenda on Thursday, 23 April.

NATIONAL EXPERIENCES IN FRESHWATER MANAGEMENT

On Monday, 20 April, China, Zimbabwe and Venezuela made presentations on their national experiences in freshwater management. The Netherlands and Russia made similar presentations during the ISWG on freshwater in February (see <http://www.iisd.ca/linkages/csd/csdinsts.html>).

CHINA outlined its problems in the water sector, including: a water deficit of six billion tons per year; the lack of financial resources; water pollution that threatens the freshwater supply of most Chinese cities; soil erosion of five billion tons annually; and waste due to unsophisticated techniques of irrigation and lack of advanced water saving facilities. He said that while numerous efforts have been made, many difficulties remain.

ZIMBABWE said three forces conspire to create water scarcity: depletion or degradation of the resource; population growth; and unequal distribution or access, exacerbated by the concept of "priority of application date," which denies new stakeholders. Other problems include: budgetary constraints; reduced governmental capacity; resurgence of drought; subsidies resulting in inefficient usage; and uncontrolled groundwater development. Zimbabwe's priority actions include changing the national Water Act to improve access and implementing a Water Resources Management Strategy.

VENEZUELA outlined its efforts to undertake integrated and holistic management of water resources. Venezuela's water laws have incorporated the economic value of water, ascribed high priority to conservation and holistic management of catchments and other basins, emphasized the important role of the state, recognized the important relationship between water resources and territorial management, as well as public participation, and stressed multi-sectoral management. He outlined institutional reforms in Venezuela's water sector, focusing on decentralization to local and sub-regional levels and separating regulatory functions from the provision of water services.

INDUSTRY SEGMENT

CSD-6 participants conducted four Dialogues during the Industry Segment from 21-22 April. Each session was introduced by keynote statements from industry, trade union and NGO representatives and followed by comments from a developing and developed country delegate. Dialogues then ensued between all major groups and government representatives. Chair Habito, when opening the Segment, said that governments may take up proposals from the Dialogues during their deliberations on the CSD-6 decisions. Chair Habito drafted a summary of the Industry Segment, which the closing Plenary agreed to include in the CSD-6 report.

DIALOGUE ON RESPONSIBLE ENTREPRENEURSHIP: Participants in this dialogue focused on the relationship of responsible entrepreneurship to, *inter alia*: Foreign Direct Investment (FDI); core labor standards; eco-efficiency; and voluntary initiatives. INDUSTRY



viewed responsible entrepreneurship as embodying a more flexible, market-driven and innovative response by the private sector, one that responds not only to economic factors but also to the public's perceptions, expectations and concerns. TRADE UNIONS' aims include: protecting nature through efficient resource use; improving living standards for all but not to the detriment of the environment; and involving workers and trade unions when sustainability targets and deadlines are formulated. NGOs said responsible entrepreneurship means taking the risks necessary to benefit the rest of society and to sustain the health of the environment, not just to earn profits. She said that voluntary initiatives cannot be a substitute for good environmental, labor and health laws and urged the CSD to support the proposed major group review of the effectiveness of voluntary initiatives.

INDUSTRY said the NGO proposal to review voluntary initiatives is ironic since it would try to codify voluntary initiatives. TRADE UNIONS said voluntary initiatives could be seen as opportunities rather than threats if they are transparent and participatory, and noted the example of a Swedish certification system on sustainable forestry that was negotiated by industry, trade unions and indigenous groups, among others. SWITZERLAND suggested that voluntary agreements should: be negotiated under favorable framework conditions; involve quantifiable, mandatory targets; keep the public informed and be transparent; and include monitoring and sanctions if targets are not met. JAPAN stressed the need for monitoring and enhancement of voluntary initiatives. The ICC said definitions and joint understandings of voluntary codes are prerequisites for constructive dialogue. SAMOA emphasized the importance of highlighting best practices in monitoring and compliance, particularly for the climate change agreement.

DIALOGUE ON CORPORATE MANAGEMENT TOOLS: In the introductory statements, TRADE UNIONS called for strong partnerships for the protection of the environment and health, education and training, information sharing, joint inspections, and agreement on work, energy use and production patterns. She listed the advantages for companies using environmental management techniques, including the development of new markets for environmentally sound products. NGOs called for: government action to establish a regulatory framework for industry and mandatory environmental management systems (EMS) and improvements in ISO 14000 and the Eco-Management and Audit Scheme (EMAS). The EU highlighted existing management tools and noted the need for benchmarking and performance indicators.

INDUSTRY defended voluntary initiatives, which have achieved progress that would not have been possible using command and control methods. They expressed surprise at a recent newspaper article by a participating NGO representative implying that industry portrays environmental regulations as bureaucratic. UNEP highlighted the role of industry associations in benchmarking and publishing aggregate reports on their contributions to sustainable development. The OECD highlighted the role of governments in developing broad-based strategies inclusive of stakeholders and tolerant of experimentation and failure.

NGOs asked industry if it would be possible to move forward on an earlier NGO proposal to evaluate, with other stakeholders, the benefits of voluntary initiatives. INDUSTRY supported the concept but expressed concern about certain elements, including the proposal for a permanent body, its scope and authority, and the precise scope of a review process. He proposed a multi-stakeholder meeting. The CHAIR suggested scheduling such a meeting by the end of the week and drew attention to the need for a government sponsor for any idea emerging from the dialogue.

DIALOGUE ON TECHNOLOGY COOPERATION AND

ASSESSMENT: Issues discussed during this dialogue included eco-labeling mechanisms and eco-efficiency, the need to link FDI and ODA, and enabling frameworks. INDUSTRY said they see positive benefits in technology transfer. NGOs noted labor displacement and environmental degradation as two possible negative results.

Actions proposed included NGO support for an independent technology assessment with UN involvement and GHANA's suggestion for a clearinghouse mechanism to assess technology for small- and medium-sized enterprises (SMEs). NGOs also suggested establishing regional talent and technology banks. The US described a virtual international verification programme designed to assist users and environmental regulators and help suppliers reach the global market. INDIA advocated eco-labeling mechanisms for exported eco-friendly technologies. BRAZIL said eco-efficiency should fit the specific needs of a country and not be used as a trade barrier. INDUSTRY called for early action on the rules for the Kyoto Protocol's Clean Development Mechanism.

PAPUA NEW GUINEA suggested including government-funded technology transfers in ODA calculations. INDUSTRY noted the need to link FDI and ODA when countries are not receiving FDI. EGYPT expressed an interest in discussing such a linkage. The US said governments can facilitate transfer through financing programmes. INDUSTRY emphasized the need to make investing in new technologies worthwhile for companies and governments and suggested legal and fiscal structures that encourage technological investments, efficient market systems, patent and property rights protection, capacity building and integration with locally available technologies. INDUSTRY also said it believes the Multilateral Agreement on Investment (MAI) can create a clear and stable framework that can improve conditions for technology cooperation and FDI. TRADE UNIONS said the best way to introduce technological change is to involve workers in decision making. NGOs called for establishing multi-stakeholder science and technology councils to establish national policies on technology cooperation and assessment.

DIALOGUE ON INDUSTRY AND FRESHWATER: Discussion in this Dialogue centered on the roles of industry and government, pricing of water, the polluter pays principle and water as a social and economic good. INDUSTRY presented a recent World Business Council for Sustainable Development (WBCSD)-UNEP report, which found that industry is not the major user of water and pricing water according to costs decreases waste. NGOs called on governments to: develop incentives for efficient use; implement national regulations and enforcement mechanisms; develop performance standards; and implement participatory frameworks. NGOs advocated the application of an ecosystem approach at the catchment level, the Cleaner Production approach and the polluter pays principle, and called on the CSD to promote legally-binding commitments. SOUTH AFRICA supported application of the polluter pays principle but said it must be qualified by concerns for developing SMEs. TRADE UNIONS challenged industry to stop condemning command and control regulations, end exclusive dependence on risk assessment, and "get real" on pollution prevention. NGOs supported cooperative joint efforts focusing on the role of women through local Agenda 21s and proposed a common initiative on good practices.

The US shared principles from a national freshwater initiative, including combining regulatory controls and market incentives to reduce point and non-point pollution and tapping private capital through public-private partnerships.

INDUSTRY said: proper pricing of water is crucial; government must play a fundamental role; and water services must increasingly be provided through public-private partnerships. Attracting private capital to water resources development on a sustainable basis requires:



full-value pricing with conservation incentives; government acceptance that there are risks only they can absorb; and adjustment for the costs and impacts of drastic changes in local currencies. YOUTH supported investigating the application of incremental fees for incremental usage. INDUSTRY said differential tariffs may be a way to share differential costs.

A number of speakers, including EGYPT, SOUTH AFRICA, SYRIA, NGOs, WOMEN and INDIGENOUS PEOPLE, expressed concern with the focus on water as an economic good without recognizing it also as a social good, and stressed the importance of fulfilling the water needs of the poor. INDIA said industry should work with the understanding that water is an economic and social good. INDIGENOUS PEOPLE said the multiple values of water must be considered and a comprehensive perspective applied. SOUTH AFRICA said full economic pricing should be applied only after basic human needs and the needs of emerging businesses are met. SYRIA said governments could enact legislation for proper investment in water and recover costs and make water available to the poor.

CSD-6 DECISIONS

Delegates debated the sectoral issues of freshwater and industry in Plenary on Thursday, 23 April. Based on their comments and the reports of the ISWGs, the Drafting Group Chairs and the Secretariat developed draft decisions, which were distributed on Friday, 24 April. Negotiations ensued in three Drafting Groups during the second week of CSD-6. Drafting Group I, chaired by Rogatien Biaoou (Benin), considered texts on freshwater, implementation of the Programme of Action for SIDS, and intersessional matters. Drafting Group II, chaired by Michael Odevall (Sweden), considered texts on industry and the UN Consumer Protection Guidelines for Sustainable Consumption. Drafting Group III, chaired by Miloslav Hettes (Slovakia), considered texts on the cross-sectoral themes and information provided by governments. The following examination summarizes the discussions and agreed text in each decision.

STRATEGIC APPROACHES TO FRESHWATER

MANAGEMENT: The decision on Strategic Approaches to Freshwater Management contains recommendations on information and data for decision making, institutions, capacity building and participation, technology transfer and research cooperation, financial resources and mechanisms, and follow-up and assessment. Drafting Group I Chair Biaoou presented the Report of the ISWG on Strategic Approaches to Freshwater Management (E/CN.17/1998/13), on which CSD-6 negotiations were based. Delegates conducted late-night negotiations on freshwater throughout the second week and completed their work (with one outstanding paragraph) at 6:00 am on Friday, 1 May.

Introduction: The introductory section states that the CSD welcomes the reports of the ISWG and the Harare Expert Group Meeting and takes note of the outcomes of the Petersberg Round Table and the Paris Conference. In a paragraph citing Chapter 18 of Agenda 21 as a basis for action, the US proposed that it continue to be "the primary" basis. Delegates agreed that it is "a fundamental" basis. The G-77/CHINA added that Chapter 18 should be implemented in accordance with specific national characteristics.

The text reaffirms that water is essential for satisfying basic human needs, health and food production, ecosystem restoration and maintenance and social and economic development. The G-77/CHINA added energy. The US added that agriculture accounts for the majority of global use. The EU added that development, management, protection and use should contribute to poverty elimination and promotion of food security. AUSTRALIA acknowledged the importance of, *inter alia*, groundwater, rivers, lakes and forests to water quality and quantity. UGANDA added wetlands. The paragraph also stresses the need to: accord priority to the social dimension of water; use an integrated

approach; consider equitable and responsible use in formulating strategic approaches, particularly in addressing the problems of the poor; and understand the links between water quality, sanitation and human health.

The text states that action is required at all levels with the technical and financial support of the international community. It stresses the need to implement local and national management plans, reduce and eliminate unsustainable patterns of production and consumption and promote appropriate demographic policies. To a list of areas on which the Commission urges further attention, delegates added: meeting basic health education needs (US); integrating freshwater issues into local Agenda 21 processes (US); addressing wasteful usage (JAPAN); mainstreaming gender considerations into water resources management (NORWAY); and recycling wastewater (G-77/CHINA).

A paragraph encouraging riparian States to cooperate on matters related to international watercourses remained pending until the final day of CSD-6. TURKEY had difficulty with the reference to "international" watercourses. INDIA said the CSD does not have the expertise to address this complex legal issue and proposed adding that States should cooperate "in conformity with existing bilateral agreements." The G-77/CHINA preferred taking into account appropriate mechanisms. The EU preferred "appropriate arrangements." Delegates agreed that appropriate arrangements and/or mechanisms and the interests of all riparian States concerned, relevant to effective development, management, protection and use of water resources, should be taken into account. India, Turkey, Uganda, Ethiopia and Rwanda made interpretative statements on this paragraph in the closing Plenary.

The text also encourages riparian States to establish, where appropriate, organizations at the river basin level to implement water management programmes. The EU added that the GEF could consider support for this under its international waters portfolio. Governments are encouraged to formulate and publish the main goals, objectives and principles of water policies. The G-77/CHINA added "in accordance with specific characteristics of each country."

On a paragraph recognizing the recommendations of the Harare and Paris expert meetings, the G-77/CHINA preferred a general recognition that the meetings provided useful inputs and, with UGANDA and SUDAN, proposed deleting an invitation to governments to consider implementing their key recommendations. The EU objected. Delegates agreed to invite governments to consider them "as appropriate."

Information and Data for Decision Making: In this section, the Commission encourages governments to: establish and maintain effective information and monitoring networks; further promote information exchange and dissemination; facilitate collection and dissemination of water data that enhances public awareness of water-related issues; design programmes to increase public awareness on the need to conserve, protect and use water sustainably and allow local communities to participate in monitoring indicators; develop and implement water-related indicators; and establish or strengthen consultation mechanisms on drought and flood preparedness, early warning systems and mitigation plans. UN agencies are called on to support governments in developing and coordinating relevant data and information networks at the appropriate level, carry out periodic global assessments and analyses of water resources availability and changes in demand, and promote information exchange and dissemination.

Institutions, Capacity Building and Participation: This section urges governments to establish national coordination mechanisms, providing for participation by communities and water users in formulating and implementing integrated development and management plans and policies. It calls on governments to: establish or improve legislative and regulatory frameworks; consider how best to devolve responsibilities to the lowest appropriate level for organizing and



managing public water supply, sanitation services and irrigation systems; strengthen institutional and human capacities; establish an enabling environment to facilitate partnerships between public and private sectors and NGOs to improve local capacity to protect water resources through educational programmes and public access to information; and strengthen the role of women. The CSD encourages those involved in formulating, arranging and financing water resources programmes to engage in dialogue with users, and calls on the international community to strengthen capacity building programmes.

Technology Transfer and Research Cooperation: This section encourages governments to stimulate research and development cooperation, develop technologies for sustainable water management and use, increase efficiency, reduce pollution, and promote sustainable agriculture. The text urges developed countries to promote, facilitate and finance, as appropriate, access to and transfer of ESTs. The G-77/CHINA called for technology transfer "on favorable terms, including on concessional and preferential terms." The US objected to renegotiating agreed language used to refer to terms of technology transfer. Delegates ultimately cited Agenda 21 and UNGASS language. Governments, industry and international organizations are urged to promote technology transfer and research cooperation to foster sustainable agricultural practices. The text also: calls on relevant parties to develop and implement best practices and appropriate technologies, taking into account local conditions; encourages governments to make best use of environmentally appropriate technology centers, promote the use of local and traditional technology and knowledge, and encourage South/South cooperation; and urges donors and international organizations to intensify efforts and accelerate technical assistance programmes to developing countries aimed at facilitating appropriate technology transfer and diffusion.

Financial Resources and Mechanisms: In this section, the Commission cites the Programme for the Further Implementation of Agenda 21 on the need for a proved commitment by the international community to provide new and additional financial resources to developing countries to make the current intergovernmental process on freshwater fully fruitful. Regarding text stating that such financial resources need to be mobilized if sustainable development aims are to be realized, the US stipulated resources "from all sources." The G-77/CHINA proposed stating that effective use of current resources allocated to the freshwater sector "is also important," rather than "would help to mobilize additional finances from public and private sources." The US objected. Delegates agreed that effective and "efficient" use "is also important and could contribute in helping to increase the flow of finances" from public and private sources.

The text states that ODA should be provided for and complement programmes and frameworks for promoting integrated water resources development, management, protection and use. The G-77/CHINA wanted to emphasize that donors should meet ODA targets. The EU said donors should aim to meet international development targets. The US preferred "targets as agreed." Rather than mentioning targets, the agreed text notes that financial commitments of Agenda 21 urgently need to be fulfilled. The text also highlights: the private sector as one of the growing sources of investment in the water sector; the importance of encouraging private sector participation within appropriate national policy frameworks; and the contribution of enabling financial frameworks to promoting private sector finance mobilization. AUSTRALIA added text on ODA's important role in assisting developing countries to adopt appropriate policy frameworks.

The important role of government regulation in developing countries in allocating freshwater resources is emphasized. The G-77/CHINA objected to EU proposals that subsidies for specific groups should be transparent "and well-targeted" and are "appropriate," rather than "required" in some countries. SWITZERLAND added that addi-

tional incentives are necessary to protect freshwater resources in sensitive areas. The EU added that costs should be covered either through cost recovery or from public sector budgets. The text states that cost recovery could be gradually phased in, taking into account specific national conditions.

The text also calls for: strengthened consultative mechanisms between donors and recipients to improve or prepare financial mobilization schemes; initiatives to identify and mobilize more resources; and allocation of sufficient public resources to provide safe and sustainable water supply and sanitation. Regarding a call on governments to consider the needs of vulnerable groups in using economic instruments to guide water allocation, the EU added consideration of the polluter pays principle and user pays systems. The G-77/CHINA objected to the latter and deleted the need to consider the specific conditions of each region. The text proposes initiating a review of existing financial support arrangements. The G-77/CHINA said the review should aim at mobilizing "international" financial resources. AUSTRALIA objected, emphasizing resources "from all sources." Delegates agreed to mobilize financial resources from all sources, particularly international resources. CANADA added that the review should enhance efficiency and effectiveness.

The section's final paragraph originally consisted of a G-77/CHINA proposal to consider creating a financial mechanism to promote developing country efforts in the area of freshwater, but the EU and US were opposed to creating a new mechanism and increased bureaucracy. Delegates agreed to call on the international community to intensify efforts and consider new initiatives, within appropriate existing mechanisms, for mobilizing financial resources.

Follow-up and Assessment: In this section, the CSD invites governments to continue to provide voluntary reports on national strategies and programmes. MEXICO said the Secretariat should make more comprehensive use of information provided in national reports. NORWAY added that the Secretariat should ensure that data is gender-differentiated whenever possible. AUSTRALIA deleted text on the need to take stock of progress and give guidance leading to a comprehensive CSD review in 2002. The G-77/CHINA deleted a call to consolidate the work of the Committee on Natural Resources.

Delegates adopted some of the EU's proposals regarding the ACC Subcommittee on Water Resources by inviting it to make its work more transparent, enhance coordination within the UN, and accelerate implementation by identifying gaps in programme implementation, considering ways to increase efficiency in programme delivery and exploring the potential of cooperation arrangements. The G-77/CHINA deleted a call to identify benchmarks and timeframes for implementation. The final decision does not include the EU's proposals for regional and sub-regional follow-up and review of CSD freshwater activities by the UNEP Governing Council. The G-77/CHINA modified text on UNEP, which is invited to play a vital role in providing inputs through provision of technical and scientific advice on environmental aspects of the sustainable development of freshwater resources. The text also recognizes the need for periodic assessments and a global picture of the state of freshwater.

INDUSTRY AND SUSTAINABLE DEVELOPMENT: The decision on Industry and Sustainable Development reaffirms that governments, in cooperation with non-State actors, need to undertake greater efforts to integrate economic, social and environmental goals into industrial policy.

An 18-page draft decision was prepared by Drafting Group II using a negotiating text prepared by Chair Odevall (Sweden), drawing from: the report of the Secretary-General on industry (E/CN.17/1998/4 and Add.1-3); the report of the ISWG (E/CN.17/1998/14), which is annexed to the decision; and government statements during a general



debate, some of which were drawn from recommendations from the Dialogues. These recommendations were reflected in paragraphs on a review of voluntary initiatives and interactive Dialogues.

Following a first reading of the draft, the Chair convened informal negotiations. On 30 April, Chair Odevall introduced a reduced three-page draft. Negotiations concluded in the Drafting Group that evening.

In the Drafting Group, the US and the G-77/CHINA debated a US proposal to delete a reference to "per capita" levels of production in a paragraph on the environmental and health impacts of industrial activities. The US added "population growth."

On FDI, the G-77/CHINA, opposed by the US, the EU, NEW ZEALAND, CANADA and AUSTRALIA, proposed deleting the need for a stable policy environment to attract FDI. The US called for the development of methods to leverage FDI using ODA. On incentives in recipient countries, the G-77/CHINA, opposed by the US, deleted a reference to frameworks for promoting micro-credit. The US, opposed by RUSSIA and the G-77/CHINA, deleted policies and measures aimed at "reducing the volatility of those flows" to developing countries.

During informal discussions, areas of disagreement included: access for developing country industrial products to developed country markets; eco-efficiency; intellectual property rights (IPR); a proposal that ODA "cannot generally be replaced by private capital flows;" using ODA to leverage FDI; "core" labor standards; the Kyoto Protocol; the MAI; and modalities for a review of voluntary industry initiatives. The following summarizes the decision adopted by the closing Plenary.

Industry and Economic Development: In this section, the CSD: recognizes that industrial policy and responsible entrepreneurship are vital to sustainable development; agrees on the need to create an enabling policy environment; stresses the importance of FDI flows; emphasizes that ODA is a main source of external funding, particularly for least developed countries; recognizes industry's role in technological innovation and R&D; and emphasizes sound regulation and a mix of economic instruments, voluntary initiatives and agreements and public-private partnerships.

Industry and Social Development: The CSD: recognizes the mutually reinforcing relationship between social and industrial development; recognizes industry's contribution to, *inter alia*, employment and corporate social initiatives; advocates work to counter discrimination against women; and emphasizes concern about growing international income disparities.

Industry and Environmental Protection: The CSD: notes the increasing global, regional and local environmental pressures that have accompanied industrialization; acknowledges that environmental sustainability and industrial development are mutually supportive, given appropriate conditions; stresses the overriding government task of maximizing the positive influence of industrial activity; calls on industry to increase efforts in responsible entrepreneurship and corporate management tools; and recognizes the importance of eco-efficiency, cost internalization and product policies for making consumption and production sustainable.

Future Work: The CSD: recognizes the value of the interactive dialogue at CSD-6 and states that similar dialogues should take place; notes the potential value of a review of voluntary initiatives and agreements, invites representatives of industry, trade unions and NGOs to identify elements for consideration, and invites DESA, with UNEP and UNIDO, to examine and report to CSD-7 on how voluntary initiatives and agreements could contribute to the work of the CSD; and calls for further development of voluntary initiatives by the financial sector and invites UNEP to report on its work in this regard.

CONSUMER PROTECTION GUIDELINES FOR SUSTAINABLE CONSUMPTION: Drafting Group II also considered language for a draft decision by ECOSOC on new UN Consumer Protection Guidelines for Sustainable Consumption.

Chair Odevall conducted informal consultations based on his proposed elements for discussion and introduced a new draft at an informal meeting on 30 April. He proceeded to conduct further consultations on a number of elements, including an invitation to the CSD Bureau to organize open-ended consultations among States after several countries queried the purpose and scope of the consultations or meeting envisaged. Others underscored the necessity of preparatory deliberations prior to the CSD-7 ISWG meeting. During informal discussions on a revised draft, the Chair said his preference was to keep options open regarding how to proceed with consultations. Delegates agreed to: note the Secretary-General's report on Industry and Sustainable Development and delete a reference to using it as the basis for deliberations; and conduct open-ended consultations "having regard" for the Secretary-General's report.

In the agreed text, the CSD recommends that ECOSOC adopt a draft that: recalls ECOSOC resolution 1997/53; notes the São Paulo Inter-regional Expert Group Meeting and its recommendations; notes the UN Secretary-General's report; invites governments to consult appropriate stakeholder groups and submit views to the Secretariat, which should be made available to governments; invites the CSD Bureau to organize, within existing resources, open-ended consultations among States and to report to the ISWG, having regard for the Secretary-General's report; and requests the CSD to report to ECOSOC in 1999.

IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE SUSTAINABLE DEVELOPMENT OF SIDS: On 23 April, delegates considered the documents on Implementation of the Programme of Action (POA) for Sustainable Development of SIDS (E/CN.17/1998/7 and Add.1-9; A/53/65-E/1998/5), noting that CSD-7 will serve as a preparatory meeting for a General Assembly Special Session to review implementation of the POA in 1999. The G-77/CHINA underlined the unique vulnerability of SIDS and the need for international cooperation, as well as the importance of the Kyoto Protocol and the relative fragility of SIDS' hydrological cycles and difficulties in obtaining data. AOSIS noted: the decline in external resources available to SIDS, notably for regional programmes; the need for assistance to improve supply through desalination or rain-water catchment; work on a vulnerability index for SIDS; financial assistance to bolster national and regional institutions and human resource development; and exacerbation of waste disposal and pollution prevention problems due to limited land area.

AUSTRALIA, NEW ZEALAND, JAPAN, CANADA and others highlighted development assistance efforts in the areas of SIDS, climate change, tourism development and marine and coastal zone management. The EU noted that all SIDS should have sustainable development strategies in place by 2002 and called on multilateral development organizations and bilateral donors to promote capacity building. He urged the DESA-UNDP donor roundtable prior to CSD-7 to review individual States' implementation of the POA when they consider proposed projects.

On 28 April, delegates agreed on the first 32 paragraphs of the SIDS draft text as amended by an informal drafting group. Amendments included: the donors' conference should consider proposed project portfolios that reflect progress in implementing the POA; the 1999 review of the POA should assess changes in financial flows to SIDS; and the international community should "continue to provide" support to regional and national efforts. The remaining unagreed text was informally negotiated and presented to Drafting Group I on 29 April.



The final decision notes the importance of the two-day special session to review the POA, which will be held immediately prior to the 54th General Assembly. The Commission urges the international community and other actors to actively engage in the preparations for the special session, and encourages all SIDS to establish national development strategies, but does not specify a completion date. The Commission urges the international donor community to engage actively with SIDS to achieve realistic and positive outcomes and concrete assistance, including information on current donor activities.

The decision also addresses: climate change and sea level rise; management of wastes; freshwater resources; land resources; biodiversity resources; national institutions and administrative capacity; regional institutions and technical cooperation; science and technology; human resource development; and the vulnerability index. On climate change, the CSD urges the international community to commit adequate financial and technical resources to SIDS to build effective response measures and urges Annex I Parties of the FCCC (developed countries) to become Parties to the Kyoto Protocol as soon as possible. On freshwater resources, the Commission encourages SIDS to develop an effective integrated approach to freshwater management and calls on the international community to continue to provide support for regional and national efforts to promote sound water resource assessment and monitoring procedures, demand management and policy frameworks, including the transfer of technologies. The CSD expresses concern at current trends in the levels of external resources to SIDS for human resource development and strongly urges the international community to provide assistance at a level necessary to implement the POA.

The Commission also notes that the development of a vulnerability index would assist in identifying the challenges to SIDS. The CSD takes note of the report of the *ad hoc* expert group meeting on vulnerability indices and its conclusion that as a group, SIDS are more vulnerable than other groups of developing countries. UNCTAD, UNEP, DESA and others are called on to accord priority to analytical work on the vulnerability of SIDS.

TRANSFER OF EST, CAPACITY BUILDING, EDUCATION AND PUBLIC AWARENESS, AND SCIENCE FOR SUSTAINABLE DEVELOPMENT: This decision contains a section on each of four cross-sectoral themes: EST transfer; capacity building; education and public awareness; and science. In introducing the background documentation (E/CN.17/1998/6 and Add. 1-3 and nine background papers), the Secretariat noted that the themes are closely interlinked.

Introduction: The EU proposed text in the introductory section to highlight the CSD's overarching themes of poverty eradication and sustainable consumption and production patterns, and to urge all countries to adopt international development targets for 2015, including the target of reducing the proportion of people living in extreme poverty by one half by 2015. Delegates agreed to reaffirm the importance of the overarching themes and the urgent need for the timely and full implementation of all relevant commitments, and to note efforts to achieve the target to reduce by one-half by 2015 the proportion of people living in extreme poverty, as endorsed by the OECD Development Assistance Committee of Donors. This section also welcomes the trend towards greater public participation and encourages governments to elaborate appropriate policies and plans related to these cross-sectoral themes.

Transfer of ESTs: To this section, the US proposed text noting that public-private partnerships offer a promising means of increasing access to ESTs, the creation of enabling environments provides a platform to support development and use of ESTs, and governments and industry should work together to build capacity in the developing world. This text was modified by the G-77/CHINA. The US and EU agreed to drop several references to IPR protection in exchange for the

G-77/CHINA dropping its call for governments to consider sustainable development goals when reviewing the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) in 2000. The G-77/CHINA objected to a reference to CSD consideration of policies to promote "eco-efficiency." The EU, NORWAY and SWITZERLAND supported the reference. Delegates agreed to CSD consideration of policies to promote sustainable production patterns, and in this context to consider the concept of eco-efficiency and examples of its application in developed and developing countries.

This section also calls on the Commission to consider national technology strategies and international technology cooperation, technology integration, economic competitiveness, and environmental management. Governments are invited to undertake work on the development of voluntary guidelines on technology partnerships and are urged, along with the private sector and R&D institutions, to identify barriers and restrictions to the transfer of ESTs. UNIDO and UNEP are requested to study the effectiveness of incentives to encourage industry to adopt cleaner production technologies. Finally, interested governments are invited to undertake a pilot project on opportunities for sector-specific applications of recommendations on transfer and commercialization of publicly-funded ESTs.

Capacity Building: Delegates offered several amendments to this section, most of which were accepted without debate. This section recommends that capacity building efforts be intensified with the aim of having national sustainable development strategies in place by 2002, and urges financial institutions and operational agencies to enhance their assistance in this regard. It also invites UNDP, in cooperation with other relevant organizations, to promote exchange and dissemination of information on successful capacity building efforts.

Education, Public Awareness and Training: In this section, delegates agreed to the EU's deletion of the reference to UNESCO follow-up of recommendations resulting from its survey of existing regional and national strategies. The G-77/CHINA called for Task Managers to raise awareness of implications of unsustainable patterns of production and consumption, "in particular in developed countries." The EU objected. Delegates accepted the reference along with the US-proposed additional reference to education "in all countries" in the sub-section title. Compromise text on promoting investments for education calls on UNDP and international financing institutions to consider current levels "with a view to (US) develop a strategy or policies for mobilizing new and additional resources (G-77/CHINA) from all sources (EU)." Delegates added a HUNGARIAN-proposed sub-section entitled "Raising Public Awareness."

This section also calls on UNESCO to continue its efforts to clarify and communicate the concept of education for sustainable development, to develop guidelines for reorienting teacher training towards sustainable development, and to continue its work on the international electronic registry and knowledge management system for Chapter 36 of Agenda 21. It calls on governments to develop strategies for reorienting education towards sustainable development, consider the effectiveness of education for sustainable development, and reorient teacher training in formal education systems towards sustainable development. It requests the Secretary-General to report on progress made in the area of education to promote sustainable consumption and production patterns and on progress made in implementing the work programme on education for sustainable development.

Science for Sustainable Development: Delegates offered several amendments to this section, most of which were accepted without debate. This section invites governments, the UN system and major groups to provide information on best practices and international scientific advisory bodies to contribute to consideration of the upcoming CSD sectoral themes. It also calls on multilateral and bilateral donor agencies and governments, as well as specific funding



mechanisms, to continue to enhance their support to strengthen higher education and scientific research capacities related to sustainable development in developing countries.

INFORMATION PROVIDED BY GOVERNMENTS AND EXCHANGE OF NATIONAL EXPERIENCES: This decision recognizes efforts made by countries that have provided voluntary national communications, encourages them to continue to do so, and suggests actions for the Secretariat and Task Managers in processing and compiling the information. The Secretariat introduced the Secretary-General's reports on national reporting to the CSD and modalities for the exchange of national experiences at the regional level (E/CN.17/1998/8 and 9, respectively), along with several background papers. Delegates were invited to comment on this issue during the Plenary debate on 23 April. BENIN said more national reports would be produced if budgetary provisions were provided. MEXICO offered a number of recommendations, including a suggestion that information provided in national reports be used to conduct analyses of sectoral themes.

During the following week, MEXICO initiated bilateral consultations on the draft, the results of which were presented to Drafting Group III on 30 April. The EU proposed reaffirming the importance of continued work by the CSD Secretariat to streamline national reporting requirements. Delegates agreed to take note of the important ongoing work aimed at streamlining requests for reporting. Through this decision, the Commission also encourages governments to continue providing voluntary national communications on Agenda 21 implementation and requests the Secretariat to process and compile, on a sectoral basis, the information provided. Task Managers are requested to make more comprehensive use of this information in reports to the CSD and to provide information on global progress as part of preparations for the General Assembly review in 2002. The decision also takes note of: the proposal in the Economic Commission for Europe to undertake an exchange of national experiences; the results of the pilot phase relating to indicators of sustainable development; and the importance of identifying data gaps using information already provided by governments.

MATTERS RELATED TO INTERSESSIONAL WORK: This decision identifies the issues to be considered by the 1999 sessions of the ISWGs. It was negotiated by Drafting Group I on 29 April. Several developed countries suggested that preparations for developing an intergovernmental process on energy should be discussed at the ISWG. Several G-77/CHINA members said the ISWGs should not divert time for this item as it is to be considered at CSD-7. Delegates agreed that the two ISWGs should consider: oceans and seas and a review of the POA for the Sustainable Development of SIDS; and tourism and consumption and production patterns, including recommendations for sustainable consumption for inclusion in the UN Guidelines for Consumer Protection. Regarding Bureau consultations, the G-77/CHINA added the need for greater transparency and CSD Member involvement in the preparatory process, including ways to improve the organization of work for the High-Level Segment. The text calls for consideration of providing appropriate financial support to Bureau members, particularly from developing countries, to enable their participation. The US added financial support "through extrabudgetary contributions."

HIGH-LEVEL SEGMENT

The two-and-a-half day High-Level Segment heard statements from a range of Ministers, high-level officials, and representatives of international and non-governmental organizations. At the commencement, Chair Habito recalled that participants had traditionally read prepared speeches and he emphasized that the CSD's work could be more effective if it had a freer flow of ideas and interaction. He also reported on the informal Ministerial meetings held prior to each formal

morning session. Thursday's session featured a presentation by the OECD Deputy Secretary-General, who presented the OECD strategy and noted there must be an attempt to monitor the extent to which FDI from OECD countries supports or deters sustainable development. On Friday, Ministers noted the drafting groups had spent considerable time debating specific words, such as the freshwater group that deliberated until 6:00 am, and asked whether "this quibbling over words is all that crucial." Chair Habito said Ministers engaged in an "animated" discussion on how to improve CSD documents, such as making them briefer and more focused or noting points of disagreement and the underlying reasons.

On freshwater, the G-77/CHINA reiterated that the Secretary-General's report views water mainly as an economic good, but emphasized that water is a basic human need of vital importance in meeting food security needs. He cautioned against relinquishing control of water resources to private entities motivated largely by profits. He said there is no guarantee that water systems in private hands will ensure that equity concerns are given their proper weight. He supported establishment of a financial mechanism to promote freshwater management efforts in developing countries. Many developing countries focused on national water scarcity problems, highlighted national programmes and stressed the need for assistance in water management. The REPUBLIC OF KOREA stressed the importance of effective water pricing. ARGENTINA emphasized the need to offer clearly established juridical norms and regulatory frameworks to facilitate private sector participation.

Many developed countries highlighted, *inter alia*, their national actions and laws to address freshwater problems, international development assistance efforts and sponsorship of meetings. The EU called for: agreeing on approaches to be applied; basing policy on social, economic and environmental values; involving women; and establishing participatory management systems. He also highlighted commitment to developing local and national programmes and mobilizing international support. NORWAY called for well-coordinated technical assistance from multilateral and bilateral donors and urged CSD-6 to help overcome the inertia of the "overly complicated" ACC Sub-committee system. CANADA stressed the importance of partnerships and the role of the Internet in sharing best practices.

TURKEY advocated bilateral and regional approaches to management problems of transboundary watercourses over a global approach. He said the convention on non-navigational uses of international watercourses fails to address sustainable development and is not a suitable reference document for CSD's work. BARBADOS cautioned against blanket application of policy advice from lending institutions that the poor should pay for water, and noted that water pricing must consider equity. SAMOA, on behalf of AOSIS, stated that SIDS are especially vulnerable to drought and contamination of water supplies, and underscored the need for capacity building, financial resources and technology transfer.

Several developed and developing countries praised the industry segment. Recommendations for further CSD action included: requesting UNEP to examine the establishment of minimum international environmental standards (GERMANY); articulating the conditions necessary for corporate pursuit of sustainable development (US); and launching a multi-stakeholder review of the effectiveness of voluntary initiatives (SWITZERLAND, NORWAY and the PHILIPPINES). AUSTRIA highlighted the Factor-4/Factor-10 concept, which seeks to increase resource productivity four-fold in the short term and ten-fold in the long term. SWITZERLAND said introducing environmental, social and worker's rights into international agreements does not invite protectionism. ICELAND highlighted the links between freshwater management and oceans issues. UKRAINE advo-



cated an EST database under UN auspices. With RUSSIA and BELARUS, he called on the international community to assist with recovery from the Chernobyl disaster.

The G-77/CHINA emphasized industry's key role in alleviating poverty by stimulating sustainable consumption and production and said it should be encouraged to provide favorable access to and transfer of ESTs, in particular to developing countries. Governments should provide financial incentives for transfers. Many developing countries, including CHINA, THAILAND and the REPUBLIC OF KOREA, echoed the call for transfers. JAPAN highlighted UNEP's International Environmental Technology Center. INDIA stressed that IPR should not become a barrier to technology transfer. THAILAND spoke against unilateral measures taken to impose environmental measures. BRAZIL said eco-efficiency models should not give rise to discriminatory trade measures. He cautioned that the movement to adopt "core labor standards" should imply transparent initiatives resulting from broad dialogue. MEXICO described recent improvements in national industrial policy, which do not abandon command and control practices but incorporate flexibility.

DENMARK said even in an increasingly globalized economy where trade and investment can make important contributions to sustainable development, aid is still essential. "Trade not aid" is a false and dangerous slogan. The EU called for a positive and forward-looking decision on industry that recognizes the need for all countries to determine the necessary mix of economic, regulatory and voluntary action. JAPAN, CANADA, the EU, AUSTRALIA, the EUROPEAN COMMUNITY, GERMANY, AUSTRIA, IRELAND, GREECE, FINLAND, NORWAY and MONACO announced they had signed the Kyoto Protocol. HUNGARY emphasized raising public awareness on sustainable development. SLOVENIA and the CZECH REPUBLIC highlighted the importance of communication, meetings and assistance. KYRGYZSTAN focused on sustainable mountain development. SWEDEN said that if her generation had received a better education on the importance of freshwater, the world would not have suffered from so many years of increasing pollution and misuse. LITHUANIA and the PHILIPPINES described newly established national councils on sustainable development and noted increased public awareness and participation. PAKISTAN highlighted the need to finance participation of major group representatives from developing countries. CUBA discussed preparations for CSD-7, stressing the importance of governmental consultations on preparations and the high priority of oceans and seas and tourism. JAMAICA recommended involving industry and major groups at an early stage of the discussions on oceans and tourism. SOUTH AFRICA suggested examining the linkages between the TRIPs Agreement and the Convention on Biological Diversity and between IPR and EST transfer. EGYPT said he had not heard many new ideas during the High-Level Segment and suggested, *inter alia*: presenting Ministers with specific questions; presenting documents early; and attracting industry Ministers.

CLOSING PLENARY

Chair Habito opening the closing Plenary at 4:30 pm on Friday, 1 May and read his summary of the High-Level Segment. The 47-paragraph summary contained detailed recollections of participants' comments and recommendations. Delegates agreed to include the summary in the report of the meeting.

Delegates adopted decisions on: the review of implementation of the Programme of Action for the Sustainable Development of SIDS (E/CN.17/1998/L.5); matters related to the intersessional work of the Commission (E/CN.17/1998/L.6); information provided by governments and the exchange of national experiences (E/CN.17/1998/L.8); consumer protection guidelines for sustainable consumption (E/CN.17/1998/L.9); the provisional agenda for CSD-7 (E/CN.17/1998/L.7); and the report of CSD-6 (E/CN.17/1998/L.4). Delegates also

adopted an oral decision on matters related to the third session of the Intergovernmental Forum on Forests and an informal paper on EST transfer.

Drafting Group I Chair Biaoou presented the decision on Strategic Approaches to Freshwater Management, including the results of Drafting Group I's final negotiations on the paragraph on cooperation among riparian States. Delegates adopted the decision. Several countries made interpretive statements that they requested be reflected in the meeting's final report. INDIA expressed doubt about the appropriateness of the CSD discussing issues with legal implications such as transboundary waters. He said it is accepted in numerous international consensus documents that cooperation should be based on bilateral agreements and other arrangements, and it would have been useful to reflect this in the paragraph. TURKEY said "transboundary" watercourses is the proper term as it is widely accepted and used in legal instruments. The use of "international" watercourses here has no legal consequence. He stressed that international legal instruments that have not entered into force and do not have support from the international community should not be referenced in CSD documents. UGANDA, ETHIOPIA and RWANDA emphasized that the agreement on this language does not affect States' capacity to use their resources as they see fit and expressed hope that acceptance of the language "appropriate arrangements and/or mechanisms" is not taken as a precedent and will not create undue legal obligations on States.

Delegates also adopted the decision on Industry and Sustainable Development (E/CN.17/1998/L.10). The Secretariat said the ISWG Co-Chairs' report on Industry would form an annex.

In his closing statement, Under Secretary-General Nitin Desai characterized the CSD as having many functions: an annual reunion of people involved in sustainable development; a sustainable development fair of side events; and a platform for the UN in its dialogue with civil society. He said many feared the industry dialogue would be too controversial or simply a "beauty pageant," but it was a forum for consensus building in the international dialogue. He noted that some questions have been raised on the contentiousness of negotiations but said the product was an important statement of consensus on important issues, which have "truly given the CSD a new lease on life."

The US said CSD-6's results are not perfect and sometimes lack clarity and tangible direction, but noted that participants acknowledged the principal concerns and outlined the basic framework for future follow-up. He said the highlight was the Industry Segment. HUNGARY, on behalf of the East European and Others Group, thanked the Chair and highlighted areas of importance. The EU said the Dialogues should continue in the future but should seek more balanced membership. On the High-Level Segment, he called for new ways to encourage dialogue. The G-77/CHINA acknowledged that discussion had been difficult. On ways to improve the CSD's work, he supported continuation of the Industry Segment, but called for better consultations with Member States and balanced representation of major groups and developing countries. The CSD should also consider the content and structure of its outcome, which should be more focused, concrete and action-oriented.

Chair Habito said his tenure as CSD Chair had been short and sweet. He noted innovations at CSD-6, including the Industry Segment, and highlighted potential changes that could be made at CSD-7, including the Ministers' suggestions for changing the drafting process. Chair Habito then adjourned CSD-6 and immediately opened CSD-7 for the election of Bureau members, who will devote their terms to preparations for CSD-7. Simon Upton (New Zealand) was elected as Chair and Tibor Faragó (Hungary) and George Talbot (Guyana) as Vice-Chairs. The first meeting of CSD-7 was then adjourned at approximately 6:15 pm.



A BRIEF ANALYSIS OF CSD-6

"Words are symbols representing things and ideas known to us; and these symbols do not and cannot convey the true nature of even ordinary things. Language is considered deceptive and misleading in the matter of understanding of the truth. So Lankavatra-Sutra says that ignorant people get stuck in words like an elephant in the mud."

LIGHTS, CAMERA, ACTION?

Near the end of CSD-6, a long-time CSD denizen privately recalled the excitement and anticipation attendant at early CSD sessions. She remembered fondly the large number of NGOs, perhaps heady from a post-Rio glow, that came to CSD-1 convinced that the CSD was "the place to be." However, years of repetitious scripts and a suspicion of innovation among some delegations have made CSD meetings as formulaic as a Hollywood film and left many observers feeling they had seen this show many times before—and knew how it ended. Some, still mindful of its potential, came to New York hopeful that the CSD's intention to focus on the important sectoral themes of freshwater and industry and to introduce a new level of dialogue between major groups and governments would re-invigorate the CSD. This analysis explores some of CSD-6's attempts to prove itself as more than a second-run theatre, overcome past constraints and re-establish itself as the place for advancing sustainable development.

GOOD WILL HUNTING: In his opening statement, Under Secretary-General Nitin Desai noted that the CSD has a special role in shaping a new type of global political process and is trying to prove the relevance of its work to industry and activists, which are an expression of public opinion. The CSD is not a legal authority that can impose decisions on other actors. It instead must build its credibility with civil society and establish itself as a truly multi-stakeholder forum. Many believed that the CSD finally found a vehicle to move toward this goal in the Industry Segment. Three major groups—NGOs, industry and trade unions—engaged in dialogues with government delegates, rather than CSD-5's approach of giving each major group a half-day to air their views to an audience composed largely of fellow actors from other major groups and scheduling them simultaneously to the "real" negotiations on the CSD decisions. At CSD-6, although some speakers, often government delegates, read prepared scripts and often missed their cue, most participants entered into a free and sometimes insightful dialogue. Some delegates were believed even to have gone beyond their official briefs. If there were concerns expressed about the Dialogue, most were constructive pleas for greater transparency in preparations and more balanced "North-South" representation next time. The Canadian Ambassador's comment that the CSD needs "safe havens of thought" like the Industry Segment "rather than only pits of negotiation" resonated with many in the UN basement, and delegates agreed that such Segments "should" be held in the future.

Another attempt to break down rigidities came in the form of Chair Habito's attempt to turn the High-Level ministerial segment into a "free-wheeling and interactive" dialogue, but it was soon evident that the wheels had fallen off and this initiative was going nowhere fast. Free-wheeling became free-falling as officials resisted anything more than a selective reading of prepared statements, despite frequent pleas from the Chair for dialogue. The lesson from CSD-6 is that government representatives at the UN require some degree of insulation from the political imperative of staying "on message" if they are to even momentarily drop the performances required by geo-politics and diplomacy. Chair Habito met with Ministers for early morning exchanges off-stage. This added to the overall impression that there is always value in inviting the Ministers who will use the occasion for bilaterals and informal briefings that can sometimes involve major group representatives. The OECD, for example, reportedly received input from developing country Ministers on its strategy for further

work on sustainable development during a breakfast gathering. A free exchange between Ministers therefore was not entirely lacking, but it did not occur in the Plenary hall.

THE FULL MONTY: In addition to the procedural innovations and frustrations emanating out of CSD-6, its decisions should be evaluated in light of their potential contribution to sustainable development policy. Freshwater may be the most pressing issue facing the world today, with one quarter of the world's population lacking access to safe drinking water. The pressure falls on the CSD as the forum for continuing an international dialogue and action on freshwater. The EU made a strong push at CSD-5 and UNGASS to launch a substantial intergovernmental dialogue and process on this issue, but delegates at CSD-6 seemed to fall short of displaying the political will needed to do what must be done.

When asked whether they were satisfied with CSD-6's decision on freshwater, developed and developing countries alike seemed satisfied. Delegates highlighted a call on governments to formulate and publish the goals, objectives and principles of water policies and to implement them by means of comprehensive programmes, as well as language on poverty eradication, the vital role of women, participation of indigenous people and local communities, and the acknowledgment of the important role of local governments in water resources management as noteworthy elements that emerged from the decision. Delegates, however, did not seem overly spirited by the outcome or convinced that they had produced a watershed decision. In the words of one delegate, "at best, we didn't do any damage."

Delegates agreed that the text maintains a delicate balance between the interests of North and South, an achievement that always proves to be a challenge and often, unfortunately, seems to be the primary goal of most negotiations at the CSD. This delicate balance is reflected, for instance, in the decision's emphasis on the need to promote appropriate demographic policies in relation to freshwater, judiciously countered by its recognition of the need to eliminate unsustainable consumption of water resources.

CSD-6 again succeeded in artfully rephrasing the balance achieved in Agenda 21, but observers pause to reflect on what the value-added of the CSD is if it cannot move beyond words agreed six years ago. It was noted that numerous programmes of action in the area of freshwater already exist, and it is high time that the international community move beyond descriptive statements of the problems, which in the meantime become ever more pressing to an ever-larger proportion of the world's population, and begin to craft an action-oriented, viable programme in an area so desperately requiring concrete action by the international community.

CSD-6 also addressed the critical issue of industry's role in sustainable development. As one participant noted, industry may be recognized as a major group in the CSD process, but in reality it is much more. It is also a key "delivery mechanism." The industry focus during deliberations, combined with the interactive dialogue bringing together business, trade unions, NGOs and governments, launched what many hope will be an on-going engagement with key actors. Representatives of industry associations, such as the World Business Council for Sustainable Development and the International Chamber of Commerce, were reported to have been pleasantly surprised by the tone of the deliberations, including those with NGOs. One hiccup during the Dialogue occurred with the circulation of Tony Juniper's (Friends of the Earth International) British newspaper column, which contained unwelcome predictions about industry's attitude during the Dialogue. This provided an interesting example of the way in which some large environmental NGOs can face dilemmas similar to that of governments locked into traditional postures in public fora like the UN. All politics demand a large element of performance whatever the stage. Juniper's slip was not so much the act of writing the article,



which both his constituency and industry expected of him. It was, in some people's view, the act of circulating the text at the Dialogue session that confused the NGO's message.

A number of advances in the negotiations at CSD-6 signaled a healthy recognition of the role of the private sector in delivering on sustainable development. In the text on technology transfer, for example, there was a recognition of the role of public-private partnerships and of the respective roles of both parties. Most technology transfers take place through commercial dealings and the process of commercialization. This situation has not been reflected in some G-77/China demands—demands that do not always correspond to the interests of their own private sectors.

In the industry negotiations themselves, Chair Odevall salvaged the process after the G-77/China practically disowned the ISWG report at CSD-6. Odevall short-circuited a long, drawn-out rehearsal of positions by tabling a three-page summary of key elements to replace the 18-page ISWG report, with additions taken up from the Dialogue. An EU representative said it was important to get the industry negotiation right at CSD-6 and avoid another re-negotiation of Agenda 21. The focus had to switch to forward-looking action.

Some pointed to the recognition of the importance of creating an enabling environment and a modest acknowledgement of industry-led initiatives as positive elements, as well as the G-77/China's grudging concession on eco-efficiency. On the latter, there is a suspicion that the emergence of the eco-efficiency initiative from the WBCSD *per se* has aroused developing countries' suspicions. Calls by the G-77/China for a definition of the eco-efficiency concept were met with skepticism by some who feared that an opportunity for endless textual analysis would be a gift to "the New York Mafia," i.e., New York-based UN missions with a penchant for deconstruction.

A key outcome, calling for a review of voluntary industry initiatives and agreements, was given momentum by NGOs participating in the interactive Dialogue. Chair Habito and a couple of governments sponsored the idea after the Dialogue so that it appeared in the Industry Drafting Group's negotiating text. While industry representatives welcomed discussion on the proposal and have now been invited, with NGOs and trade unions, to specify the elements for the review process, behind the scenes the industry associations worked overtime to agree on a position. From the outset, industry was determined that the NGO call for more responsibility would not slip into an argument for formal processes to call industry to account.

AS GOOD AS IT GETS: Many have characterized the CSD as a front-runner among ECOSOC Commissions. While intended as a compliment, some observers have a hard time seeing how this could be construed as good news. Many participants question the particular emphasis the CSD places on "document processing." While the document drafting process has an important role in creating and advancing international environmental policy, many believe that the Drafting Groups devoted inordinate time to debating settled agreements or delicately balancing issues that were agreed in previous meetings. Some believe that delegates were reluctant to allow their Ministers to speak freely in Plenary because they feared such a discussion might not take into account the sensitivities and history involved in crafting certain decisions. Ministers recognized the need to refocus this aspect of the CSD during one of their morning meetings and considered how the CSD document production process could be changed or improved. Alternative proposals included noting differences of opinion where they exist rather than insisting on reaching consensus language and drafting shorter texts. Chair Habito stated in his closing address that these are innovations that CSD-7 could consider.

TITANIC: An intergovernmental process is only as strong as the belief of the countries participating, and some governments appear armed with marching orders to ensure that business as usual goes undisturbed, at least by CSD. Some have argued that development

issues, sustainable or otherwise, will ultimately be decided in Washington by the Bretton Woods institutions, where those who donate funds clearly call the tune. The harshest critics doubt the usefulness of international dialogues because they cannot see an immediate and tangible impact on their daily lives. Immediate and tangible reform, however, is in order when negotiators, officials and NGOs themselves doubt the impact of a particular forum, as evidenced by their lukewarm participation or failure to attend at all. Lacking reforms such as disciplined decision drafting or innovative participatory mechanisms, the CSD, in the words of one participant, could become a hospice for the idea of sustainable development—consigned to its own ineffective realm where GAP ceases to stand for a Global Action Plan and comes to stand, instead, for the *reality gap* between the virtual world of CSD textual constructions and the complex and contradictory worlds of economic and social development. CSD-6 witnessed genuine attempts to introduce innovation into a highly traditional negotiating process. Whether the changes recapture CSD's post-Rio energy and steer it on a new course remains to be seen.

THINGS TO LOOK FOR

For a comprehensive listing of upcoming meetings, see IISD's Linkages web site at <http://www.iisd.ca/linkages>.

CONVENTION ON BIOLOGICAL DIVERSITY: The Fourth Conference of the Parties of the CBD meets from 4-15 May in Bratislava, Slovakia. For more information contact: the CBD Secretariat; World Trade Centre, 393 St. Jacques Street, Montreal, Quebec, Canada H2Y 1N9; tel: +1 514 288 2220; fax: +1 514 288 6588; e-mail: chm@biodiv.org; Internet: <http://www.biodiv.org>.

UN FRAMEWORK CONVENTION ON CLIMATE CHANGE: The UNFCCC subsidiary bodies will meet from 2-12 June in Bonn, Germany. The subsequent subsidiary bodies meetings will coincide with the Fourth Conference of the Parties in Buenos Aires, Argentina, scheduled from 2-13 November. For more information contact: the UNFCCC Secretariat in Bonn, Germany; tel: +49 228 815 1000; fax: +49 228 815 1999; e-mail: secretariat@unfccc.de; Internet: <http://www.unfccc.de>.

INTERGOVERNMENTAL FORUM ON FORESTS: The Intergovernmental Forum on Forests (IFF) will hold its first substantive meeting (IFF-2) from 24 August-4 September in Geneva. It was decided at CSD-6 that IFF-3 will be held in May 1999 in Geneva. For more information contact: the IFF Secretariat; Two United Nations Plaza, 12th Floor, New York, NY 10017 USA; tel: +1 212 963 6208; fax: +1 212 963 3463; Internet: <http://www.un.org/dpcsd/dsd/iff.htm>.

MONTREAL PROTOCOL: The Tenth Meeting of the Parties to the Montreal Protocol will be held from 17-27 November in Cairo, Egypt. For more information contact: the Secretariat for the Vienna Convention and the Montreal Protocol in Nairobi, Kenya; tel: +254 2 62 1234/62 3851; fax: +254 2 52 1930/62 3913; Internet: <http://www.unep.ch/ozone>.

CONVENTION TO COMBAT DESERTIFICATION: The Second Conference of the Parties of the CCD will be held in Dakar, Senegal from 30 November-11 December. For more information contact: the CCD Secretariat; Geneva Executive Center, 11/13 Chemin des Anémones, CH-1219 Châtelaine, Geneva, Switzerland; tel: +41 22 979 9419; fax: +41 22 979 9030/31; e-mail: Secretariat@unccd.ch.

RAMSAR COP-7: The 7th Ramsar COP is scheduled for San José, Costa Rica from 10-18 May 1999. The general theme will be "People and Wetlands - The Vital Link." For more information contact: the Ramsar Convention Bureau; Rue Mauverney 28, CH-1196 Gland, Switzerland; tel +41 22 999 0170; fax +41 22 999 0169; e-mail ramsar@hq.iucn.org; Internet: <http://w3.iprolink.ch/iucnlib/themes/ramsar/>.