

Show me the Money

It is time to take stock. The moment where the results of the Working Groups and the contact groups are put in one document is always a key moment in any negotiations. With only a couple of days left, the number of brackets is still significant, many of them around long standing contentious issues such as increasing development assistance, transfer of technology, the precautionary principle and an enormous amount of dates and targets.

There are two ways this process can continue. With the ministers arriving, delegations can put their heels in the sand, hide behind their mandates and give up all their progressive positions. The documents that will then appear on the tables at the WSSD will only reflect the lowest common denominator and will not even come close to initiate a "decade of implementation." The other more productive way is that a couple of ministers, with a balanced representation, will informally step out of their mandates and to develop a strategy to keep the more ambitious elements in the text. All negotiating processes that have led to innovating multilateral agreements, including the agreements reached at the Earth Summit, and have moments where some of the more seasoned diplomats try to defend a solid proposal to the rest of the world, instead of hiding behind their mandate.

The negotiating positions are remarkable similar to Rio plus five. This meeting ended up without agreement on a political statement. Declining aid figures were the main reason that the political negotiations remained inconclusive. Development assistance seems to be higher on the international agenda now than it was in 1997, but the figures are still declining. Also the transfer of technology that industrialised nations committed themselves to at the Earth Summit has largely proven to be an empty promise. It remains therefore insecure if developing countries will be seriously motivated to agree to an ambitious plan of action, and an inspiring political declaration.

How important is ODA? Official development assistance is essential for the functioning of many international programmes. Nearly all of the more than 200 multilateral environmental agreements are underfunded. Other programmes relating to improving health and education conditions are also dependent on foreign funding to aid. All countries should therefore recognize that increasing aid flows is a necessary condition for the achievement of sustainable development world-wide.

But... The global economy has changed over the years. Especially developing countries and countries in transition have less and less control over their own fiscal and monetary policy. Many of these developments that have risen since the Earth Summit are not recognised by the negotiators of Prepcom IV. The emphasis on declining ODA figures in the negotiations mean that recent economic developments with

far greater implications for the amount of resources available for sustainable development are ignored. The following examples can be given:

Privatisation The ongoing negotiations in the General Agreement on Trade in Services (GATS) open up many public areas for privatisation. Many NGOs have highlighted that basic public needs such as the supply of water should not be opened up for privatisation. There also is another dimension to the GATS negotiations that few Prepcom negotiators are aware of. The GATS Agreement allows countries to halt or even reverse privatisation programmes if they result in unwanted effects. Corporations can then claim compensation for the investments they have made, and even for *expected profits*. These claims can consist of tens or even hundreds of millions of US dollars. In this way corporations can put so much pressure on governments that they can not afford to reverse privatisation programmes that would have unwanted effects. This makes the 'opt out' provision in the GATS Agreement largely meaningless.

Bilateral and regional investment agreements Many NGOs lost attention for the issue of investment agreements since the demise of the Multilateral Agreement on Investment in 1998. The importance of the more than 2,000 bilateral and regional investment agreements is not at all recognised by the NGO community, or by the negotiators at Prepcom IV. The treaties allow corporations to officially challenge a variety of public policy issues, many of them with environmental and social dimensions. Again, corporations can pressurize governments by threatening with multimillion dollar claims.

Financial flows In 1992, international investment and financial flows were hardly on the international agenda. Since then, speculative capital, hedge funds, or portfolio investors have become major players in the international economy. Furthermore, the increasing use of tax havens implies a decline of tax revenue in association with the growing economic activity. Although the concept of globalisation is recognised in the text, the financial instability and marginalisation of many countries, especially the least developed that are associated with this process do not receive enough attention. The references to the Monterrey consensus are easy excuses for the same shortcomings of the so-called Monterrey consensus.

Conclusion Increases or decreases in aid flows are completely marginal when compared to the global economic developments. These aid flows do not compensate for the decreasing tax revenues, the threats to demand large financial claims to compensate for 'lost profit opportunities' or other forces that relate to the globalisation processes. The dominance of the debate on aid flows without a recognition of the changes in the global economy since the Earth Summit could make the outcome of the WSSD outdated even before the brackets are removed.

Sander van Benekom,

ANPED - The Northern Alliance for Sustainability

Working Group Session Reports

Informal Contact Session Report

Morning Session

The morning started as per usual in fits and starts at a gentle pace looking towards section 9 Means of Implementation. Paragraphs 76 – 89 had not all been agreed but it was decided that they would not be re opened, such as within paragraph 76 bis which is dependant on the agreement of other text.

The Chair stated that the contact group needed to clean up their outputs and that the session could not progress without the removal of brackets from the text. He went on to say that Governance was still in discussion, Working Group 3 was still in discussion and that Working Group 2 needed to continue, along with Working Group 1 needing to go in to informal informals.

The G77 proposed at this point that perhaps they should utilise a plenary to keep an integrated approach rather than isolated paragraphs being discussed. This was quickly supported by EU. With work still needed on certain issues it was decided that Working Group 1 and 2 will still function as an informal informal. This made G77 happy as it maintains the importance one single meeting for overall balance.

The Chair finished up and brought this part of the morning to a close by asking for more time to get all the information together and suggested for a 3 pronged approach, 1. Working Groups. 2. Contact Groups. 3. Informal, informal plenary at 8pm.

Simon Ford, Stakeholder Forum

Working Group 1 and 2 Combined

Morning Session

After this the session broke to allow for this change in procedure and within 15 minutes Working Group 1 and 2 merged and began to work back through the text from Chapter 1 to 4.

The Chair from Working Group 1 opened this session by expressing that the group was going to look at Chapters 1-4 with a view to removing brackets, as almost 80% of the text had already been agreed, and he wished to build on this.

Chapter 1, the Introduction to the text had 2 paragraphs outstanding, namely 2 and 5 but these were dealing with cross cutting issues and needed to be set aside for consultation and were left as they stood. Chapter 2, paragraph 6b, caused the Chair to propose a formulation of text to utilise much of the alternative, and asked for comments from the floor. Japan, G77 and the US tended to agree with the formulation, but the EU opposed, as they wanted to keep both options, causing the chair to remind them of the rules of the game, allowing only one alternative. The EU asked if this was the case then they would like to be able to modify at a later date. This was agreed and the session moved on. Going through the text from paragraph 7 to 11 the US continued to look at a number of areas of text claiming that there were cross cutting issues within certain areas, being often countered by the Chair who was plainly not convinced 100% of the time.

On looking at paragraph 12 the chair suggested the alternative and the deleting 12 where by the US asked again for the use of screens in the session, as it was hard to follow from the written text. G77 then suggested that there perhaps was a typo in the Chairs text with regard to the comment that “developing countries taking the lead”

was perhaps not correct!

Sub paragraph e of 12, seemed to cause need for long discussion about the use of brackets within brackets around the phrase ‘should be voluntary, causing Australia to take a stand claiming that the language was very important to them and if there was no support for them then perhaps the meeting should look to find others. G77 claimed that there was a great deal of compromise on this paragraph and felt that the whole text perhaps should be within brackets. With this the Chair then suggested to delete the original and use the alternative for further negotiations within the meeting that was due to happen in the evening.

Simon Ford, Stakeholder Forum

Afternoon session

Again the theme for the afternoon continued with the general approach of no new text, no new brackets, please. The Chair started the proceedings with paragraph 15 of main text with little in the way of changes to speak of.

Moving to para16 and its chapeau, Tuvalu asked for special reference “to those states particularly vulnerable to climate change”. No was the resounding response from the US, Canada, Russian Federation.

G77 was a little more expressive commenting that this may have implications as it for the first time specifies that some states are more vulnerable to climate change than others which hasn’t been discussed or agreed – climate change is regarded as a global issue ad should be treated as such. There is specific reference to the special situation of SIDS in 16 (n) – provision of finance to LDCs and SIDS. Mexico thought everyone was being rather harsh. Chair suggested: in particular vulnerable countries...” as a compromise. And it remained bracketed.

Para 16e proved to be a very tricky bracketed area with all the targets and suggestions re renewable energy. Hungary was the only country to speak and said they very much support the existence of targets and look forward to the challenge of agreeing what they should be.

Para 16s the general challenge to bring in action and implementation within the framework of CSD9. Norway and Hungary preferred not to be within the strict boundaries of CSD9 or specify ‘through public private partnerships’ (not sure why...). Venezuela, Canada, US, Russian Fed, Korea support ‘Countries are urged to develop and implement action plans with in the framework of CSD9.’

Looking at paragraph 16w the proposal of alt text from G77 to: ‘Promote partnership cooperation at all levels; including within voluntary, inter-governmentally agreed frameworks that promote energy use that is, *inter alia* reliable (etc from existing text). Supported by US, Japan, Canada. EU and Australia asked for time to consider.

Moving on, brackets remain due to G77 resistance; they hope to get clearance from all members shortly (the paragraph refers to the commitment of developed states to develop efficient and environmentally friendly vehicles’).

Para 19 again was directed by G77 wanting to delete references to toxic or hazardous; this position is supported by the US, until such time as they can determine what these are and agree a definition. Spain pressed for maintenance of the 2020 timescale for ‘healthy’ production and use of chemicals.

Within the sub paragraphs for 19 Time frames for ratification and implementation of PICS (2003) and POPS (2004) agreements were agreed!, Along with no time frame agreed, as Australia felt time

frame unsuitable for taking a 'strategic approach'. These should be considered with 'in a timely fashion'.

Para 19h showed that fuller text alternative on heavy metals was almost agreed. With Norway continuing to press for the inclusion of international legal agreements to apply pressure to implement. G77 were left wanting exclusion of mercury 'and its compounds', just including 'mercury'. It was still unclear where this will go, despite a clear reference to the relevant UNEP review.

G77 were unable to commit to the phase out of lead by 2005 for purely practical reasons; they would very much like to be able to agree to this, but cannot afford to do so. Comparison was made to text in the Health text (Para 47b) which states a simple commitment to 'phase out of lead'.

In chapter IV "Protecting and managing the natural resource base" the target to halt and reverse the global and national levels of loss of natural resources by 2015 was accepted by the US. However, the US was trying to get more precise wording related to the target which resulted in brackets staying in. Governments found no agreement on applying the precautionary approach based on an ecosystem approach to implement strategies to protect ecosystems. Several attempts by the US to go back to the original Chairman's text due to language being too vague were being rejected by the Chair of the session. Paragraphs 21-33 (the same for Paragraph 35,) were not negotiated as all bracketed text referred to cross-cutting issues that will be negotiated in Plenary.

Australia will get more time to negotiate their stance on the language referring to the Kyoto Protocol. The EU managed to get the opportunity to negotiate in the corridors their new text on Paragraph 36a on food security (referring to achieving the Millennium Development Goal to halve by 2015 the number of people who suffer from hunger). The biodiversity paragraph 40 will stay in brackets.

On section VI on health and sustainable development we saw an extended discussion on the facilitation of the negotiations. Canada tried to reopen agreed paragraphs due an unsatisfactory process at which agreements were reached which was ruled against by the Chair with an appeal to all delegates not to reopen agreed paragraphs in plenary and set a precedent. Several governments (Canada, Switzerland) expressed uneasiness about the procedure and reserved their right to reopen paragraphs anyway.

Jasmin Eneyati & Gordon Baker

Working Group III

Monday Morning

Not exactly what you would call progress. The Session Started off promisingly, dealing with the section dealing with institutional arrangements at the regional level. The chair took the group through the opening 2 paragraphs at reasonable pace, with only minor amendments to 145 on regional sustainable development strategies. This in turn led to the deletion of 146 as duplicative.

However, things ground to a resounding halt on what was now 146.a. The text, progressing from the 146 chapeau, covered the promotion of the 3 pillars of SD, through the implementation of Agenda 21, Rio+5 and the outcomes of WSSD. What followed was an enthusiasm sapping process of exchange, led by G77 who wanted the retention of *Rio+5*, which the chair helpfully informed would be expressed as *the programme of further implementation of Agenda 21* in the final text. The US called for its removal on the grounds of consistency throughout the text and also not to unnecessarily clutter the text. Keen to move on and keep an pointed text, this met with the chair's approval. Several governments came in

calling for the reference to remain or, in the case of some, for the whole paragraph to go into brackets. Mexico suggested putting reference to Rio+5, Agenda 21 and WSSD in the chapeau, so as to relate to all below. This seemed to offer a glimmer of light, but alas to no avail. The paragraph ended in brackets.

Keen as mustard to make some headway, the chair pushed on... only to find exactly the same sticking point in as before. More to'ing, more fro'ing. For what seemed such a little issue, the process became well and truly bogged. The US finally found an escape route for the deadlock by offering a footnote to the opening objectives set out back in paragraph 122, which set out that any reference to Agenda 21 thereafter should be deemed to include Rio+5 and WSSD. This was finally agreed, on the proviso that States could reserve the right to drop in specific processes later in the text at their (extreme) discretion. With this the 146.a & b. were agreed. A collective sigh of relief played its way around the room.

146.c, on *mobilising technical and financial assistance* went through subject to the use of more eloquent language. 146.d was deleted with an associated modification to 146.b to include reference to national experiences. 146.e covered *civil society participation* and received some extra text suggestions from the US on partnerships. No more progress was made beyond this, as Norway demanded time over lunch to reflect.

Toby Middleton, Stakeholder Forum

Afternoon Session

Chaired by the Nigerian Co-chair who made very good progress due to informal discussions with governments. This included leaving the decision on the future work programme of the CSD to the UN General Assembly. This was done even though the General Assembly decision setting up WSSD called for the Prepcom to "evaluate and define the role and **programme of work** of the Commission on Sustainable Development." There was still no agreement on when the CSD should have a substantive policy discussion sessions. The US still expressed the view that it should be every 4 years other countries wanted every 2 years. It was agreed that the CSD should be addressing a smaller number of themes as was proposed by the European Union

There was much discussion on the role of partnerships and what role the CSD should play as a facilitator of space for discussion on monitoring, promoting and exchanging ideas on partnerships. It eventually agreed that the CSD should serve as "a focal point for discussion on partnerships to promote sustainable development". Most of the disagreement in this section dealt with para 131h which dealt with the role of the CSD in relation to cooperation with other intergovernmental bodies in particular in relation to legal developments relating to sustainable development. Concern was raised by many delegations in relation to how far to allow the CSD to interfere with other bodies. This issue was not resolved and would be further dealt with at the late night session.

Felix Dodds, Stakeholder forum

Partnerships discussion

After a late start, the EU, the US and Japan outlined their various positions. The US stressed their strong support for Type IIs and considered it to be crucial to allow creativity and vitality to flow. The EU presented its non paper on Type IIs, outlining its views on appropriate guiding principles and options for formalisation of the Guiding Principles. Internal difficulties with NGOs within the EU did not surface, though an American NGO questioned how they could be expected to proceed with Type IIs, which are meant to be linked to Type I, when they do not agree with Type I with which it is linked. A further difference of view emerged over the concept of

a framework for Type IIs. The EU was clearly in favour whereas Japan opposed a strict framework. UNEP proposed that a clear distinction be made between the process for developing Type IIs be distinguished from the framework for linking Type IIs to Type I.

Japan strongly emphasised the prime importance of action and gave examples of progress by many South East Asian countries over the last forty years. They warned against the trap of considering that any partnership that was not a Type II was therefore necessarily inferior. They also highlighted the importance of ownership in a partnership, a concept also picked up in the EU paper

The absence of speakers from the developing world was striking. The Philippines were however a notable exception. They stated their support for Type IIs, linked to Type I, but on important conditions. In particular they expressed anxiety that Type IIs could be funded with money that was taken away from other good existing projects. Diane Quarless, as Chair, suggested that that concern could perhaps be addressed. They expressed concern that the concept of ownership could imply the imposition of unwanted conditions. This led to an indignant retort from Japan. For him, ownership implied respect.

Monica Linn, for the Secretariat, outlined their current thoughts on timing. She said that Type IIs need to be looked at and put on the web and that any Type II submitted later than August 12/15 was unlikely to be able to be celebrated as part of the Summit outcome. No firm decisions on timing had yet been made however, she said.

One speaker, whilst stressing the importance of partnerships as a means of implementation, pointed out that they were not the only means of delivery. The initial paper from the Secretariat had talked of “initiatives/partnerships”. By only talking of partnerships, an important opportunity was being missed of encouraging unilateral declaration of targets by individual Governments.

The session concluded with some comments by Nitin Desai. He stressed the multi-stakeholder nature of Type IIs and the need for capacity building for some stakeholders to strengthen their negotiating capacity. He considered the way in which the partnerships organised themselves was up to each individual partnership and stressed their voluntary nature. He explained that he saw the guidelines as exactly that. They should be treated as a guide book, that could be actively used and referred to but not to be used prescriptively. He outlined his view of the first week of the Summit and expressed his lack of enthusiasm for breaking into periods dedicated to the major groups in turn. Rather, he felt that the time should be used thematically though there would be no time, in his view, for the presentation of individual partnerships.

To finish, Spain took the opportunity to congratulate Mr Desai on the excellent Energy paper that had been produced and expressed Europe’s enthusiasm to see similar papers for the other four issues highlighted by the Secretary General.

Robert Whitfield, Stakeholder Forum

A New Blueprint for Trans-National Corporations?

Isn’t it amazing how one small sentence can be so loaded with political tension. Mid-way through the WSSD Prep Com 4 draft

text on “Institutional framework for sustainable development we find the line, “Develop a framework for trans-national corporation accountability”. Since the institutional paper was first released the sentence has grown considerably with additions, proposed deletions, lost in a morass of brackets. The controversy is obvious – no one can miss the significance of a possible proposal to develop a global guideline or convention aiming to help “frame” the most financially powerful institutions in the globe. But what benefit can such a global framework have?

In the official negotiations those countries who have been in favour – such as the G77/China, Norway and Hungary - are clear on the need to establish a common global standard for corporate conduct that respects not only the economic conditions of countries but also the environment and social aspects. Hungary even proposed that the development of such a framework should take place with the cooperation of relevant stakeholders. Others such as the EU and Switzerland take the middle-ground. They ask for building upon existing voluntary processes such as Global Reporting Initiative, OECD guidelines for MNCs and the Global Compact towards enhancing corporate responsibility and support for sustainable development. At the other end of the spectrum is the USA, who with their own strong national law advocate that corporate can and should only come through national legislation and guidelines.

Informally one USA delegate explained their position, using an example from their own country where mentioned their own system in the US which applies legislation such as the US Foreign Corrupt Practices Act of 1977, that enables the US, as the “home” country to many of the major TNCs globally, to impose legal standards of practice on a company and its overseas subsidiaries as a means to preventing corrupt practices. That is not to say that the US adopts this approach for TNCs in other key aspects of sustainable development, such the environment and social impacts derived from overseas affiliates. However, they suggest that this should be seen as a tool that could be applied through the national level in support of core SD aspects both by the US and elsewhere.

Friends of the Earth (FoE) International who have been actively working to see the inclusion of this part of text are keen to point out that TNCs need not be so wary of the proposal. What is key is that the Johannesburg Summit might initiate a process and dialogue about how and what could be in place. It does not mean the hurried introduction of an international convention before anyone is realistically ready to comply but the initiation of a process towards building an international framework for improving corporate conduct. Nor, they argue, should TNCs be concerned about the word “binding” – by developing an international standard the corporate leaders in sustainability will be able to compete on a far more level playing field with the laggards. FoE note that in the current political climate individual companies are more open to the idea of this approach than the associations – but then these groups of companies are likely to represent a far more mixed bunch so perhaps its not too surprising that they are not quick to jump on the band wagon. FoE state that the voluntary approach has not lead to mainstream changes in corporate conduct. Even a recent study by UNEP, released 4 weeks ago, stated that voluntary approaches have not been delivering results. FoE quote how back in 1999 an Austrian official at the OECD, when asked about Rio Tinto contravening the OECD guidelines on TNCs said “well its only voluntary”. This, they argue is an other examples goes to show that voluntary agreements are not going far enough. In letter to Professor. Salim FoE said they believed that voluntary approaches “cannot credibly be presented as an alternative to internationally agreed binding rules of accountability. Nor can they credibly be presented as a coherent framework for ensuring business stops undermining

Sustainable Development. Nor are they relevant instruments for securing rights for citizens and communities”

A corporate representative acknowledged that the voluntary Global Compact had been criticised by NGOs as offering TNCs the “cloak of responsibility” and fears of companies exerting too much influence on the UN. He hoped that Jo’burg would bring a shift in mindset and act as a catalyst to bring more positive results in the corporate sector. He suggested that the development of a framework could be seen as a means to establish a global blueprint, but one that would become meaningful once it was applied in sectoral, regional and national context.

A G77 delegate involved in the contact group in that is discussing this proposal, and representing a group of countries that by and large support the idea, indicated that the Prep Com will be a tough nut to crack and there would have to be some give and take on all sides.

Nevertheless, the discussion has come a long way, as Nitin Desai noted at Prep Com 2 governments seemed unwilling to even consider this idea – at least they are now actually able to discuss the proposal.

Rosalie Gardiner, Stakeholder Forum

Delivering Action: The Role of Local Governance

Interesting international parallels were drawn at the 30 May Bali PrepCom ‘side event’ on local governance. This workshop, co-organised by the (UK) Local Government International Bureau with United Nations Environment and Development Forum, attracted thirty delegates who debated the aspects of good local governance. What kinds of capacity building programmes are needed to accelerate the transition to effective governance for sustainability, the obstacles experienced at the local level, and overview ideas on new learning programmes for local authorities, were developed.

Facilitated by Georgina Ayre from Stakeholder Forum, a definition of local governance was offered as a commonly agreed starting point,

“Local governance is the network of public, private and voluntary/community institutions, processes and services that debate and deliver public goods for an area. This has local government at its core and covers contractors, funded agencies and charities, schools and hospitals etc.” Ian Christie, Associate Director Local Futures (UK).

Building on this from the international local government perspective, Kaarin Taipale, Chair of the International Council for Local Environmental Initiatives (ICLEI) raised some key values on good governance. Aspects including transparency, accountability, inclusiveness, the idea of local governments facilitating ‘co-operative’ governance, as they are charged with a role of managing relationships and forming a bridge with civil society, were just some of embedded aspects referred to from the (ICLEI) Local Government ‘Major Group’ International Position paper, entitled ‘Local Action Moves the World’, submitted to the United Nations Secretariat for WSSD. The discussion elicited the helpful definition on good local governance already coined at the Rio+5 HABITAT conference.

Fay Blair, International Sustainable Development Co-ordinator

from LGIB outlined the key role that LGIB has – as international arm of the UK Local Government Association - in forming partnerships through technical and co-operative links between local authorities from the UK and world-wide. Fay presented a summary of sub themes for capacity building for fostering good governance at the local level, aimed at local authority leaders, elected members and senior officials. Emphasis was placed on the need for better understanding of the whole scope of partnerships, what they can be (within what is commonly taken as a very broad spectrum of meaning), the importance of how they are set up with commonly agreed values, objectives and operating ground rules, and how to ensure that they run effectively. Examples of the, now mandated, formation of so-called local strategic partnerships were cited as an evolutionary governance model in the UK.

Similarly, issues around the need to closely define - the now well established - myriad of tools and techniques for community/stakeholder participation were discussed in the context of the need for good criteria for assessment on appropriateness and effectiveness in application. Other core areas set out as vital for good governance were the need to collate the wealth of experience generated at the local level on practical projects, and the need for the development of local governance ‘community’ leadership programmes. Indeed it was this aspect, the cultural transition and shifting of local authority mindsets, which was regarded as essential for local authorities to develop confidence in “letting go”; moving from a dominating position of control, to an influencing and orchestrating role. Within this, the strategic leadership role, the ability to better predict and rehearse scenarios with regard to the future long-term, well being of communities, was covered. The science of risk management aligned with the emerging discipline of ‘foresight and futures studies’ was stressed as some of the new competences and skills set that will increasingly be required of good local leaders for governance. Local authorities were highlighted as key influencers in good governance for sustainable development through their massive procurement powers in contracts and services, their use of sustainability appraisal tools and performance and management systems.

Articulating experiences related to some of these themes at the local level, Chris Mahon, Director of Cheshire Wildlife Trust (a regionally based, NGO part of UK network) covered the perspectives from his working alliances with the local authority, Cheshire County Council. He described the setting up of a Sustainable Cheshire Forum – of which he is chair – as a partnership between the County (larger municipal, sub regional unit with a population of over one million) and six district (smaller, less strategically focused municipal) local authorities. This forum has developed a programme of action with short, medium and long-term targets. Chris described how the forum runs by multi-stakeholder engagement and operates with a variety of thematic task groups on air, water, land, wildlife, transport, energy and waste. Exclusionary issues in the participation process highlighted, and how significant it was to involve minority groups; the inclusion of inter faith groups was one example given.

The Local Agenda 21 process for Cheshire was highlighted as being a tremendous success given the general apathy and disinterest of the media in sustainable development in 1995 and the fact that there was no new or extra funding created to support LA21 initiatives. In relation to the recent legislative changes in the UK – requiring local government to draw up community strategies to promote the (long-term) economic, social and environmental well-being of their areas – Chris described how one district council has completely restructured its departments to reflect sustainable development principles. In addition new cross cutting themes have been

established to integrate LA21 into the new overarching community strategy.

On the issue of leadership, Chris highlighted how the political election cycle and change in administration resulted in a decrease in political support for sustainable development. The focus now is very much inward looking on the "home patch", and the global perspective is no longer present. On failures and successes, he cited the problems of disillusionment and cynicism amongst the public and LA21 officers but stressed how Cheshire's role in hosting a national LA21 Co-ordinators Conference in 2000 helped to boost the morale of several hundred practitioners.

Finally it was agreed how the issues around how Johannesburg will be important in bringing about vitality to the LA21 process, and the, much-needed, renewal of political will at all levels. Chris, as a closing remark to his presentation, quoted, Mahatma Gandhi, "You must be part of the change you want to see in the world".

Throughout the good governance debate the theme of democratic and accountability and the legitimacy of partnerships were raised as an area of concern across all nations.

Faye Blair, Local Government International Bureau

Latin America & Caribbean Initiative For Sustainable Development

During the seventh meeting of the inter-sessional Committee of the Forum of Ministers of the Environment of Latin America and the Caribbean held in Sao Paulo, Brazil, from 15-17 May 2002, an interesting contribution was issued from the Latin American region. Here are some excerpts of the Draft final report of this meeting, which hopefully will be rescued here in Bali.

The objective of the Latin American and the Caribbean Initiative are as follows:

- a. Considering and continuing the efforts of Latin America and the Caribbean, at the different levels of Government and civil society, in order to overcome obstacles in the implementation of programmes and projects of interest to the region in implementing the recommendations of Agenda 21, emphasising effective implementation and the development of participation mechanisms in the Caribbean;
- b. Developing actions in selected areas that, based on the political will of states, stimulate the participation of the private sector and of civil society in order to promote investments that may generate sustainable productive activities and, at the same time, allow for the conservation and sustainable use of environmental goods and services essential to life;
- c. Promoting the implementation of sustainable development models on the foundation of an ethical basis that are competitive and supported by public policies devoted to fomenting science and technology, financing, human resource capacity building, institutional developments, valuation of goods and

services and development of sustainability indicators adapted to the social, economic, environmental and political conditions of each country or to the needs of sub-regional groups of countries, and

Contributing, as a political framework, to identifying and prioritising financial, technical and institutional mechanisms for the effective implementation of Agenda 21, facilitating the transfer of, access to and development of technology and knowledge and promoting the adoption of sustainable regulatory frameworks.

The operative guidelines of this initiative are:

- i. To ratify the commitment to devote 0.7% of the GDP of industrialised countries to official development assistance, as approved in Agenda 21;
- ii. To fulfil the commitments contained in the Doha Declaration and in the Consensus of Monterrey to ensure access to the market and the availability of the financial resources required to achieve sustainable development goals, particularly in support for the efforts of the developing countries;
- iii. To provide guidance for the creation of new financial mechanisms, including cancellation of the debt of developing countries and particularly the least developed countries, and the creation of a contingency fund for natural disasters;

To fully apply the principle of common but differentiated responsibilities of the States and the respect for the sovereign right of each country over its natural resources;

To reiterate commitment to the precautionary principal, in accordance with the definition that appears in the Rio Declaration, as a key component of environmental policy, so as to safeguard our natural and social heritage;

To enhance participation of non-governmental agents and transparency in decision making processes, strengthening initiatives such as National Councils on sustainable development and the elaboration of national and local agenda 21;

To promote the construction of a new ethical practice for sustainable development that takes into account the processes developed so far, such as the Earth Charter.

World Urban Forum

The welfare of future generations will depend on our ability to achieve sustainable urbanisation. If we work on social, economic and environmental improvement, then the rapid rate of urbanisation that so dramatically shapes development throughout the world must be at the centre of our concerns.

Half of the World's population is now living in cities. In 30 years urban populations will have doubled by more than 5 billion, with virtually all of this growth taking place in developing countries.

Cities offer economies of scale for providing jobs, housing, infrastructure and services. They attract investors and achieve unprecedented productivity. They are engines of development and hold promising opportunities of socio-economic advancement as well as for environmental improvement at local and global levels.

But in contrast to the promise cities have become the most alarming concentrations of poverty. 1 billion city dwellers live in life threatening conditions of deprivation and environmental degrada-

tion. This number will double in 25 years. Unemployment, weak social services, lack of adequate housing and basic infrastructure combined with increasing disparities and social exclusion are a principal cause of social dysfunction, crime and violence.

Given this background UN Habitat, the UN agency responsible for cities and other human settlements and the UN focal point for local authorities has earlier this month brought together more than 1000 urban development practitioners from governments, intergovernmental organisations, local authorities, NGO's, slum dwellers and academia for the first session of the World Urban Forum. Under the overall chairmanship of the Hon. Ms. Sankie Mthembu-Mahaye, South African Minister of Housing, these habitat Agenda partners have reviewed the concept of 'sustainable urbanisation' with its challenges and opportunities from a range of perspectives such as access to water and sanitation, management of the HIV-AIDS pandemic and rural-urban interdependencies.

What has emerged is an exciting new perspective for looking at sustainable urban development, a perspective that brings together rural and urban settlements concerns from village to towns and metropolitan conurbations; a perspective that more readily recognises linkages between economic, social and environmental sustainability at local, national and global levels; and a perspective that accepts the dynamic realities of urban growth and migration. Poverty, gender inequality and deprivation are central challenges — no process of urbanisation can be sustainable unless these issues are addressed.

The most important message from the World Urban Forum provides a framework for action: *It was generally accepted that the principle barrier to sustainable urbanisation is not technology, not external funding, nor international agreements (through all of these are important) but planning, implementation and management capacity on the part of local authorities and their local partners.* This includes local capacities for addressing such challenges as democratisation of local decision making, decentralisation of responsibilities and resources, municipal autonomy and empowerment, as well as public sector reform for more demand-led approaches to the provision of public services.

Another key message from the World Urban Forum is about partnership. Sustainable urbanisation will not be possible without concerted efforts of a wide range of local partners. Similarly, external support to local capacity development will remain ineffective without cooperation among a wide range of international support organisations from bi and multi-lateral organisations, NGO's and the private sector. Consistent with this message and with the principals of the WSSD type II outcomes, the WUF reviewed and endorsed a series of 'partnership implementation commitments' currently under preparation as part of a 'coalition for sustainable urbanisation'. These include partnerships with global associations of local Authorities, UN Agencies, donor countries, international NGO's and the private sector for developing local capacities in a variety of thematic areas such as water supply.

These initiatives will be developed in time for Johannesburg as concrete illustrations of how cities and their partners can support sustainable urbanisation and the implementation of Agenda 21. We expect to host, together with our partners official side-events in Johannesburg for presenting and discussing these partnership commitments. This we hope, indeed expect, will keep sustainable urbanisation and the important role of cities on the map of the World Summit for Sustainable Development. We further expect that these and similar initiatives will ultimately improve the living conditions of urban populations throughout the world, specially the poor.

Prep Comm. IV Boost Workplace Issues

Government negotiators working late into the night at Prepcom IV yesterday, gave trade unions much of the wording they have sought since the Rio Summit in 1992, placing workplaces, occupational health & safety, decent work and employment squarely on the agenda for discussion at the World Summit on Sustainable Development in South Africa.

While the crucial text remains to be adopted by Ministers next week, it has been finally designated as "Agreed" by negotiators, signaling that nearly eight years of lobbying by trade unions on key worker issues could finally be coming to a successful conclusion.

The text appeared just as a twenty-five member ICFTU /TUAC delegation was wrapping up a full week of lobbying at the Indonesia 4th WSSD preparatory meeting, which also included participation in a three-day multistakeholder dialogue session.

During the Opening Multistakeholder Session last Monday, trade union participants told government delegates that a bold long term 'workplace assessment' programme for sustainable development could be launched over the next decade, if they adopted wording on enabling governance and institutional structures. This included wording to explicitly link workplace health and safety structures to employment and public health programs.

The agreed text includes wording referring to "actions at all levels to strengthen and promote International Labour Organisation and WHO to reduce occupational deaths, injuries, and illnesses and link with public health promotion as a means of promoting public health and education".

Governments also agreed to text that addresses HIV/AIDS specifically by "protecting the health of workers and promoting safety, by, taking into account the ILO Code of Practice on HIV/AIDS and the world to work to improve conditions of the workplace"

Last night's Session also resulted in explicit acknowledgement of the role of employment programmes by including language to "increase decent employment, credit, and income for the urban poor, through appropriate national policies, equal opportunities for women and men" and to "provide technical financial assistance to developing countries ...to develop the capacity of civil society including youth to participate as appropriate, in designing, implementing and reviewing sustainable development policies and strategies at all levels."

In addition, negotiators agreed to promote the empowerment of people living on poverty and their organizations with programmes that "enable them to increase access to productive resources, public services and institutions, in particular land, water, employment opportunities, credit and health".

Governments agreed to "develop workplace-based partnerships and programmes, including training and education programmes" Several hours after the negotiated text was released, the ILO held a tripartite side event with South Africa Government, ICFTU and the International Chamber of Commerce in which all participants agreed to work together to turn such partnerships into tools for sustainable development implementation. Reflecting this commitment,

Tuesday Events Diary

10.30 - 12.30	Johannesburg Summit Preparation and Update. JOWSCO. Auditorium
1.15 - 2.45	Energy and Sustainable Development. International Energy Agency. Caucus Room 3
1.15 - 2.45	Launching of OECD Report to the WSSD. Organisation for Economic Cooperation and Development. Conference Room 2
1.15 - 2.45	Universal Access to Electricity. Developing a Partnership Roadmap for Implementation. E7 Fund for Sustainable Energy Development. Caucus Room 2
1.15 - 2.45	United Nations Technical Cooperation for Sustainable Development' UN Department of Economic and Social Affairs. Auditorium
6.15 - 7.45	Is Energy Still the Good Fairy of Development. HELIO International. Caucus Room 3
6.15 - 7.45	Global Governance for Sustainable Development and the Environment. International NGO Task Group on Legal and Institutional Matters & the Third World Network. Caucus Room 2
6.15 - 7.45	Local Government Presents Strategies for Sustainability. International Council for Local Environment Initiatives. Conference Room 2
6.15 - 7.45	Power to Tackle Poverty Seminar. Body Shop Foundation. Auditorium

adopted text encourages "dialogue between enterprises and the communities in which they operate and other stakeholders".

While negotiators still face a number of unresolved issues with respect to corporate accountability, they have agreed to "enhance corporate environmental and social responsibility and accountability [by encouraging industry to improve] performance through voluntary initiatives, including environmental management systems, codes of conduct, certification and public reporting on environmental and social issues, taking into account such initiatives as the International Organisation for Standardization (ISO) standards and Global Reporting Initiative guidelines on sustainability reporting". References to the OECD Guidelines on Multinationals and the Global Compact still remain in square brackets, and are subject to the next round of negotiations.

In spite of the welcome news on negotiated text, many trade union issues remained unresolved, bringing negotiators back to the Bali Conference Centre for negotiations that appear destined to last well into Friday night and the weekend. Still to be addressed is a considerable amount of text (in square brackets) that refers to issues sought after by the trade union delegation. This includes text on:

- Integration of the social dimension with economic and environmental planning
- Assistance to increase income generating employment opportunities respecting ILO core labour standards
- Child labour
- The role of Major Groups in changing production and consumption patterns;
- Corporate accountability, the OECD Guidelines and Global Compact; and
- Globalisation and employment

UN-Habitat



The World of Brackets

As the negotiations progress the text becomes cluttered with brackets. These represent what has not yet been agreed. If you are involved with the negotiations it is very important to understand that there are many different types of brackets.

It is important to understand the nature of why a bracket was put in place if you want it to be removed. Brackets will look the same in the text but they could be any of the following:

Alternative brackets are alternative text for the same issue and may revolve around a substantive disagreement but tend to be similar wording for the same issue

Contentious brackets are there because of fundamental disagreement over a particular section.

Suspicious brackets are used when one group thinks the other is up to something with a section or a phrase and so the brackets are put in until it becomes clearer.

Tactical or Trading brackets may be put in by one country to enable them to trade them with another bracket in another section or in another area. It is important to understand what might be traded to be able to unlock these brackets.

Uncertain brackets are put where no one was quite sure what the proposed text meant or why the brackets were placed there in the first place.

Waiting brackets are put when governments are waiting for instructions from capital on what to do.

Weary brackets usually put in when negotiations go on into the early morning and are put there when people get too tired to negotiate effectively.

Fiona McConnell'