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#### HIGH-LEVEL MEETING

# Policy issues that may be addressed at the high-level meeting of the third session of the Commission on Sustainable Development

#### Report of the Secretary-General

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<sup>\*</sup> E/CN.17/1995/1.

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#### INTRODUCTION

1. The agenda of the third session of the Commission on Sustainable Development contains elements which directly respond to the outcome of the high-level meeting of the Commission's second session, as summarized in the Chairman's conclusions. 1/ They relate to the functioning of the Commission itself and will have a bearing on its role on the completion of its multi-year thematic programme of work, adopted in 1993. The high-level meeting of the present session may wish to address itself to the following issues: the concept of sustainable development; national-level experience in achieving sustainable development; the cluster of finance, changing production and consumption patterns and trade; technology; integrated land management; and forests. The present report draws on reports of the Secretary-General that are before the Commission at its present session. They are referred to in the appropriate section.

#### I. THE CONCEPT OF SUSTAINABLE DEVELOPMENT

- 2. Sustainable development is a broad concept that seeks to provide a development path that meets the requirements of present and future generations. Social development, economic development and environmental sustainability must all be explicitly addressed in developing sustainable development strategies. Their mix depends on the economic, social, cultural and environmental situations of individual countries. The eradication of poverty is an overriding priority for achieving sustainable development. It should both contribute to and result from the achievement of sustainable development. The activities of the United Nations as a whole are aimed at achieving sustainable development worldwide.
- 3. Within the concept of sustainable development, the United Nations Conference on Environment and Development (UNCED) emphasized the relationship between the economic and social aspects of development and the use of resources, considering the environment as a "sink", absorbing negative impacts of human activities, and as a "source", providing resource inputs into productive processes or providing final environmental services directly.
- 4. In subsequent major United Nations conferences, emphasis has been given to the social component of sustainable development. The International Conference on Population and Development and the World Summit for Social Development emphasized the social side, without losing sight of environmental aspects. Thus the various conferences from their particular perspectives build upon the concept of sustainable development. The same is true for the Fourth World Conference on Women (September 1995) and the United Nations Conference on Human Settlements (Habitat II) (June 1996). They all contribute from their own perspective to development that meets the requirements of sustainability.
- 5. The interlinkages between conferences and issues must continue to be addressed with the move from conference to conference and as the implementation phase of the various conference outcomes begins. A great opportunity would be missed if the results of these conferences are pursued in parallel, without the tracks of development intersecting. Sustainable development clearly calls for

the merger and integration of these different tracks. Further work on indicators for sustainable development may help to facilitate this process. Other efforts, such as the panel discussion on employment and sustainable development scheduled for the high-level meeting that links up with the World Summit for Social Development, are steps in the right direction.

6. At the coordination segment of its substantive session of 1995, the Economic and Social Council will look into the follow-up and coordinated implementation by the United Nations system of the results of recent United Nations Conferences in the economic, social and related fields.

The Commission, as the "guardian" of sustainable development, may wish to convey to the Council, at the coordination segment, its approach to sustainable development, which is based on the recognition that sustainable development includes economic, social and environmental dimensions.

#### II. EXPERIENCE AT THE NATIONAL LEVEL\*

- 7. A primary role of the Commission is to monitor progress towards sustainable development at the national level. Information is provided through the system of voluntary national reporting. At the present session, a selected number of countries will report on their experiences for the benefit of all member countries.
- 8. Reporting requirements related to sustainable development are much broader than those for the voluntary country reports submitted to the Commission. They stem from various international agreements, including the legally binding conventions. As these agreements increase in number, reporting becomes a heavy burden for the government agencies involved, which may detract from concrete work on implementation. This was never the intention of the various international agreements. Separately negotiated agreements also increase the risk that the necessary interlinkages between the various topics will not be addressed, because they are not reviewed in an integrated manner.
- 9. It is therefore essential to focus on the development of national strategies aimed at policy development and implementation for sustainable development as advocated in Agenda 21,  $\underline{2}$ / focusing on national goals and priorities. Such national sustainable development strategies should incorporate sectoral strategies required under various conventions or recommended in the decisions of various intergovernmental processes or provide a framework for those sectoral strategies.

The high-level meeting may wish to give guidance on the streamlining of national strategies and on reporting requirements along the following lines:

<sup>\*</sup> See documents E/CN.17/1995/18, 19 and 24.

- (a) At the national level, priority should be given to developing strategies for sustainable development. United Nations agencies should concentrate their attention on supporting such efforts at the national level, based on a common understanding of the prerequisites of the development and implementation of sustainable development strategies. Full use should be made of country experiences in the search for such a common understanding;
- (b) An inventory and analysis of current requirements for national sectoral strategies, stemming from international agreements, including treaties and conventions, and an analysis of interlinkages will be presented to the Commission at its fourth session, in 1996. The Commission may suggest how to streamline the requirements, on the basis of these analyses;
- (c) An inventory and analysis of current requirements for national reporting to United Nations bodies and conferences of the parties to conventions and treaties will be presented to the Commission at its fourth session, in 1996. The Commission may wish to submit to the General Assembly, at its special session in 1997, proposals and procedures for streamlining reporting requirements;
- (d) The use of indicators in national sustainable development strategies may also contribute to facilitating the streamlining of reporting. The Commission may wish to give its full support to the implementation of the work programme on indicators for sustainable development submitted to it at its present session (E/CN.17/1995/18, annex I).

#### III. TOWARDS A DATABASE ON NATIONAL INFORMATION?

10. Much information is generated in countries and received from Governments through their work on national plans and strategies and the various reports that are submitted to United Nations bodies or convention secretariats. So far no system of interlinked databases is available that allows the useful exchange of data among the various organizations.

The Commission may wish to encourage the undertaking of work to explore the possibility of a system of interlinked databases of national information in the United Nations system, including the Bretton Woods institutions. Accessibility to such a system needs to be considered.

- IV. FINANCE, CHANGING CONSUMPTION AND PRODUCTION PATTERNS, AND TRADE\*
- 11. The discussion since UNCED of the issues under consideration in this cluster shows that they are closely interlinked. It is generally understood that in the end the discussion in all these areas leads to the need for an internationally harmonized approach to the internalization of environmental externalities, but there is a long way to go, with many intermediate steps. Several of them are identified in the proposals for action contained in reports of the Secretary-General that are before the Commission at its present session. They include:
- (a) Ecological tax reform to reduce environmental damage and stimulate employment;
- (b) Removal of subsidies that encourage unsustainable consumption and production patterns; such subsidies are found mainly in the areas of energy, agriculture and forestry.
- 12. It is understood that in many cases more in-depth and specific information is needed, based on country experience, to assess the performance of countries and their potential to raise or free new resources for sustainable development. At the same time, in order to avoid distortions in competitiveness between countries, harmonization of such policy reforms needs to be enhanced.

The Commission may initiate a process of consensus-building regarding the need for harmonization in the application of the approaches and instruments that are likely to have significant competitiveness effects. After an initial stage of exploratory studies, this may lead to a multilateral consultation process. The Commission could request that a proposal for such a process be submitted to it at its fourth session.

13. The discussions on official development assistance (ODA) show not only the need for enhanced efforts to meet the agreed target of 0.7 per cent of the gross national product (GNP) of the developed countries, but also the need for a new approach which focuses on efficient and effective use of existing financial flows. Among such new approaches are the use of ODA to leverage additional domestic and external financial resources, including foreign direct investment; improved coordination and cooperation among national institutions in recipient and donor countries, on the basis of national sustainable development strategies; partnership arrangements; and networking between scientific institutes active in the field of sustainable development in various countries and regions.

The high-level meeting may wish to reconfirm the commitments and recommendations with regard to ODA made at UNCED and address approaches which may lead to more efficient and effective use of ODA.

<sup>\*</sup> See documents E/CN.17/1995/8 and 11-13.

- 14. The issue of sustainable consumption and production patterns provides a useful umbrella concept for integrating environmental and economic factors, particularly on the demand side, thereby complementing the traditional supply-side focus on environmental policy making. However, there is a need to define key terms better, and to ensure that the discussion on changing consumption and production patterns does not cover all issues related to sustainable development. In this context it is important to highlight opportunities rather than threats, and to emphasize broadening perceptions of individual responsibility and choice rather than narrowing horizons.
- 15. In accordance with decisions taken at its second session, the Commission has before it elements of a work programme for changing production and consumption patterns (E/CN.17/1995/13, sect. III.B), which has four main components:
- (a) Identifying the policy implications of projected trends in consumption and production patterns, drawing on the experience in long-term (up to 40 years) projections in the United Nations system;
- (b) Assessing the impact on developing countries of changes in consumption and production patterns in developed countries, including through the use of eco-labelling schemes;
- (c) Evaluating the effectiveness of policy measures intended to change consumption and production patterns, such as command and control instruments, economic and social instruments and government procurement policies and guidelines. This evaluation should be based on concrete country experiences;
- (d) Eliciting time-bound voluntary commitments from countries to make measurable progress on those sustainable development goals that have especially high priority at the national level.
- 16. In this respect special attention is drawn to the outcome of the Oslo Ministerial Round Table: A Conference on Sustainable Production and Consumption, held from 6 to 10 February 1995. It gives clear guidance, in the form of targeted recommendations for civil society (citizens and community groups), labour and business, and Governments. The actions focus deliberately on changing consumption patterns in the developed countries because, in accordance with Agenda 21, these countries should take the lead in achieving sustainable consumption patterns. Special emphasis is placed on energy, transport and the design of cities.

The high-level meeting may wish to give its support to the approach taken in the work programme. It may wish to invite progress reports on the activities undertaken to follow up the recommendations of the Oslo Ministerial Round Table, especially with regard to energy, transport and the design of cities.

17. With regard to trade, close cooperation and coordination between the organizations involved contribute to a balanced approach to making trade and environmental objectives mutually supportive. The Commission has been granted observer status in the Committee on Trade and Environment of the World Trade

Organization (WTO). From the various meetings held since the second session of the Commission, including the high-level Meeting on Trade, Environment and Sustainable Development convened jointly by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Environment Programme (UNEP), two issues have come to the fore:

- (a) The need to strengthen transparency and international cooperation with respect to eco-labelling and certain packaging and recycling requirements in order to avoid potentially adverse effects on the efforts of developing countries;
- (b) The need for capacity-building to assist developing countries in assessing the environmental impacts of trade policies in order to facilitate national policies aimed at avoiding or mitigating adverse environmental effects.

The high-level meeting may wish to invite appropriate organizations to intensify their work on eco-labelling and other product policies. It may also wish to invite Governments to increase their efforts to support capacity-building in developing countries for the purpose of assessing the environmental impact of trade policies at the national level and developing appropriate policy responses.

#### V. TECHNOLOGY\*

- 18. While environmentally sound technologies (ESTs) are primarily transferred through private transactions, the scope and speed of transfer are directly related to the creation of an "enabling" environment that is of mutual benefit to all parties involved in the technology transfer process. At the regional, national and subnational levels, several functions, relevant to the successful implementation of the technology transfer process as a whole, must be performed in a coordinated and mutually reinforcing way. The following functions are to be performed: training, in particular of trainers and advisers; initiating demonstration projects that highlight the economic and environmental benefits of the use of ESTs and management skills; awareness-building, inter alia, through dissemination of well-documented case studies that clearly present the economic and environmental benefits; capacity-building for technology assessment; providing regular assessments of user needs; providing access to information from many sources; helping to identify financial resources; and helping to identify and obtain the transfer of ESTs in the public domain.
- 19. These functions could be performed by "environmentally sound technology centres" (ESTCs). ESTCs do not signify a particular institutional structure, but rather national or regional networks with links to international activities. The documentation for the present session shows that many such activities are already under way. The promotion of ESTCs should build upon existing national/regional institutions, organizations and programmes, with a view to expanding and reinforcing them. The private sector must be directly involved in

<sup>\*</sup> See documents E/CN.17/1995/16, 17 and 20.

or connected with ESTCs. The ESTCs should communicate with each other and could also act as brokers to facilitate business operations.

The high-level meeting may wish to encourage countries to ensure that the functions of environmentally sound technology centres are performed and to encourage appropriate international organizations to join in supporting such centres.

### VI. INTERLINKAGES BETWEEN SECTORAL ISSUES AND INTEGRATED LAND MANAGEMENT\*

- 20. The six sectoral issues (sustainable land management, forests, sustainable agriculture and rural development, sustainable mountain development, combating desertification and drought and conservation of biological diversity) are closely interlinked. In-depth discussion and policy development on most of these sectors take place in intergovernmental bodies such as the Conference of the Parties to the Convention on Biological Diversity, the Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, the Council of the Food and Agriculture Organization of the United Nations and the Governing Council of the United Nations Environment Programme.
- 21. The discussions held by the Inter-sessional Ad Hoc Open-ended Working Group on Sectoral Issues have shown that the integrated management of land and water resources deserves the special attention of the Commission because it is a prerequisite for achieving progress in all the issues related to land. A system of integrated land and water management will facilitate the solution of the conflicting land and water demands of agriculture, forestry and urban and peri-urban development. It is therefore essential to encourage activities at the national and subnational levels aimed at strengthening capacities needed for integrated land and water resource management. These relate to the effective participation of all stakeholders (national, subnational and local government and major groups, with special reference to women and indigenous people, given the specific role they play) in the process of decision-making on integrated land use management; the use of methodologies for land assessment and evaluation; the provision of accurate information in a useable form, particularly concerning the potential benefits to the different parties concerned; and developing supporting legal, financial, market and other frameworks and partnerships.

The high-level meeting may request the Commission to give special focus to action with regard to integrated land and water management in its future work on land-related issues.

22. For the sustainable management of all land-related issues, energy is a key development factor. During its special session (6-17 February 1995) on energy for rural development, the Committee on New and Renewable Sources of Energy and

<sup>\*</sup> See documents E/CN.17/1995/2-7, 10 and 27.

on Energy for Development noted that adequate energy inputs were required for increased standards of living and productivity of human labour and for income generation in rural areas in developing countries where, on the eve of the twenty-first century, 2.5 billion people still have little or no access to commercial energy supplies and electricity. To this end, rural energy policies and technologies should promote a mix of cost-effective options to improve the efficiency of energy consumption and the utilization of fossil and renewable energy sources. Special attention should be given to biomass as a source of energy in the development of rural areas.

23. The Committee recommended that, in addition to the formulation and implementation of national plans of action on energy for sustainable agriculture and rural development, global initiatives be launched in order to facilitate the efforts of the developing countries to develop and implement a massive effort to bring electric power to the people in rural and isolated areas and in order to set up a combined programme to achieve detailed mapping of the potential of renewable energy sources, focusing on solar, wind and hydropower as well as land resources for biomass energy.

The high-level meeting may wish to lend its full support to these global energy initiatives.

#### VII. FORESTS\*

- 24. A considerable and encouraging number of activities at the national and international levels have been taking place with regard to the implementation of chapter 11 of Agenda 21 and the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests. The large number of activities prompted the high-level meeting of the Commission's second session to start looking into a coordinated approach. At its present session, the Commission could make concrete proposals for such a coordinated approach, which may help in halting ongoing unsustainable forest management practices, including a still increasing rate of deforestation.
- 25. The current international discussions on sustainable forest management cover at least four main clusters: (i) the scientific assessment of the status of forests in all parts of the world and of the causes of deforestation, forest degradation, failure to achieve sustainable forest management and proper assessment of the value of all forest products; (ii) the development of criteria and indicators for sustainable forest management and also as a prerequisite for developing certification schemes for timber; (iii) the issue of market access for forestry products and other trade-related issues; and (iv) the assessment of the effectiveness of existing international and national institutional arrangements for the implementation of sustainable forest management and whether there is a need for legally binding instruments to secure sustainable forest management. The time is ripe to pursue these discussions at the global level, involving all interested parties.

<sup>\*</sup> See documents E/CN.17/1995/3 and 10.

26. After discussion of the recommendations in the report of the Secretary-General (E/CN.17/1995/3) the Inter-sessional Ad Hoc Working Group on Sectoral Issues recommended that the Commission establish under its aegis an open-ended intergovernmental panel on forests, which should work in an open, transparent and participatory manner, so as to permit the involvement of all stakeholders. The panel would draw upon the expertise of all appropriate organizations: FAO as the United Nations task manager for forest issues, UNEP, the International Tropical Timber Organization, WTO, UNCTAD, UNDP, the World Bank and the secretariats of the conventions on climate change, biodiversity and desertification, as well as appropriate non-governmental organizations. The work programme of the panel could be organized around the four clusters mentioned above. The FAO Meeting of Ministers Responsible for Forests (13-17 March 1995) is expected to provide further advice to the Commission.

The high-level meeting may wish to support the establishment of an intergovernmental panel on forests, including its terms of reference and work programme.

#### VIII. TOWARDS WORK PROGRAMMES

27. Reports of the Secretary-General before the Commission at its present session contain proposed work programmes for three areas: transfer of technology,  $\underline{3}$ / indicators for sustainable development  $\underline{4}$ / and changing consumption and production patterns.  $\underline{5}$ / The work programmes are aimed at facilitating the implementation of Agenda 21, linking action at the national and international levels. They also allow for joint initiatives by partners in the United Nations system that could be supported by Governments.

The high-level meeting may wish to lend its support for the enhanced use of work programmes for the implementation of Agenda 21.

#### Notes

- $\underline{1}$ / Official Records of the Economic and Social Council, 1994, Supplement No. 13 (E/1994/33/Rev.1), chap. II.
- 2/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I., Resolutions Adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.
- 3/ Report of the Secretary-General on environmentally sound transfer of technologies, cooperation and capacity-building (E/CN.17/1995/17), sect. V.
- $\underline{4}/$  Report of the Secretary-General on information for decision-making and Earthwatch (E/CN.17/1995/18), annex I.
- $\underline{5}/$  Report of the Secretary-General on changing consumption and production patterns (E/CN.17/1995/13), sect. III.B.

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