

EUROPE & THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

Second European Preparatory Conference (May 10-11, 2001)
Hosted by the European Rio+10 Coalition with the support of the
European Commission: DG Trade

Coalition's Conclusions in the light of the Gothenburg Events (June 2001)

1. The European Coalition brings together 17 International and European Organisations.
Its aims are to:
 - Support its members in their preparatory processes for Johannesburg 2002
 - Explore the ways and means of and develop tri-partite partnerships between Institutions-Business-Civil Society in view of Sustainable Development as a way to unlock the sustainability potential
 - Build synergies between European stakeholders in order to increase our efficiency.

The Coalition welcomes very warmly the partnership in view of Region to Region Dialogues developed with

- For the Euro-Mediterranean : The Arab NGO's Network on Environment and Development- RAED (Cairo)
 - For Asia : The Regional Institute for Environmental Technology – RIET (Singapore)
 - For West Africa : The Friends of the Earth Togo (Lomé)
 - For East Africa : The Environment Liaison Committee International – ELCI (Nairobi)
 - For Latin America: to be nominated.
2. The Coalition first conference (June 2000) was about tri-partite partnership, the second (May 2001) was about “ tackling poverty”. The second conference chaired by Carlos Pimenta (chairman of the Coalition Contact Group) and Mrs Gwen Mahlangu (MP. Rep. Of South Africa – Globe Southern Africa) underlined:
 - The emergence of a new development model as well as a new business model with new processes, products, services and anti-corruption rules
 - The need for a new governance model including rules in terms of tripartite partnerships, public-private partnerships
 - The priority given by all sectors to tackling poverty in a “new way”. Poverty is the new frontier. For Countries and Peoples it is the new peace deal of the 21st century.
 - The potential of tri-partite partnership building on the respective strengths of Institutions, the Market and Civil Society in terms of networking at global, European and local levels, influence on values and behaviour, purchasing and financial powers, impact on the supply chain and the trade relationship between developed and developing countries.
 - The immense field of potential improvement as far as Finance for Sustainable Development is concerned in terms of Trade, FDI and ODA
 - The link between the coming conferences on Trade (Qatar), Finance for Development (Mexico) and Sustainable Development (Johannesburg)
 - The World Summit should be the beginning of an African Renaissance towards a knowledge economy.

3. The Coalition is applauding the “Everything but Arms” initiative of the European Commission

The Coalition is grateful to Commissioner Lamy for DG Trade support. According to the Commissioner:

“Sustainable development is a declared ambition for both developed and less developed countries. What contribution can trade policy make to this aim? We need to ensure that the sustainability benchmark is built into the thinking of trade policy-makers worldwide. Our policy measures have to pass a triple test:

will they help social development, especially in developing countries but also here?

will they encourage stable worldwide growth?

will they pay attention to careful use of resources, and reduce pollution?”

4. The Coalition welcomes the Gothenburg Conclusions supporting a “Global Deal” and the objective to make sustainable development an objective in all international organisations.

“Sustainable development requires global solutions. The Union will seek to make sustainable development an objective in bilateral development cooperation and in all international organisations and specialised agencies. In particular, the EU should promote issues of global environmental governance and ensure that trade and environment policies are mutually supportive. The Union's Sustainable Development Strategy forms part of the Union's preparations for the 2002 World Summit on Sustainable Development. The Union will seek to achieve a "global deal" on sustainable development at the Summit”

5. In the opinion of the Coalition such a “Global Deal” requires and should be build upon tripartite partnerships between Public Authorities at all levels, the Business Sector and Civil Society. It is decided to host the Third Conference (2002) on “Tripartite partnerships for a Global Deal, towards poverty alleviation, sustainable development and a new governance model”.

6. A Global Deal requires to address, as the second conference did, poverty alleviation first, at Global as well as the European continent levels and the needs to review strengths, weaknesses, opportunities and trends (SWOT analysis)

- For each sector: food, textile, water, energy, forest, fisheries
- In terms of FDI, Sustainable Trade and ODA
- In terms of empowering communities, local entrepreneurs

6.1. The Second Conference is grateful to Dr Töpfer who is a leading figure at Global and European levels to have addressed “*How can the World Summit on Sustainable Development make a Difference for the World's Poor?*”

6.2. As Professor Shiqiu Zhang (China) noted, poverty and environment requires addressing the need for

- More education
- Access to basic services (safe drinking water, cleaner energy, health care, social services, etc)
- Empowerment, ownership and involvement of the poor (right to decide their future -self-motivation or self motion)

6.3. MEAs and Poverty.

The lack of real political support to the MEAs in developing countries is a consequence of the lack of attention to poverty alleviation. It is a major impediment to the conservation of biodiversity.

6.4. As Gwen Mahlangu (South Africa) pointed out:

- Patterns of consumption are driven by effective demand in the North, but the outcome of consumption of resources in, the form of changes in climate and bio-diversity, is felt throughout the globe.
- Ecosystems cannot be saved when the poor are left to make their way along the path of a haphazard and unjust development.
- There cannot be sustainable development when the rich own most of the agricultural land, land reform should be taken as part of the international agenda.
- Social crises demand new agendas. Women throughout the world could win the security and the respect that they need to control child bearing.
- Johannesburg will offer opportunity for further discussions and broadening debate about global change that involves increased involvement of the public and this rests upon a new discussion on democratisation and a new definition of participatory citizenship.

7. A Global Deal requires meeting the Developing Countries' agenda.

The Coalition is inviting the Europeans to "accept the equity challenge" and to use it as a leverage towards not only a development model securing peace and quality of life for all, now and in the future, but offering innovation and business competitiveness opportunities as well.

The Second Conference is grateful to Dr Supachai, WTO forthcoming Director General, for the way he enlightened the needs of the South. *"Will (the trade agenda) be comprehensive enough to redress the imbalance created by the past unbalanced allocation of interests? I have to use the word 'redress', because if we are to go into the next round as one of the means to generate sustainable development and to reduce the gap and prevent the gap from widening even further, we need to use the word 'redress'."*

I would like to present to you why the re-balancing issue is needed: if you look at the two sectors that are very sensitive in Europe and in the United States: agriculture and textiles and clothing, you can see that these are the two sectors that are still outside of the GATT rules. Textiles and clothing are still under the rules of the Multi-fiber Agreement until the year 2005, agriculture still full with quotas and tariffication and peaks of tariffs, they are still not yet fully a part of the GATT rules.

These two sectors in general amount to more than half of the export earnings of an average developing country. Agriculture is a mainstay, textile and clothing is sector that when a developing country is told to embark on an industrialisation programme, the first thing they are asked is to add value to their food products which is very little. And then they try to do something in the textile and clothing sector which is very labour intensive for a very primary production process of the textile and clothing sector. These are the two areas, which require progress in the future trade round. I think you can understand the feeling of disappointment by the developing countries"

7.1. Sustainable Trade Centre.

The Coalition expresses its support to the European Sustainable Trade Centre concept proposed by IIED, the Commonwealth Secretariat and EPE.

The Coalition welcomes Commissioner Lamy support.

"The setting up of a Sustainable Trade Centre (...) would serve in particular to ensure that trade in sustainable produced goods from developing countries is facilitated, has a number of things going

for it: it would be a concrete contribution to the process of making trade in itself sustainable, it would ease access to developed country markets for those in developing countries producing sustainable produced goods, and it would contribute to networking businesses dealing in sustainable goods worldwide.

I believe such a Centre would be a welcome contribution to the efforts made by us all to further sustainability in trade and in other policy areas".

The Coalition welcomes the agreement of Dr Ben Ngubane, Minister of Arts, Culture, Science and Technology of South Africa, Chair of the Commonwealth Science Council to chair the ESTC Advisory Board. The Coalition will nominate representatives within the Advisory Board.

7.2. Agriculture and Rural development

The Second Conference underlined the need of tackling the challenge of ending rural poverty.

- New policy (to foster a more sustainable system of agriculture)
- New market mechanisms (to deliver social justice, provide cultural and biological diversity nor protect common goods)
- New civil society action (more actions needed to change Gov. and market directions)
- Increased support for agricultural production through increased investment in agriculture (particularly the production of staple foodgrains)
- Increased investment for assuring water for the rural poor, smallholders, women, etc
- Equitable distribution of benefits through pro-poor institutions

The Coalition welcomes initiatives related to food security, sustainable trade of food produce and the opportunities given by the review of the Common Fisheries Policy by 2002.

7.3. Textile.

The Coalition is taking note of the program developed by EPE, IIED, ABECE, Teri-UK

7.4. Energy.

The Coalition expresses its support to the project "Renewable Energy addressing Poverty" presented during the Second Conference. The Conference underlined that

- Broader access to sustainable energy and energy services is a key condition for economic and social development.
- New investments should be geared to environmentally sound, innovative technologies such as renewables and end-use energy efficiency techniques.
- Need to develop cleaner technologies and need to push for their transfer.

7.5. Biodiversity.

The fact that there are serious diverging norms between the Convention on Biological Diversity (IUCN1994) and the TRIPs is a major source of concerns.

8. A Global deal requires addressing financing.

8.1. Debt and the challenge of financing Poverty reduction.

The Coalition noted that

- Debt reduction has to be challenged from a broader human development perspective.
- To challenge international institutions to genuinely integrate poverty reduction in their macro-economic policy

To change current borrowing and lending practises (more accountability, transparency, a monitoring system)

8.2. As Mrs Nenita Veran (Philippines) noted, poverty and investment requires addressing the need for

- More education
- Improvement of public service delivery (better macroeconomic and sectoral policies, better infrastructure) and accountability
- Strengthening access to credit by the poor

8.3. Convention on Wetlands (Iran, 1971)

Today, many agree that the implementation of Multilateral Environment Agreements is not satisfactory in most countries. The reasons why MEAs are not always well implemented are various and include the lack of political will, the lack of cultural sensibility from Convention Secretariats, the non existence of economic and trade incentives, structural roadblocks leading to a feeling of remoteness of these Conventions (no ownership feeling), and the feeling that MEAs are protecting the fauna and flora (ecosystems) but not people. Another important reason is the apparent or real lack of interest in poverty alleviation.

The Ramsar Convention Bureau, in collaboration with the European Rio+10 Coalition has therefore decided to organise a workshop in Brussels on “Sustainable Financial Mechanisms for Poverty Alleviation and Environmental Conservation”.

The Coalition invites trust funds in which European stakeholders are involved to review jointly with the Coalition their activities during the Third European Conference as those trust funds might be important players in the framework of a “Global Deal”.

8.4. ECA's

Export Credit Agencies are key governmental or semi-governmental institutes that support private, overseas activities, mostly related to global development, with taxpayer's money. The financial support provided by ECAs is larger than all multilateral development banks combined. ECAs support approximately 10% of world trade and 24 % of all developing country debt is owed to ECAs. The Jakarta Declaration on Reform of Official Export Credit Agencies and Investment Insurance Agencies, adopted by more than 300 NGOs by 2000, gives a good overview of the main points that European ECAs should review.

The Coalition invites the European ECAs to participate in the Third Conference as they could play a major role in a Global Deal.

9. A Global Deal needs to address “decoupling”.

The Coalition supports the European Council target to secure such decoupling by 2015.

The Coalition supports the proposal for convergence headlines SD indicators to implement the objectives of the EUSDS along the supply chain as proposed by EPE and WBCSD. The Coalition invites the Belgian Presidency and the Business Sector in partnership with the Coalition members to fix such supply chain management headlines indicators in view of the Barcelona European Council.

10. A Global Deal requires to addressing geo-political and security issues as the impact of poverty and population growth on common resources, the response to Climate Change and its impact on the poor and LDCs, and the need to tame conflicts.

11. A Global Deal requires indeed a new governance model, not in place yet. It requires “a new approach” by all sectors and will need later “negotiated agreements”. It can be build in view of Johannesburg 2002 and the Europeans could pave the way. The ongoing initiatives developed by the Coalition and/or its Members and presented during the Second Conference should be part of it. They are related to specific new partnership instruments such as

- European Sustainable Trade Centre
- Certification systems (Forest and Fisheries Stewardship)
- Standards such as the GRI
- Guidelines on Water pricing and people participation
- A FDI observatory
- An EU Institutions/Business/Civil Society Contact Group
- Region to Region Dialogues
- An Enterprise Agenda 21 Think Thank

12. A Global deal requires a New Diplomacy.

12.1. The Coalition will propose “benchmarks” as derived from Tom Spencer's presentation “Sustainable Development, Global Governance and the Role of Europe in the World”

- Promotion of a progressive sustainability vision within the EU
- Reform and strengthen global institutions: a new global architecture
- Need of a new partnership built to meet Europe's global responsibilities.

12.2. The Coalition invites the Spanish Presidency to launch an annual conference on a New Diplomacy.

On its agenda should be

- The implications of the EU Sustainable Development Strategy and the coming Commission Communication on the Global dimension of a EU SDS
- According to Dr Supachai “*The so-called integrated framework programme combining all the programmes of the World Bank, IMF, UNCTAD, WTO, UNID and ILO hasn't worked It is the joint responsibility of the 6 or 7 international institutions. The integrated framework programme must address the sustainable process of economic and social development. Some say funding is not sufficient, there are differences of viewpoints between the recipient and donor countries and that there was no coherence or co-ordination between all the programmes of these institutions concerned. There are multiple problems in this integrated framework. It is necessary to take a real serious look at this programme.*” The European Rio+10 Coalition would invite the Conference to examine this programme.
- According to Dr Supachai “*Discussion of trade and labour should be under the framework of 'trade and employment'. If trade cannot create employment, I don't think we should discuss labour rights. If you do not have jobs, you do not have any rights. Do an analysis that could pinpoint where should trade be pursued, so that trade can create jobs in all participating parties concerned and then can see how to improve labour standards based on that. Let not the WTO be the host but let the WTO be a party to this discussion led by the ILO*”
- The Trust Funds

13. The Coalition agrees to

- address the above conclusions to the European Council, the European Commission, and the European Parliament and stress the importance of tripartite partnerships as part of or in support to a Global Deal
- convene the Third European preparatory conference to review Tripartite Partnerships as part of or in support to a Global Deal.