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**EMERGING ISSUES AND DEVELOPMENTS AT THE REGIONAL LEVEL:
ENVIRONMENT AND SUSTAINABLE DEVELOPMENT**

(Item 6 (b) of the provisional agenda)

**REPORT OF THE COMMITTEE ON ENVIRONMENT AND SUSTAINABLE
DEVELOPMENT ON ITS THIRD SESSION**

Note by the secretariat

SUMMARY

The Committee on Environment and Sustainable Development, at its third session held at Bangkok from 7 to 11 October 1996, focused on a review of the progress in the implementation in the ESCAP region of the outcomes of the United Nations Conference on Environment and Development, held at Rio de Janeiro, Brazil in June 1992. It also focused on selected emerging issues in the implementation of Agenda 21, with reference to the work of the Committee. The Committee noted the role of ESCAP in linking efforts at the national and the global levels through its regional activities.

The Committee recognized that significant progress had been made in the Asian and Pacific region, both at the national and the regional levels, in the implementation of Agenda 21. It noted some direct responses to the implementation of international environmental conventions. Among the major constraints to the implementation of the outcomes of the Conference were the lack of financial resources and the lack of progress in the transfer of environmentally sound technology and in capacity-building. Those were the main constraints to the achievement of sustainable development. It reaffirmed the principles adopted and the agreements reached at the Conference and recommended that efforts should be intensified to implement Agenda 21 and that the obstacles to that implementation at the regional level should be removed. It also recommended that regional and subregional cooperation should be promoted as a supplement to national efforts to implement Agenda 21 expeditiously through training, forums for the exchange of experience, institutional networking and twinning of the institutions of developed countries with those of developing countries. In that connection, it recognized the special needs of landlocked and island developing countries.

The Committee noted that the recent trend towards integrating environment and social concerns into international trade agreements posed the risk of creating non-tariff barriers. It further noted that environmental and quality management standards, such as ISO 14000, were emerging as important tools. There was a need to assist many developing countries to promote institutional capacities, procedures and mechanisms for the introduction of those tools. The Commission might wish to urge the full implementation of the provision of Agenda 21 on technology transfer. It might also wish to reaffirm its resolution 52/7 of 24 April 1996 on the transfer of environmentally sound technology and emphasized the need to implement that resolution.

The Committee expressed concern that several hundred million people throughout the region still had no access to a safe water supply and adequate sanitation and that the investments needed for providing access over the next decade, especially in the rapidly growing urban areas, were far beyond the investment capacity of many governments in the region. The Commission might wish to recommend the adoption of appropriate water pricing policies to encourage private sector participation in infrastructure investment, to promote community participation, and to ensure the affordability of, and the accessibility to, safe drinking water by the poor.

In noting the high growth rate in the demand for energy in developing countries, the Committee recognized that the total consumption of the developing countries of the ESCAP region would still be low, in per capita terms, in the decades to come and that the energy consumption pattern was dominated by fossil fuels. The Committee recommended that detailed reviews should be made of the following: the means to raise energy efficiencies, clean coal combustion technology, rural energy supplies, the promotion of the role of the private sector in the development of power infrastructure, and trade in electricity and natural gas.

In order to help ensure a sustainable supply of mineral resources in the region, the Commission might wish to recommend the strengthening of the framework of effective national environmental policies related to mineral resources development and management, as deemed appropriate, including the promotion of private sector participation. The Commission was urged to continue its support for the integration of geoscience in land-use planning to enhance the sustainability of urban development in the region.

In recognizing natural disaster reduction as an integral part of sustainable development in the region, the Committee recommended that further efforts should be directed towards achieving the goals of the International Decade for Natural Disaster Reduction and the implementation of the Yokohama Plan of Action, which was adopted at the World Conference on Natural Disaster Reduction in 1994.

The Committee noted the importance of using a holistic approach in applying space technology. That approach should comprise natural resources and environmental management. The Committee called for further support in the development of spatial information infrastructure.

In noting the ongoing endeavours of the developing countries to mobilize domestic resources for financing sustainable development, the Committee recommended that further efforts should be made to improve the quality and effectiveness of resource flow, including official development assistance, and that the issue of setting up the regional funding mechanism should be resolved.

The Committee expressed satisfaction with the progress in the implementation of the activities under the programme of work and the recommendations made at its second session. It endorsed the outline of the programme of work and priorities, 1998-1999, as proposed by the secretariat. It also recommended that priority issues should be included as items in the agenda of its fourth session, to be held in 1997.

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**I. MATTERS CALLING FOR ACTION BY THE COMMISSION OR
BROUGHT TO ITS ATTENTION**

**A. Regional review of the progress achieved in the implementation of the outcome
of the United Nations Conference on Environment and Development,
in preparation for the Special Session of the General Assembly**

1. The Committee reaffirmed the commitment at the regional level to the principles adopted and agreements reached at the United Nations Conference on Environment and Development. It recommended that the efforts to implement Agenda 21 should be intensified.

2. It also recommended that the obstacles to the implementation of Agenda 21 and the Rio Declaration should be removed. Those instruments called for:

(a) The provision of new and additional financial resources and the meeting of the commitment of developed countries to reach the United Nations target of 0.7 per cent of gross national product for official development assistance (ODA), as stipulated in sections 33.1 and 33.13 of chapter 33 of Agenda 21, recognizing that some developed countries had reaffirmed a commitment to make their best efforts to increase their level of ODA;

(b) The promotion, facilitation, and financing, as appropriate, of the access to and the transfer of environmentally sound technologies and the corresponding know-how, in particular to developing countries, on favourable terms, including on concessional and preferential terms, as mutually agreed in chapter 34 of Agenda 21;

(c) The building of the capacities of developing countries, with assistance from the international community, to implement Agenda 21 at the national level, and the implementation of national obligations, particularly those that were related to major international conventions, consistent with the provisions of those conventions.

3. The Committee held the view that the introduction of environmental, and social clauses and ecolabelling into international trade agreements, being contrary to principles 11 and 12 of the Rio Declaration and detrimental to the international economy, should not be considered.

4. It also recommended that poverty eradication efforts should be stepped up. That was an overriding priority of developing countries and progress in that regard would bring about improvement in the state of the environment.

5. The Committee recognized the special needs of the small island developing countries and the landlocked countries and recommended that assistance to those countries in implementing Agenda 21 should be enhanced.

6. It also recommended that regional and subregional cooperation should be promoted as a supplementary means of implementing Agenda 21 expeditiously at the national level through training, forums for the exchange of experiences, institutional networking and the twinning of institutions of

developed countries with those of developing countries.

7. The Committee recommended that action should be taken, including the convening of an expert working group meeting as called for by the Commission in paragraph 139 (a) of the report on its fifty-second session, to prioritize the activities and translate the programme areas of the Regional Action Programme into portfolios of projects, taking into account diverse economic, social and environmental conditions as well as the need for a practical step-by-step approach.

B. Selected issues in the implementation of Agenda 21, with reference to the work of the Committee on Environment and Sustainable Development

1. Mutually supportive policies on the environment and technology

8. The Commission may wish to consider mobilizing the additional financial resources needed by the secretariat for the implementation of Commission resolution 52/7 of 24 April 1996 on the transfer of environmentally sound technology.

9. In view of the mid-term review of the implementation of Agenda 21 by the General Assembly at its forthcoming Special Session, the Commission may urge that the provision on technology transfer as elaborated in section 34.18 should be implemented fully and that support should be given to endogenous capacity-building in developing countries as elaborated in section 34.14(d) and in other relevant sections of Agenda 21. In that context, the Commission may wish to reaffirm its resolution 52/7 and emphasize the need to implement that resolution.

10. The Commission, in accordance with the policy guidance of the General Assembly and chapter 38 of Agenda 21, may stress the need for better cooperation and coordination with relevant agencies to promote cleaner production and environmental management for sustainable development.

2. Water management in urban areas: water pricing and investment promotion

11. The Commission may take note of the concern expressed by the Committee that several hundred million people throughout the region still had no access to a safe water supply and adequate sanitation, and that the investments needed to achieve the full coverage of both the rural and urban population over the next decade were far beyond the investment capacity of many governments in the region.

12. The Commission may draw the attention of its members and associate members to the fact that although water is a basic social need and must be accessible to all, it should be recognized as an economic good and therefore should be paid for, at prices to be established, taking into consideration country-specific conditions and the ability of the consumers to pay.

13. The Commission may recommend that its members and associate members consider and adopt appropriate water pricing policies and, where appropriate, encourage private sector participation in expanding and improving water supply and sanitation infrastructure and the promotion of community

participation.

14. The Commission may direct the secretariat to continue to assist its members and associate members in the formulation and application of appropriate water pricing policies. Where feasible, they should promote private sector participation in water supply and sanitation projects in order to expand and improve their water supply and sanitation infrastructure and services. Due regard should be given to community participation, particularly in poor areas, both rural and urban.

3. Other issues of natural resources management

15. With regard to the energy sector, the Committee recommended that a detailed review should be undertaken of the means to raise energy efficiencies, clean coal combustion technology, rural energy supplies, the impact of the increasing use of fossil fuels, the declining growth rate of primary electricity generation and the role of the private sector in power infrastructure development. The potential for trade in electricity and natural gas should also be reviewed within the context of subregional, regional and international cooperation.

16. The Commission may consider strengthening assistance to the members and associate members in formulating effective environmental impact assessment guidelines and policies related to mineral resources development and management. Those guidelines and policies should be suited to country-specific conditions.

17. The Commission may consider the need for updating information and data on minerals so as to help ensure a sustainable supply in the region. It may also wish to initiate a study on the role of host communities in mineral resource development with the main objective of providing for equity flows and other benefits for such communities, specifically in projects undertaken by the private sector.

18. The Commission is urged to continue its support for the Forum on Urban Geology in Asia and the Pacific (FUGAP), which is an effective framework for interdisciplinary communication between geoscientists, urban planners and decision makers for the purpose of enhancing the sustainability of urban development in the region.

19. The Commission may recognize that natural disaster reduction is an integral part of sustainable development in the region, and urge its members and associate members to strengthen their efforts to achieve the goals of the International Decade for Natural Disaster Reduction and the implementation of the Yokohama Plan of Action, which was adopted in 1994 at the World Conference on Natural Disaster Reduction.

20. The Commission may urge the members and associate members that are vulnerable to natural disasters to place greater emphasis on the prevention, preparedness and mitigation aspects of natural disaster reduction and to cooperate at the regional level in those activities. The Commission may wish to emphasize that a subregional approach should be taken to improve and coordinate early warning systems and that the community should be involved in disaster preparedness measures, hazard

monitoring, risk assessment, and prevention and mitigation measures.

21. The Commission may direct the secretariat to continue its substantive support for the ESCAP/WMO (World Meteorological Organization) Typhoon Committee and the WMO/ESCAP Panel on Tropical Cyclones so as to place high priority on the work of those intergovernmental bodies which were related to natural disaster reduction.

22. The Commission may direct the secretariat to accord high priority to space technology applications in its work programme as such technologies are powerful and effective tools for enhancing natural resources and environmental management in order to achieve the goals of national development in a holistic manner.

23. The Committee recommended that the development of spatial information infrastructure for natural resources and environmental management should be supported by donor countries and agencies and welcomed the ESCAP initiative to study and promote the regional Earth Space Information Network for Asia and the Pacific.

4. Financial issues relating to the implementation of Agenda 21 and the Regional Action Programme

24. The Committee expressed its concern that the international development assistance that was envisaged in chapter 33 of Agenda 21 had not been forthcoming. It recommended, therefore, that international financial flows in the region should be reviewed periodically. It urged the developed countries to honour their commitment, made under chapter 33 of Agenda 21, to provide new and additional financial resources for the implementation of Agenda 21. The Committee held the opinion that the issue of setting up the regional funding mechanism, when necessary, as recommended by the Ministerial Conference on Environment and Development in Asia and the Pacific, held in November 1995, should be discussed further and resolved at an early date.

25. The Committee held the view that the members and associate members of ESCAP should work with intergovernmental organizations to improve the quality and effectiveness of resource flows, including ODA, and should also explore the increased use of economic and other innovative instruments as a means of financing environmentally sound and sustainable development, in line with the recommendations of the United Nations Conference on Environment and Development.

26. In view of the implications and complexities involved in the promotion of economic and other instruments, the Committee recommended that the countries should study the economic and social implications of those instruments to determine which were the most appropriate instruments to be promoted at the national level.

II. PROCEEDINGS OF THE COMMITTEE

A. Regional review of the progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development, in preparation for the Special Session of the General Assembly

27. The Committee conducted a regional review of the progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development, in preparation for the Special Session of the General Assembly. Country papers were submitted and statements made by the delegations as contributions to that review.

28. The Committee also had before it the document entitled, "Regional review of progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development in preparation for the Special Session of the General Assembly" (E/ESCAP/ESD(3)/9).

29. The Committee recognized that significant progress had been made in the Asian and Pacific region, at both the national and the regional levels, in the implementation of Agenda 21.

30. At the national level, members and associate members had formulated and were implementing their action plans and strategies, including the development of institutions and their coordination mechanism, the revision or improvement of legislation, the involvement of major groups and stakeholders in promoting sustainable development and the eradication of poverty, the promotion of mutually supportive trade and environment regimes, and the augmentation of financial and human resources for achieving environmentally sound and sustainable development.

31. At the regional level, the convening in Bangkok in 1995 of the Ministerial Conference on Environment and Development in Asia and the Pacific, and the adoption of the related Ministerial Declaration and Regional Action Programme were considered significant steps along with the promotion of regional and subregional cooperation. The Committee noted with appreciation subregional cooperation on sustainable development through the South Asia Cooperative Environment Programme (SACEP), the ASEAN Senior Officials on Environment (ASOEN) and the South Pacific Regional Environment Programme (SPREP), as well as the efforts undertaken in promoting environmental cooperation in North-East Asia where countries had successfully adopted the Framework for the North-East Asian Subregional Programme of Environmental Cooperation, at the Third Meeting of Senior Officials on Environmental Cooperation in North-East Asia, held in Mongolia in September 1996. It also noted the progress achieved in the development of the Regional Seas Action Plans in the South Asian Seas region and the North West Pacific Region and the progress achieved in the implementation of the East Asian Seas Action Plan.

32. The Committee noted with appreciation the efforts of the Government of Japan to promote the acid precipitation monitoring network in East Asia and the establishment of linkages with regional programmes and projects related to climate change, biodiversity and the marine environment. It also noted the efforts made by the Government of the Philippines in holding regional conferences on various issues related to Agenda 21.

33. The Committee noted with appreciation the concrete achievements made in some countries of the region in developing national legislation in direct response to the implementation of their commitments under the international conventions.

34. The Committee, while deliberating on the unfulfilled expectations of and the major constraints to the implementation of the outcomes of the United Nations Conference on Environment and Development, noted the lack of financial resources as the main constraint to the achievement of sustainable development. Many delegations expressed disappointment that the developed countries were not meeting the commitments made at Rio, particularly with regard to the official development assistance target of 0.7 per cent of gross national product. While commending some of the developed countries, such as Denmark, Finland, the Netherlands, Norway and Sweden, for fulfilling their obligation to meet the 0.7 per cent target of ODA, the Committee urged that other developed countries should honour their commitments made at the Conference. Furthermore, new and additional financial resources should be provided to ensure prompt and effective implementation of Agenda 21.

35. The lack of progress in environmentally sound technology transfer and capacity-building were noted as the two other major constraints in the implementation of Agenda 21. The Committee stressed the need for the transfer of environmentally sound technology on favourable and, where appropriate, non-commercial terms in line with the provisions of chapter 34 of Agenda 21, including capacity-building in the developing countries of the region.

36. The Committee showed concern at the attempt to introduce environmental and social clauses and ecolabelling into international trade agreements. It expressed the view that those could become non-tariff trade barriers, thereby hampering economic development in the developing countries of the region. The Committee requested the international community to reject the introduction of such items, as they could be detrimental to global free trade.

37. The Committee held the view that environmental degradation was closely linked to poverty, unsustainable resource exploitation, deforestation, and soil erosion. It expressed concern over rapid population growth and the accelerating pace of urbanization. Governments were urged to strengthen mechanisms to alleviate poverty and promote integrated policies on population, development and the environment within the countries. The Committee noted that a regional conference on the implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and its Regional

Implementation Annex for Asia had been held in New Delhi in August 1996. It further noted that, in connection with the Convention, a Ministerial Meeting would be held in China in 1997 to discuss matters relating to Asian regional cooperation and the Regional Implementation Annex for Asia.

B. Selected issues in the implementation of Agenda 21, with reference to the work of the Committee on Environment and Sustainable Development

1. Mutually supportive policies on the environment and technology

38. The Committee had before it document E/ESCAP/ESD(3)/1.

39. The Committee, in general, endorsed the recommendations made in the document on the need to establish mutually supportive policies on the environment and technology which could be considered at the national, regional and international levels. It was noted that while economic instruments and various non-regulatory measures might be useful in promoting sustainability, the adoption of economic instruments and related measures must be subject to decisions by sovereign States and must not be imposed from outside. It was also necessary to maintain regulatory oversight and standards geared to local conditions, needs and priorities.

40. The Committee noted that new environment and quality management standards, such as ISO 14000, were emerging as important tools to assist in the implementation of cleaner production and sustainable practices, and a number of developing countries of the region, such as India and the Philippines, had already taken initiatives in that area. There was a need to assist many other developing member States to establish procedures and the institutional capacity for the adoption by industry of such standards. There was also a need to assist governments and other agencies in setting up mechanisms and building the requisite capacity for certifying that industry conformed to the standards. However, environmental standards should not be imposed from outside or used as disguised conditionality for non-tariff trade barriers.

41. The Committee held the view that for the successful transfer, adaptation, development and utilization of environmentally sound technologies, endogenous capacity-building was of paramount importance and would be required in such areas as human resources development, research and development, information availability and dissemination, and the establishment of local technical promotion institutions. Furthermore, concern was expressed that since many developing countries lacked adequate financial and physical resources, there was an urgent need to have environmentally sound technologies transferred to them from developed countries on favourable or concessional terms.

42. Some delegations called for an accurate interpretation and analysis of international conventions dealing with sustainable development and issues related to the environment, as well as their objectives and provisions related to the transfer of technology.

2. Water management in urban areas: water pricing and investment promotion

43. The Committee, while discussing document E/ESCAP/ESD(3)/2, took note of the information presented by various delegations on the activities being undertaken in their respective countries concerning the formulation and enforcement of water pricing policies, as well as the promotion of private sector investment in delivering urban water supply and sanitation services.

44. The Committee noted that many countries in the Asian and Pacific region were coming under severe pressure to improve and extend their urban water supply and sanitation infrastructure in order to provide those basic services to several hundred million people throughout the region who still had no access to a safe water supply and adequate sanitation. The strain was particularly severe in a large number of rapidly expanding cities, which were demanding a progressively greater share of water resources for domestic, municipal and industrial users, and were, at the same time, polluting those resources with their wastes. The failure to meet the increasing requirements for urban water and sewerage infrastructure could inevitably result in faltering progress in social and economic development at the national level and cause degradation of the environment in large areas throughout the region.

45. The Committee observed that in many countries recent industrialization and population growth in urban areas had brought about increased water demand requiring costly expansion of water supply and sanitation infrastructure and services, particularly for dependable water supply. Recent information was provided by some countries on their water management and water conservation activities as well as recent legislation on various aspects of water use.

46. The Committee recognized that one of the main policies for achieving effective urban water demand management was to establish and implement water pricing policies that encouraged efficient use and discouraged waste. Urban water should no longer be treated as a free commodity. Consideration could be given to requiring payment for the use of water by all user sectors in order to achieve sustainable and environmentally sound urban water resources development and management. Water pricing played an important role in the management of urban water supply systems because realistic water prices, when properly introduced and administered, could help to ensure the efficient use of water, meet operation and maintenance costs, recover capital investments, generate funds for the extension of urban water supply services to new areas and protect the environment by reducing the quantity of wastewater.

47. The Committee, while endorsing the water pricing policy aimed at the eventual recovery of operation and maintenance and, where possible, capital investment costs, emphasized the need to take into account the ability of consumers to pay. It urged that due emphasis should be given to social considerations in formulating guidelines on appropriate water pricing policies and structures in urban areas to ensure the affordability of safe drinking water and its accessibility by all, especially the poor segment of the population. While privatization would generally mean full recovery of costs, Governments would still have the obligation to facilitate the access to safe water supply and sanitation for all the people, including the poor. The Committee recognized that there would be situations in

which the charging of full-cost tariffs might be inappropriate for poor communities. In such situations the necessary obligations should be fulfilled mainly by the Government.

48. The Committee observed that improving the efficiency of the operation and maintenance of the water supply system would minimize system losses through leaks and contribute towards water conservation. Improved water metering, billing and collection, as well as the eradication of illegal connections would boost revenues and help recover investments.

49. The Committee expressed the view that a set of multilevel prices would be needed for different water use sectors in various areas and the prices could be based on increasing the block rates to promote water conservation, with due consideration given to the affordability by the poor of the community. The Committee placed emphasis on the promotion of community participation in the extension of water supply and sanitation infrastructure, as well as on the dissemination of low-cost water supply and sanitation technology.

50. The Committee noted that the water supply and sanitation sectors had to compete with other infrastructure sectors and municipal services for limited funds. The lack of adequate funds were the main constraint for water supply and sanitation and infrastructure development in most countries in Asia and the Pacific. Significant investment, several times larger than the funding that could currently be mobilized, was required in order to provide a safe water supply and adequate sanitation at accelerated rates. However, any sharp increase in the current level of investment in the water supply and sanitation sector by central governments and provincial and city administrations appeared to be unlikely in the near future. Although investments from the private sector were still marginal in comparison with the investments needed to meet water demands and sanitation requirements in the region, there was growing recognition that the private sector could play an important role in the generation of financial resources and in the delivery of the required water supply and sanitation services. There was also a definite need to develop and promote awareness among governmental officials of the implications of water pricing and private sector participation in the water industry.

51. The Committee urged the secretariat to continue its activities aimed at appropriate recommendations for the formulation and application of proper water pricing policies and the promotion of private sector participation in urban water supply and sanitation projects with a view to assisting the countries concerned in the expansion or improvement of their water supply and sanitation services. It was also suggested that the secretariat should include the matter of rural water supply in its work.

3. Other issues of natural resources management

52. The Committee had before it the document entitled, "Selected issues in the implementation of Agenda 21, with reference to the work of the Committee on Environment and Sustainable Development: other issues of natural resources management" (E/ESCAP/ESD(3)/3), and an information document entitled "Asian and Pacific energy scene and trends" (ENR/ESD(3)/INF.2 and Corr.1), containing background information on energy.

53. The Committee took note of the analysis of the energy consumption trend in the region. The analysis covered the period 1970-1990. It recommended that information should be gathered from the energy master plans of members and associate members and from reliable historical and current statistics so as to improve the report by putting it in a truly historical perspective.

54. The higher growth rate of energy demand in developing countries was attributable to the late beginning of their industrialization process, which in many cases had started only after the end of the Second World War, as well as to their recent higher-than-world-average economic growth rate, high population growth, rapid urbanization and less efficient energy use. While it recognized that the energy consumption pattern was dominated by fossil fuels, the total consumption of the developing countries of the ESCAP region would still be low in per capita terms in the decades to come.

55. The Committee recognized the importance of rural energy supplies and suggested that a more detailed review should be made.

56. The Committee noted that the environmental and other concerns over the increasing use of coal, particularly in the power sector, were shared by many countries of the region. It stressed the importance of raising energy efficiency. It was suggested that the experience of different countries in dealing with that issue should be reviewed in more detail. The Committee noted with appreciation the training courses on coal technology being organized by Australia within the framework of the Programme for Asian Cooperation on Energy and Environment (PACE-E). It also recognized the role of the private sector in infrastructure development related to the energy sector and noted that the public sector would also continue to play a major role in such activities and others related to power generation.

57. The Committee noted that there was apparent stagnation in the growth rate of primary electricity (nuclear, hydro and geothermal). Moreover, the economics of power generation were changing owing to additional costs for the mitigation of environmental impact. It was suggested that the related issues needed more detailed analysis.

58. The Committee recognized the potential for trade in electricity and natural gas through subregional and regional cooperation. Initiatives taken by ASEAN (Association of South East Asian Nations) countries were highlighted. It was suggested that efforts should be made to foster support from other subregional groupings and international agencies for such initiatives.

59. With regard to mineral resources development, the Committee stressed the need for such activities to be undertaken within the framework of effective national environmental policies. The Committee was also concerned with the mineral supply and demand scenarios within the Asia-Pacific region and the role of host communities in mining and downstream activities related to mineral resources development specifically with private sector participation in some countries of the region.

60. The Committee also expressed its support for ESCAP in undertaking a project on the assessment of the mineral resource potential in North-East Asia in accordance with nationally agreed

environmental practices.

61. The Committee commended the ESCAP secretariat for making recommendations on appropriate legal, fiscal and administrative reforms in its member countries aimed at creating a conducive environment for the exploration and development of mineral resources. The recent advisory and training activities had catalysed cooperation among the relevant countries of the region. However, it was stated that the secretariat should avoid duplication of efforts.

62. The Committee expressed support for the efforts made by the ESCAP secretariat to bring about the integration of geoscience in land-use and urban planning, including natural disaster mitigation. While noting the importance of geological data in assessing and redressing the impacts of urban and industrial development, both on the economy and the environment of cities, the Committee acknowledged that the damage caused by ignoring geological conditions could perhaps be mitigated, but rarely repaired. The use of geodata at an early stage of planning was seen as most effective in avoiding the mistakes made in many cities. As urban growth on an unprecedented scale was to be anticipated in the ESCAP region, the Committee considered it useful to provide appropriate recommendations for the planning of the many new urban development areas in the member countries.

63. The Committee further noted that as the urban poor suffered the most from a deteriorating urban environment, any activity aimed at repairing or avoiding such conditions was in fact contributing to the alleviation of urban poverty. It, therefore, commended the secretariat for having established the Forum on Urban Geology in Asia and the Pacific (FUGAP), and expressed the hope that it would continue to provide an effective framework for communication between the geoscience community on the one hand and urban planners and decision makers on the other.

64. The Committee noted with satisfaction the intention of the Netherlands to continue its support for ESCAP activities in environmental and urban geology for sustainable development of fast-growing cities and other ongoing activities in that field. It urged member countries to join in those initiatives, both on a national and a regional basis. It agreed that ESCAP was the most appropriate forum for discussing any issues related to urban development in the region.

65. The Committee, recognizing that natural disaster reduction was an integral part of sustainable development in the region, noted the following national and regional efforts directed towards natural disaster reduction since the beginning of the International Decade on Natural Disaster Reduction was launched in 1990;

(a) National committees on the Decade and other mechanisms to coordinate disaster reduction activities in implementation of the Yokohama Declaration and Plan of Action of the second World Conference on Natural Disaster Reduction, held in Yokohama, Japan in May 1994.

(b) Substantial progress already achieved in some parts of the region with regard to early warning systems. It recommended that greater emphasis should be placed on improving and expanding forecasting and early warning services, especially in disaster prone areas of the region, where such systems had not yet been adequately established.

66. The Committee emphasized the subregional approach to improving and coordinating early warning systems, in particular cooperation among countries in the region vulnerable to similar natural hazards. It also placed emphasis on monitoring, risk assessment, mapping and other disaster preparedness, prevention and mitigation measures.

67. The Committee also stressed the importance of involving the community in disaster preparedness measures. It called for additional emphasis to be placed on community awareness programmes and educational programmes on warning systems and other aspects of disaster preparedness and prevention in line with the approach adopted in the Yokohama Plan of Action.

68. The Committee noted the substantive support that ESCAP had been providing to the ESCAP/WMO Typhoon Committee and the WMO/ESCAP Panel on Tropical Cyclones over the years. It also noted that a number of other arrangements addressed comprehensive disaster management in the region. It requested ESCAP to work with those mechanisms.

69. The Committee noted with interest that space technology applications had been put into operation in some countries of the region in fields such as communications, television broadcasting, education, disaster management and natural resources and environmental monitoring and management. Remote sensing and GIS were being used in many countries for a wide range of applications, including forestry, wetlands management, agricultural crop yield estimations, drought assessment and monitoring, water resources development, land-use planning and delineation of claims over ancestral domains.

70. Integrated uses of space technology applications were very important and useful for the ESCAP region. The ESCAP secretariat, with its comparative advantage and expertise, had done very useful work during the last few years in promoting such applications in the region. The Committee recommended that the timely and effective efforts of ESCAP in coordinating regional cooperation should be further supported.

71. The Committee welcomed the initiatives of countries such as Australia in implementing national projects that contributed to the Regional Space Applications Programme for Sustainable Development (RESAP) through activities such as the development of a CD-ROM on resources relating to Earth observation to assist schools and developing countries in the study and application of remote sensing for resource management and related sustainable development objectives and a pilot demonstration to exchange natural resource data derived from space among countries of Asia and the Pacific through information technology.

72. The Committee recognized that the success of RESAP was largely attributable to the strong financial support and the provision of experts from the participating countries as well as to the bilateral and multilateral donors such as UNDP. It acknowledged with appreciation the support, in the amount of US\$ 200,000, provided by France for RESAP activities. It also expressed appreciation to the Government of Pakistan for the secondment of a senior remote sensing expert to assist the secretariat in the full implementation of RESAP.

73. The Committee noted the information provided by the International Telecommunication Union highlighting in particular its work programme in the area of mobilizing the necessary resources to enable interested developing countries to implement pilot projects using telecommunication and information technologies for sustainable development. The United Nations Environment Programme provided information on its implementation of Agenda 21 with reference to the work of the Committee.

4. Financial issues relating to the implementation of Agenda 21 and the Regional Action Programme

74. The Committee reviewed document E/ESCAP/ESD(3)/4 on financial issues relating to the implementation of Agenda 21 and the Regional Action Programme. The document was considered informative and useful in highlighting major issues.

75. There were three basic sources of financial resources for the implementation of Agenda 21: domestic, private sector, and new and additional financial resources including ODA. Countries were endeavouring to mobilize domestic resources, to the extent possible, in order to finance sustainable development. Those efforts needed to be augmented through increased flows of international development assistance, including ODA and concessional financing. There had been encouraging developments relating to private sector participation in partnership with governments in promoting sustainable development activities in the region.

76. The Committee urged the developed countries to honour their commitments on the following: (a) new and additional financial resources, in accordance with paragraph 33.1 of Agenda 21; (b) reaching the accepted United Nations target of 0.7 per cent of GNP for ODA, in accordance with paragraph 33.13 of Agenda 21; (c) bilateral assistance programmes, as mentioned in paragraph 33.14(d); and (d) debt-relief, as mentioned in paragraph 33.14(e) of Agenda 21.

77. The Committee stressed that the commitments made by the developed countries in chapter 33 of Agenda 21 should not be diluted simply because of the likelihood of the increased availability of financial resources through the use of economic instruments and the promotion of innovative financing mechanisms.

78. The Committee reaffirmed the view expressed in Agenda 21 that economic growth, social development and poverty eradication were the first and overriding priorities for developing countries and were essential to meeting national and global sustainability objectives. Those programmes should, therefore, receive adequate priority in funding environmentally sound and sustainable development.

79. The Committee expressed its concern that regional and subregional activities had not received adequate attention in the follow-up to the implementation of Agenda 21. The Committee stressed that regional and subregional activities provided an important link between actions at the national and international levels. There was a need to stimulate enhanced interest in such regional and subregional issues.

80. The Committee considered that the five generic areas identified in the document for regional and subregional efforts could be significant items for concessional financing. Those areas were: (a) recommendations on the adoption of common action programmes for integrating environmental and developmental concerns at regional and subregional levels, as appropriate; (b) the facilitation of science and technology; (c) recommendations on tackling transboundary environmental problems; (d) the protection of vulnerable ecosystems and repair of past damage; and (e) the acceleration of capacity- and institution-building. However, it would be inappropriate to push those areas of regional strategic planning which linked a country's environmental policies with internalized environmental externalities including the harmonization of environmental standards. It noted the recommendations of the Commission on Sustainable Development on the importance of developing activities for implementation at global and regional levels. The national reports and country papers submitted at various sessions to the Commission on Sustainable Development and the Committee on Environment and Sustainable Development could form a basis of developing such programmes.

81. The Committee noted that environmental degradation in developing countries was a complex issue with historical causes and current constraints. It recommended that policy reforms should be aimed at removing the root causes of environmental degradation and mismanagement, and implementing Agenda 21.

82. The Committee considered that the promotion of economic and other instruments, such as full-cost pricing of natural resources and tradable permits, was a complex and controversial issue. The imposition of those instrument from outside would constitute an infringement of national sovereignty. A number of delegations, therefore, felt that the implementation of tradable permits at the international level was inappropriate.

83. The Committee noted that ESCAP had an important role to play in assessing the actual needs of

the members and associate members in order for them to utilize fully the existing resources as well as bilateral and multilateral funding resources for promoting sustainable development activities. It was mentioned that the restructured Global Environment Facility should play an important role in providing financial assistance for the implementation of Agenda 21. The regional development banks and financial institutions also had an important role to play in that regard.

C. Programme planning and implementation

Programme of work, 1996-1997 and proposed programme changes; and recommendations of the Committee on Environment and Sustainable Development at its second session

84. The Committee noted with satisfaction the progress achieved in the implementation of activities under the subprogramme of work for the biennium 1996-1997 on environment and sustainable development and in the implementation of the recommendations of the Committee at its second session.

85. It took note of the secretariat's efforts to improve progress reporting so as to facilitate monitoring. It expressed appreciation of the conclusions on important achievements and related driving forces in the implementation of the Committee's previous recommendations. However, it recorded serious concern about the lack of financial resources available to the members and the ESCAP secretariat in that regard.

86. The Committee underlined the importance of supporting national efforts in the implementation of Agenda 21 and the Rio Declaration with a view to enhancing regional synergy for the maximum possible substantive contribution to the global efforts to achieve the goals of sustainable development. There was a need to undertake regional efforts within the current framework of the Commission on Sustainable Development and thus it was necessary to maintain a regional forum for such substantive contribution.

87. Close cooperation between ESCAP and other subregional organizations, such as the Mekong River Commission, the Coordinating Committee for Coastal and Offshore Geoscience Programmes in East and Southeast Asia (CCOP) and CITYNET (Regional Network of Local Authorities for the Management of Human Settlements) was highly appreciated by the Committee as it contributed to the effective and efficient use of available resources. The Committee took special note of the fact that a formal working agreement had been reached between ESCAP and CCOP.

88. The Committee commended the work of ESCAP in the promotion of energy efficiency. It urged that additional operational activities be carried out to strengthen the capability of governments to formulate and implement policies related to energy development and management.

89. The Committee commended the secretariat on its excellent work in carrying out the many activities under the framework of RESAP, such as the organization of seminars and workshops and training fellowships, the execution of pilot projects and studies on space information networks, and the

facilitation of information exchange through technical publications. The resulting sharing of expertise was highly beneficial to the member countries. It recommended that RESAP should continue to organize such activities in the future.

90. The Committee noted with appreciation that a number of activities under RESAP had been organized with support from both the government agencies and the private sector of Japan. It recommended that the secretariat should continue to seek such support in implementing RESAP.

91. The Committee expressed its appreciation to the secretariat for the promotion of regional cooperation on the environment in North-East Asia and, in particular, for organizing the Third Meeting of Senior Officials on Environmental Cooperation in North-East Asia, held at Ulaanbaatar, from 17 to 20 September 1996. That Meeting had adopted the Framework for the North-East Asian Subregional Programme of Environmental Cooperation and had agreed that on-site workshops on clean coal-fired power plant technology should be conducted. The support of Japan and the Republic of Korea for that activity was welcomed.

92. The Committee commended the work undertaken by the environment and water resources sections, and the other divisions of the secretariat which had been involved in the implementation of the subprogramme on environment and sustainable development.

93. In its consideration of the document on "Programme planning and implementation: recommendations of the Committee on Environment and Sustainable Development at its second session" (E/ESCAP/ESD(3)/6), the Committee was in general agreement with the summary of the conclusions but requested that financial constraints should also be reflected.

94. With regard to the proposed deletion of the study on the economic aspects of the use of less hazardous pesticides and integrated pest management, the secretariat explained that, although extrabudgetary resources had not been forthcoming as expected, several related activities had been initiated and carried out with regular budget resources. A number of delegations noted that the study was worthwhile and in the interest of many member countries, and it should not be dropped but postponed to the biennium 1998-1999 so that resources for its implementation could be mobilized.

**Medium-term plan, 1998-2001; and outline of the programme of work, 1998-1999:
subprogramme on environment and sustainable development**

95. The Committee reviewed document E/ESCAP/ESD(3)/7 and made comments which were noted by the secretariat.

96. Some delegations noted that changes as reflected in the revised text of the proposed medium-term plan, 1998-2001, relating to the subprogramme on environment and sustainable development were made to comply with the decision of the General Assembly that congruence between the programmatic and organizational structures of the secretariat would be desirable in order to foster the link between the plan and the programme budget.

97. In connection with the medium-term plan and the outline of the programme of work, 1998-1999 for the subprogramme on environment and sustainable development, the Committee noted the role of the secretariat and the Committee in linking efforts at the national level with those at the global level, in the transfer of technology and in the exchange of experiences and the dissemination of information for sustainable development. The Committee also highlighted the important role of that forum in filling in the gaps in the regional picture of sustainable development and in making sure that such a regional picture was accurate and as up to date as possible.

98. The Committee reviewed document E/ESCAP/ESD(3)/10 and generally agreed with its contents. The Committee held the view that the indicative outline, after revision in line with the guidance given, could serve as the basis for formulating the programme of work, 1998-1999 for the subprogramme on environment and sustainable development.

99. The Committee made the following comments and changes:

- (a) Under the work programme on international environmental conventions and conferences; published material:

Information material on relevant international conventions, in accordance with convention provisions and decisions of relevant conferences of the parties;

- (b) Under the work programme on energy resources development and management; group training, seminars and workshops:

Promotion of energy efficiency and of clean coal combustion technology in coal-fired power plants in the region

Consolidated information on energy-efficiency-raising technology and on their transfer to developing countries as elaborated in Commission resolution 52/7

Power system planning and management, clean technologies, especially in coal-fired power plants

- (c) Under the work programme on water resources development and management; group

training, seminars and workshops:

Activities should include groundwater management for developing island countries and water management in large cities and island cities

- (d) Under the work programme on mineral resources development and management:

Group training, seminars and workshops should cover living marine resources development for small island developing States

Coordination, harmonization and liaison should also include the Economic Cooperation Organization (ECO)

100. The Committee also highlighted the importance of the private sector for sustainable development and recommended more direct interaction between ESCAP and the private sector.

D. Future work

101. The Committee had before it the document entitled "Future work of the Committee" (E/ESCAP/ESD(3)/8).

102. Without prejudice to the outcome of the Commission review on its restructuring, to be submitted to its fifty-third session in April 1997, the Committee felt that a forum for the discussion on environment and sustainable development issues from a regional perspective within ESCAP should be maintained.

103. The Committee recommended that its next session would focus on the following topics, taking into full account the aspects on capacity-building and public awareness raising:

- (a) Environmental aspects of coal-based energy and its more efficient use;
- (b) Environmental aspects of mineral resources development;
- (c) Major issues of integrated development and the management of water resources;
- (d) Mitigating the impact of natural disasters by promoting the development of space information infrastructure and encouraging its effective use for natural hazard prediction and monitoring and disaster management;
- (e) Refinement and promotion of methodologies for the integration of environment and development.

104. The Committee also made the following changes under paragraph 20 on pages 5 and 6 of the document:

(a) Under **Energy**, ~~for~~ 1. Structural change of the energy sector resulting from emerging issues such as environment, financing and privatization

~~the Committee substituted~~ 1. Promotion of technological innovations aimed at raising energy efficiency and reducing pollution.

(b) Some additional phrases were suggested to the list of topics to render the meanings more exact, appropriate and relevant. For example, under **Environment**, to the phrase

Implementation of the conventions on desertification, climate change and biodiversity

~~the Committee added~~ in accordance with convention provisions and decisions of relevant Conference of the Parties.

Some words were suggested to be substituted. For instance, under **Minerals**, in line 3 ~~for~~ enhancing ~~the Committee substituted~~ encouraging.

(c) Under **space technology applications**, the phrase human development and poverty alleviation in terms of

was deleted, and in line 3 the following phrase was added

to promote sustainable development.

E. Other matters

105. The Committee discussed the need of the secretariat to respond to the request of the Commission on Sustainable Development at its fifth session and the General Assembly at its Special Session for input to the regional review of progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development in preparation for the Special Session of the General Assembly. The Committee suggested that the input to be submitted should be revised and condensed. It should include progress made, constraints encountered and future efforts in the implementation of Agenda 21, in line with the comments and suggestions made by the delegations at the Committee session.

106. The Committee requested the secretariat to look into the possibility of disseminating the secretariat's documents to future sessions of the Committee through the World Wide Web on the Internet. The distribution of printed documents should continue.

III. ORGANIZATION OF THE SESSION

A. Opening, duration and organization of the session

107. The third session of the Committee on Environment and Sustainable Development was held at Bangkok from 7 to 11 October 1996.

108. The Executive Secretary of ESCAP welcomed HE Mr Samak Sundaravej, Deputy Prime

Minister of the Government of Thailand to the opening session and the delegations to the third session of the Committee on Environment and Sustainable Development.

109. In his inaugural address, the Deputy Prime Minister observed that the third session of the Committee was a special occasion in the collaborative efforts of ESCAP. Members and associate members could look back on the past achievements and review ongoing activities with a view to identifying new common priorities and a shared vision for sustainable improvement in the quality of life and environmentally sound prosperity in the Asian and Pacific region.

110. Referring to the phenomenal rate of economic growth in the region during the past decade, the Deputy Prime Minister stated that such dramatic growth had also been accompanied by the increased gravity of threats to the environment, which was a complex subject for decision-making. There was a need for all countries in the region to make their utmost efforts to tackle environmental issues, and to coordinate and complement national environmental programmes.

111. Degradation of the urban environment in the rapidly developing countries of the region was a major issue. New and innovative methods were needed for urban planning, the development of transport systems and other infrastructure, and for addressing social issues.

112. The Deputy Prime Minister emphasized the recognition by the Thai Government of the work and achievements of ESCAP in its thematic programme on environment and sustainable development. He called on the Committee to make further contributions to a detailed and effective programme of work to help usher in a new environment order and guide the region to the goals of sustainable development with greater hope and confidence in the next century.

113. The Executive Secretary, in his opening statement, referred to the responses to a questionnaire on the reform of ESCAP. He observed that it appeared that most of the countries would like to see ESCAP provide stronger focus on regional cooperation in the field of environment and sustainable development, especially for the transfer of technologies, and as a forum for coordinating regional efforts to solve regional environmental problems. He also referred to the recommendations of the respondents for ESCAP that progress in the implementation of Agenda 21 in the region should continue to be monitored, that concrete measures should be sought for regional environmental problems, that subregional approaches to issues should be promoted and that regional development strategies should be evolved.

114. Reflecting on the diversity and complexity of the environmental dimensions of economic and social development in the region, and referring to the catalytic role of ESCAP in the overall development process, the Executive Secretary invited all the representatives to participate actively in the current session to ensure effective guidance of the Committee in formulating regional strategies for the work of the secretariat and in prioritizing its activities.

115. The Executive Secretary briefly reviewed the main features of and the major activities on environmentally sound and sustainable development in the region. Apart from various significant gains

in national efforts to tackle environmental and development issues, he emphasized the important outcomes of the Ministerial Conference on Environment and Development in Asia and the Pacific, which was held in 1995, particularly in defining the emerging priorities in the region.

B. Attendance

116. The session was attended by the following members and associate members of ESCAP: Australia, Bangladesh, China, Democratic People's Republic of Korea, France, India, Indonesia, Iran (Islamic Republic of), Japan, Kiribati, Lao People's Democratic Republic, Malaysia, Maldives, Myanmar, Nepal, Netherlands, Pakistan, Philippines, Republic of Korea, Russian Federation, Sri Lanka, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uzbekistan, Viet Nam, Guam and Macau.

117. Representatives of Chile, Germany and South Africa also attended the session, in accordance with paragraph 9 of the terms of reference of the Commission.

118. The following United Nations bodies and specialized agencies were represented: United Nations Children's Fund, United Nations Development Programme, United Nations Centre for Human Settlements (Habitat), United Nations Environment Programme, United Nations Population Fund, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, World Health Organization, World Bank, International Telecommunication Union and United Nations Industrial Development Organization.

119. Observers from the following intergovernmental organizations, non-governmental organizations and other agencies also attended: Asian and Pacific Development Centre, South Asia Cooperative Environment Programme, International Federation of Business and Professional Women and Regional Network of Local Authorities for the Management of Human Settlements.

C. Election of officers

120. The Committee elected Mr Teken Tokataake (Kiribati) chairperson, Mr Zhong Shukong (China), Ms Malti Sinha (India), Mr Soukata Vichit (Lao People's Democratic Republic), Mr Guillermo Balce (Philippines) and Mr Suphavit Piamphongsant (Thailand) vice-chairpersons and Mr Guillermo Balce (Philippines) rapporteur.

121. On the recommendation of the chairperson, a Working Group was set up for the purpose of preparing the draft report of the Committee. Mr Suphavit Piamphongsant (Thailand) was designated chairperson of the Working Group assisted by Mr Guillermo Balce (Philippines) as rapporteur.

D. Agenda

122. The Meeting adopted the following agenda as contained in document E/ESCAP/ESD(3)/L.1/Rev.1.

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Regional review of the progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development, in preparation for the Special Session of the General Assembly.
5. Selected issues in the implementation of Agenda 21, with reference to the work of the Committee on Environment and Sustainable Development:
 - (a) Mutually supportive policies on the environment and technology;
 - (b) Water management in urban areas: water pricing and investment promotion;
 - (c) Other issues of natural resources management;
 - (d) Financial issues relating to the implementation of Agenda 21 and the Regional Action Programme.
6. Programme planning and implementation:
 - (a) Programme of work, 1996-1997 and proposed programme changes;
 - (b) Recommendations of the Committee on Environment and Sustainable Development at its second session;
 - (c) Medium-term plan, 1998-2001;
 - (d) Outline of the programme of work, 1998-1999: subprogramme on environment and sustainable development.
7. Future work of the Committee.
8. Other matters.
9. Adoption of the report.

E. Adoption of the report

123. The Committee adopted the report on its third session on 11 October 1996.