#### ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA

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# SUMMARY OF THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: ASSESSMENT REPORT FOR THE ESCWA REGION\*

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<sup>\*</sup> The opinions expressed are those of the author and do not necessarily reflect the views of ESCWA.

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#### ACRONYMS AND ABBREVIATIONS

CAMRE Council of Arab Ministers Responsible for the Environment ESCWA Economic and Social Commission for Western Asia

GHG Greenhouse gas

MEA Multilateral environmental agreement NEAP National environmental action plan NES National environmental strategy NGO Non-governmental organization ODS Ozone depleting substances

SME Small and medium sized enterprise

UNCED United Nations Conference on Environment and Development

WSSD World Summit on Sustainable Development

#### I. INTRODUCTION

In its resolution 55/199 of 20 December 2000, the United Nations General Assembly called for a ten-year review of progress achieved in the implementation of the outcome of the United Nations Conference on Environment and Development (UNCED) at a world summit. The purpose was to offer an opportunity to rejuvenate, at the highest political level, the quest to build a more sustainable future. The resulting World Summit on Sustainable Development (WSSD) aims to ensure continued support for the balance between the economic, social and environmental pillars of development, and seeks to assess the progress achieved in implementing Agenda 21 and the outcomes of UNCED.

The regional process in preparation for the WSSD was organised by the Joint Secretariat, which was comprised of the Economic and Social Commission for Western Asia (ESCWA), the Technical Secretariat of the Council of Arab Ministers Responsible for the Environment (CAMRE) and the United Nations Environment Programme Regional Office for West Asia in collaboration with the League of Arab States and other regional organizations, including the Joint Committee on Environment and Development in the Arab Region. The regional preparatory process included a thematic roundtable for eminent persons, four regional forums for non-governmental organizations, industry representatives, parliamentarians and stakeholders, as well as the Preparatory Committee Meeting for West Asia and the Arab Region. A joint meeting between the African Ministerial Council and CAMRE was also held.

This brief summarises the main components of the assessment report for the ESCWA region completed as part of regional preparations for the WSSD. The brief outlines past achievements and future challenges in the ESCWA region, and provides a platform of priorities for action and means for implementation for achieving progress towards sustainable development over the coming decades. The assessment is prepared in a manner to reflect the specificities of the ESCWA region within the Arab world.

#### II. SOCIAL AND ECONOMIC TRENDS AND CHALLENGES

Over the past decade, ESCWA member States have witnessed marked improvements in health, education, literacy, as well as a strengthening in the status of women, the traditional family and civil society. This progress has been achieved in face of increasing population pressures, fluctuating economic conditions, persistent unemployment, continued poverty and unresolved regional conflicts. The links between population, health and sustainable development are particularly complex in the ESCWA region where environmental resources are finite and population pressures are great. Urbanization has increased, and is exacerbated by losses to agriculture, rural-urban migration and industrialization. The regional labour force is now largely skewed towards youth who require greater vocational and technical training to meet employer needs. Women have also increasingly entered the workforce, although expanding information technologies in the service sector may serve to set back gains

in female employment. These trends have resulted in higher demand for food, increased consumption, greater production of industrial and municipal waste, strains on public services, increased unemployment, expansion of the informal housing sector and the loss of green spaces to infrastructure development.

Economic growth in the ESCWA region regularly experiences cyclic fluctuations and volatility associated with regional instability and fluctuating oil prices. Economic growth also remains largely dependent upon the exploitation and exportation of natural resources. This has served to keep economic growth in the ESCWA region below the average recorded for developing countries. Furthermore, traditional approaches to economic growth have exacerbated poverty and debt. This is because while countries have grown marginally richer over the past decade, benefits have not been equally distributed. The unbalance provision and access to basic services includes a gender dimension, since women and children generally suffer the most under extreme poverty and in areas experiencing conflict.

Opportunities emerging from these challenges include the strengthening of non-governmental organizations (NGOs) in the region and their transformation from being service providers to social advocates. Governments are forging partnerships with the private sector to improve public services. Information and communication technologies are generating economic opportunities that are environmentally friendly, but should be respectful of the region's culture in view of threats posed by globalization. It is thus fair to conclude that although the region has made progress in moving towards sustainable development, significant challenges remain.

#### III. MAJOR FACTORS INFLUENCING SUSTAINABILITY

In tandem with the social and economic trends and challenges facing the region, there are specific driving forces that are directly impacting the sustainability of the regional environment.

Oil and gas production and mining of non-renewable natural resources. The ESCWA region has significant oil and natural gas reserves, which play an important role in the region's economy, despite efforts at economic diversification. Oil and gas are the region's main exports and support value-added industries in ESCWA member States. Mining and the processing of industrial minerals and metals have also increased. These industries imposed direct impacts on air, water and marine quality. Secondary effects include increased migration to industrial centres and the expansion of transport infrastructure to support these industries.

Industrial development. The industrial sector in the ESCWA region remains heavily labour-intensive and energy-intensive, which illustrates that the region has been unable to update technologies or progress to more knowledge-based production of higher value added goods. This is problematic for small and medium-sized enterprises (SMEs) that are unable to take advantage of trade liberalization

opportunities or face increasing domestic competition. Effective monitoring and management of industrial and hazardous waste also remain problematic.

Agricultural development. Agriculture is a significant contributor to the regional economy. However, agricultural protectionism and subsidization of irrigation water, agrochemicals and land remains common, which is reinforcing unsustainable patterns of production. This has rendered the sector inefficient and vulnerable to trade liberalization, which seeks to eliminate agricultural subsidies. Furthermore, agriculture is the primary user of freshwater in the region, consuming more than 80 per cent of available resources. This is troublesome in view of increasing municipal water demand. Regional fertiliser consumption has also risen, despite global trends among developed countries to the contrary. Pesticide and agrochemical use has also increased.

Tourism development. The ESCWA region's share of the world tourism industry is small. However, the total number of tourist arrivals to the region more than doubled between 1986 and 1996. The main challenge for the region is how to support the tourism sector while preserving historic monuments, cultural heritage, natural resources, coastal areas and the environment through more effective planning.

Transportation sector. The number of motor vehicles in the ESCWA region has steadily increased, doubling and even tripling in some countries since the mid-1980s. The below-market price of gasoline was a disincentive for promoting fuel-efficient vehicles during the early 1990s; however, most countries recently readjusted fuel prices, which should catalyse change in the sector. The regional road network has grown, with success achieved in developing an integrated regional transport network among ESCWA member States. This will improve trade efficiency, but also encroach upon green spaces. The use of railroads, aircrafts and seaports has also increased.

Urbanization and urban stress. Urbanization is increasing and impacting natural resources, land resources and coastal zones through waste generation, wastewater discharges and air emissions. The coastalization of urban movements has emerged as a new phenomenon and has increased pressure on coastal and marine resources. Informal settlements have grown, most recently in the Gulf around rich urban centres where shantytowns house non-ESCWA migrant labour that lack access to pubic infrastructure. Urbanization has also increased pressure on social services.

Production and consumption patterns. Energy consumption patterns in the region are unsustainable. However, regional energy per capita consumption figures mask great differences between and within countries. Some 30 per cent of the people living in rural and remote areas lack access to generated electricity. As population levels increase and economies develop, so does the demand for energy, consumer goods and industrial products. Governments are unable to manage growing waste streams, including new challenges such as hazardous and medical waste management.

## IV. ENVIRONMENTAL TRENDS, CHALLENGES AND RESPONSES

The environmental pillar of sustainable development in the ESCWA region is concerned with the management of natural resources, preparing for environmental disasters and preserving cultural heritage.

Freshwater resources. Agriculture, industry and households are the primary consumers of water, with groundwater mostly satisfying growing demand. Over-exploitation, saltwater intrusion and wastewater discharges are limiting the availability of already scare resources. Water-borne diseases have become a threat to public health. As such, countries are developing non-conventional water sources, e.g., desalination and reuse of treated wastewater. Progress has been made in formulating water policies, improving water governance and using economic instruments, e.g., water use restrictions, water services pricing and subsidy reductions.

Marine and coastal areas. Regional conflicts, tourism, transportation infrastructure, industrial and agricultural activities, aquaculture, fishing, oil spills and urbanization are the major factors impacting marine and coastal areas in the region. Progress has been achieved in integrated coastal zone management, with most countries adopting environmental assessment policies. However, measures are hampered by inadequate awareness, ineffective enforcement and weak institutional arrangements.

Land resources, mountains and forests. Growing populations, urbanization, industrialization, drought, poor agricultural practices and trade policies are encroaching on land resources. The impacts are reflected in loss of soil fertility, deforestation, pollution of scarce land and water resources, increased poverty and rural-urban migration. High deforestation rates are attributed to urban sprawl, tourism, agriculture, overgrazing, fires and drought. The lack of integrated strategies to address land degradation, food security and water scarcity is a major constraint to sustainable use of regional resources. Management of forest and mountain ecosystems is also limited by lack of technical personnel and limited financial resources.

Biodiversity. Much of the region's flora and fauna is damaged or threatened. Factors impacting regional biodiversity include population growth, agriculture, fisheries, urbanization, industry, poverty, drought and unsustainable use of biota. Emerging threats include the bio-invasion of exotic and genetically modified species. On a positive note, protected areas and biosphere reserves have been established, although the total area designated as protected remains below the world average. Constraints to biodiversity and habitat conservation include the lack of a comprehensive and integrated strategy, water scarcity, land degradation, weak enforcement of regulations and conventions and lack of financial resources.

Air pollution and energy. Power generation, transport and industry are the main causes of air pollution. Vehicle emissions are due to poor maintenance, ageing vehicle

fleets, low quality fuels and poor traffic conditions. Stationary sources of air pollution include outdated power plants, refineries, thermal water desalination facilities and fertiliser and cement industries. Improvements in energy efficiency have been achieved, alongside energy sector reform. Governments have sought partnerships with the private sector and are gradually removing energy subsidies. However there remains insufficient integration of sustainable energy policies into sectoral planning. Also, while most ESCWA member States have passed air quality legislation, standards are often unreachable without implementation plans. A scientific basis for decision-making and long-term air monitoring data and analysis are needed.

Climate change and ozone depletion. Fossil fuel burning is the largest source of greenhouse gases (GHGs) in the ESCWA region. However, GHGs production in the Gulf is mostly due to oil production and refining. The increasing use of natural gas in power and desalination plants will contribute to reducing emissions. Clean energy policies and more efficient technologies already resulted in a decline in GHG emissions during the 1990s. With regards to ozone depleting substances (ODS), most ESCWA member States have replaced ODS with alternatives. However, there is controversy whether some GCC countries can access the Multilateral Fund for the Montreal Protocol for financial and technical support to assist in the conversion process.

Environmental disasters. Drought and flash floods are major issues of concern in the region. Countries have responded to droughts by reviewing agricultural and water policies and by prioritising drought-affected areas. However, coping with drought is hindered by weak forecasting and inadequate availability of data.

Preserving the cultural heritage. The region is the cradle of civilization and is endowed with a wealth of cultural heritage. However, human-induced deterioration of monuments and cultural sites is caused by worn-out potable water distribution networks, antiquated sanitation and sewage systems, heavy traffic and large crowds, which affect ambient air quality and building foundations. More is needed to increase public awareness of the region's unique cultural heritage and to preserve historic sites.

#### V. INTERNATIONAL AND REGIONAL AGREEMENTS

The political commitment to multilateral environmental agreements (MEAs) by ESCWA member States is reflected in the signing and ratifying of over 64 international and regional environmental conventions and agreements. However, the implementation of MEAs varies between agreements and countries. Lack of adequate financial, technological and human capacity is the principle reason. Nevertheless, greater compliance is evident towards regional environmental agreements. ESCWA member States have also entered into many trade and investment agreements over the past decade in view of facilitating integration into the global economy. Membership in trade agreements has stimulated compliance with higher environmental standards by regional exporters seeking to access developed country markets. Regional

economic integration has also been recognised as an important stepping-stone towards taking advantage of global economic arrangements.

#### VI. CHALLENGES FACING SUSTAINABLE DEVELOPMENT

In addition to the socio-economic and environmental challenges noted above, eight key challenges to sustainable development are described below.

Governance for sustainable development. While environmental management has improved in many countries of the region through the adoption of a national environmental strategy (NES) and/or national environmental action plan (NEAP), efforts at integrated sustainable development have been very slow. This is because NES and NEAP preparation is oftentimes catalysed by international donors and are often considered proxies for national sustainable development strategies in the region. The challenge is thus how to achieve policy integration. This requires coordination and consultation between government institutions, as well as complementarity and coherence between policy instruments. Limited decentralization of legislative and financial powers is also an obstacle to formulating and financing local Agenda 21s.

Stakeholder participation and access to information. Since UNCED, the number of environmentally oriented NGOs has dramatically risen, as has public understanding of sustainable development. The region now needs to transition from increasing public awareness to promoting public participation, so as to move from passive to active engagement in sustainable development. However, prevailing political cultures and norms oftentimes limit public participation in policy-making because centralised systems of governance cannot easily tolerate participatory bottom-up approaches, public pressure or public systems of accountability. Furthermore, while the collection of higher quality information has improved within governments, public access to environmental information remains limited. This is because information disclosure remains highly sensitive, particularly by those who believe it may reduce their political power, cause public panic or discourage tourism and investment.

Economic instruments and voluntary arrangements. The use of economic instruments in the ESCWA region is handicapped by ineffective environmental monitoring systems, incomplete environmental health records, inadequate ecological and health risk assessments and the lack of environmental accounting and valuation of health and ecological impacts caused by unsustainable development. Political, social and cultural constraints inhibit the removal of subsidies and limit the ability of governments to use market signals to encourage resource conservation. Voluntary arrangements are even more difficult to implement because of: inadequate systems for testing, monitoring and enforcement; lack of financial and technical capacity by ministries to assess corporate conduct; inadequate regulatory frameworks on information disclosure, environmental auditing and environmental reporting; limited accountability and liability for environmental damages; and time-consuming, complicated and costly dispute resolution mechanisms.

Environmental monitoring and information networks. Most countries now have laboratories and programmes to monitor coastlines, water resources and air quality. However, programmes are limited in scope, capacity and consistency, despite investments in remote sensing and geographic information systems. Technical facilities are not fully utilised during planning exercises. However, most countries of the region have developed environmental assessment and reporting requirements and produced state of environment reports. Effective environmental monitoring is hindered by poor institutional frameworks, limited co-ordination, shortage of experienced personnel and financial resources, inaccessibility to data and absence of indicators.

Environmental education. Most ESCWA member countries have included some environmental components into their educational curricula at the elementary and secondary school levels. However, there is concern that the use of translated environmental materials may not be addressing the real environmental issues facing the region. Most assistance is needed by regional and international organizations to prepare materials for more effective environmental education in the region.

Research and development. Research and development spending and output in the region remains low, although slight improvement is apparent. The region, however, has shown a perverse tendency to pursue turnkey technological projects, with limited potential for the transfer of technical knowledge to the local markets, or invest in outdated industries. There is also a slow tendency to adopt new technologies.

Regional insecurity and conflicts. The region is plagued by frequent wars and conflicts of various scales. This has kept defence spending high and detracted funds from sustainable development. International politics have had regional repercussions on poverty, demography, trade and development, with populations plunged into poverty due to sanctioned embargos. Marginalized groups—migrant communities, women, children and elderly—tend to be the most affected during times of conflict. The ESCWA region thus faces particular challenges related to implementing priority interventions for social integration, rebuilding of social and economic institutions, reintegrating displaced populations and reconstructing human settlements.

Trade liberalization and regionalization. Development through economic diversification, export expansion and trade liberalization is now a priority strategy for most countries in the region. However, trade liberalization is a double-edged challenge that allows exporters to penetrate new markets, but oftentimes only if they comply with higher environmental and quality standards. There is also concern that countries will maintain weaker environmental regimes in order to attract foreign investment. Trade liberalization constitutes a real threat to non-competitive industries, SMEs and subsidized agriculture, which are important sources of employment in the region. Neither agriculture nor industry is prepared to cope with the implications of trade liberalization or the costs of modernization, despite the benefits that new markets and production methods might bring. While regional harmonization and coordination of environmental standards remains limited, there has been a significant increase in awareness regarding its benefits and growing support for regional integration.

#### VII. FINANCING FOR SUSTAINABLE DEVELOPMENT

Financing for sustainable development in the region remains limited, mostly because external indebtedness continues to sap financial resources. Falling tariff revenues caused by trade liberalization and economic restructuring has also forced governments to finance national debt and public expenditures through alternative means, including taxation. Foreign direct investment, privatization, environmental and social funds and micro-financing programs are means for increasing financial support for sustainable development. However, most firms still lack sufficient access to resources from financial institutions and local financial markets to support environmentally friendly investments. Reducing the debt burden in view of tightening budgets would release funds for sustainable development programming. Furthermore, while regional and international financial institutions have provided important levels of financing for sustainable development, aid levels have decreased in recent years.

## VIII. PLATFORM OF PRIORITIES FOR ACTION AND MEANS OF IMPLEMENTATION

The outcomes of the regional preparatory process in preparation for the WSSD resulted in a platform of priorities for action and means for implementation for achieving progress towards sustainable development strategies over the coming years. The platform is summarised below and forms the basis for the *Arab Declaration to the World Summit on Sustainable Development*.

Poverty alleviation and social integration. Poverty remains a significant challenge for many countries of the region, and is a major impediment to achieving sustainable development. Social integration must be part of the equation to alleviate poverty, with special emphasis placed on vulnerable groups such as women, children and the disabled. The process should seek to: stabilize population growth; improve education; restructure technical and vocational training; increase access to communication and information technologies; and extend access to public services.

Debt burden. Many countries in the region have fall into the debt trap. Economic growth is hampered by this burden as substantial financial resources are diverted to servicing external debt instead of contributing towards sustainable growth and development. Countries of the region are urged to minimize resorting to debt, and to seek national and regional sources rather than depend on foreign aid. International creditors are urged to ease debt burden for countries that pursue greater transparency, better governance and more appropriate institutional set-up.

Peace and security. Achieving regional stability, peace and security is required to advance sustainable development in the region and to reduce population displacement and migration. The world community is called upon to take a proactive role in implementing United Nations resolutions on regional conflicts to achieve peace and security. The international community should join to fight terrorism through the United Nations system through the negotiation of an international convention to

combat terrorism. However, members of the ESCWA region affirm that struggle against occupation is not in any way an act of terrorism and is legitimate according to the United Nations charter. Implementation of international agreements is needed to relieve tensions and to create an enabling environment for peace based on the respect of national sovereignties and human rights.

Managing population growth and distribution. Population policies should be developed, including family planning. Emphasis should be given to women's development, childcare and labour migration. Agricultural planning, job creation, improvement in rural access to services should be taken to discourage rural-urban migration. The international community should support family planning programmes, the free movement of labour and the protection of expatriate labour rights.

Education, capacity building and research. Education and training should be redirected to satisfy market demands. Education should be looked at as the common concern of governments, civil society and the private sector. Sustainable development concepts should be incorporated into educational curricula. The private sector and academia should take a proactive role in research and development, with support given to the development of indigenous technologies.

Technology transfer. The use of cleaner production strategies, indigenous technologies, research and transfer of appropriate, but not necessarily the most advanced technologies is needed. Regional technology centres should be developed. A regional policy towards WTO negotiations on technology transfer and trade-related aspects of intellectual property rights is needed, as is technology transfer and training.

Sustainable management of natural resources. Countries of the region are encouraged to adopt strategies and action plans to support: integrated water resources management to achieve food and water security; efforts to rehabilitate degraded land, means to combat desertification; sustainable management of forests and mountain ecosystems; and biodiversity conservation through information systems and gene banks. Integrated and intraregional approaches to coastal and marine resources management should be encouraged.

Air quality. Air pollution monitoring, assessment and control programmes for mobile and stationary emission sources should be established. Policies seeking to reduce energy consumption, remove subsidies and improve energy efficiency should be supported, as well as efforts to eliminate leaded gasoline, replace ageing vehicles, upgrade industrial facilities, use cleaner fuel and intensify reforestation. Assessments of air pollution health impacts should be conducted, as well as information exchanges. The international community is urged to provide technical and financial support.

Climate change and ozone depleting substances (ODS). National strategies should be established to monitor CO<sub>2</sub> emissions. Reduction of CO<sub>2</sub> emissions should be promoted through elimination of flares, use of more efficient fuels, promotion of efficiency and cleaner production schemes. Afforestation and sink development

should be encouraged. Countries should continue to phase out the use of ODS and implement the Montreal Protocol. Regional and international mechanisms should assist non-parties to ratify the protocol achieve and sustain compliance.

Governance and public participation for sustainable development. The need for good governance includes the strengthening the legal framework, nurturing democracy, increasing accountability and transparency and supporting effective participation of civil society and the private sector in policy-making. Actions include: use of sound analysis for effective policy formulation; decentralization and coordination between ministries; integration of national sustainable development strategies into sector-based work programmes; partnerships; information dissemination and disclosure; priority-setting; capacity building; institutional accountability; creation of National Councils for Sustainable Development; and establishment of an Arab Council for Sustainable Development at the level of prime ministers.

Patterns of consumption. The media, educational institutions, consumer protection groups and civil society should support a change in consumption patterns. Production and environmental standards among ESCWA member countries should be harmonised. The developed world is urged to change unsustainable production and consumption patterns that deplete global natural resources. More resources are needed to develop eco-efficient technologies affordable for developing countries.

Cultural heritage. Countries of the region should intensify efforts to revive, preserve, maintain, and prudently manage natural and cultural heritage with technical and financial assistance provided by the international community. The region should seek to revive cultural values. Increased awareness of culture and heritage at the global level is needed and the region should be receptive and tolerant to other cultures.

Globalization and trade. In order to improve competitiveness and increase market access, countries need to improve efficiency, product standards, align production technologies with international norms (including environmental standards), as well as invest in infrastructure and institutions. The negative impacts of globalization should be avoided. The establishment of a Greater Arab Free Trade Area is a first step towards regional integration and better inclusion in the global economy. The United Nations system should provide technical assistance. The international community should reconsider the use of economic sanctions and are requested to ensure fair, equitable basis for the free movements of goods, people and products.

Financial and institutional means of implementation. Countries of the region are encouraged to provide financing for sustainable development, taking into account that mechanisms to mobilize funding may differ between countries. Public-private partnerships and foreign investment are encouraged, particularly by expatriates. Developed countries are urged to reconsider their debt policies towards the region. The international community seeks to strengthen global governance for sustainable development so that the benefits of globalization can reach all countries on a fair basis.