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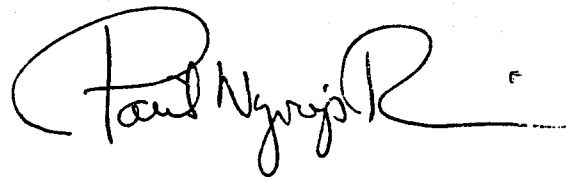
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Journalnummer
400.C.2-0

Kontor
EU-sekr.

26. februar 2001

Til underretning for Folketingets Europaudvalg vedlægges Kommissio-
nens meddelelse til Rådet og Europa-Parlamentet vedrørende 10 år efter
Rio-topmødet: Forberedelse af topmøde om bæredygtig udvikling i 2002.





COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 6.2.2001
COM(2001) 53 final

**COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND
EUROPEAN PARLIAMENT**

**Ten years after Rio:
Preparing for the World Summit on Sustainable Development in 2002**

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EXECUTIVE SUMMARY

The Rio de Janeiro Earth Summit in 1992 raised considerable expectations. The international community agreed an ambitious and comprehensive strategy to address environment and development challenges through a global partnership for sustainable development.

Although some progress has been achieved, **the expectations have not been realised**. Pressures on the environment and on the natural resource base have grown since Rio and poverty has continued to increase globally. Turning production and consumption patterns onto a sustainable path remains rhetoric rather than reality.

Tackling global problems needs action from both North and South, which will only come about through politically challenging changes. Ten years after Rio, the 2002 World Summit on Sustainable Development will provide an **opportunity to revitalise the spirit of Rio** and to shape a renewed political commitment by all countries to achieving sustainable development. The EU has a responsibility to show leadership throughout preparations for the 2002 Summit and at the conference itself.

With a view to ensure an effective EU contribution to the 2002 Summit, this Communication aims to set in motion a **coordinated EU preparatory process**, by:

- (1) suggesting the **EUs strategic objectives and key issues** for the Summit;
- (2) highlighting **synergies with related processes**, - notably the EU sustainable development strategy, the forthcoming Environment Action Programme, the Cardiff Integration process and other related sectoral strategies (e.g. energy and transport) - as a basis for a credible and decisive EU contribution to the Summit;
- (3) indicating **preparatory measures** to take in the lead-up to the Summit.

On the basis of an assessment of progress since Rio, the present Communication suggests **four strategic objectives** that the EU should seek to obtain through the Summit:

- increased global **equity** and an effective **partnership** for sustainable development;
- better **integration** and **coherence** at the international level;
- adoption of environment and development **targets** to revitalise and sharpen the political commitment; and,
- more effective **action** at national level, and international **monitoring**.

The Summit should have a focused and forward-looking agenda, therefore Agenda 21 or the Rio outcomes must not be renegotiated. **Four closely linked sets of issues** are suggested:

- **Protecting the natural resource base of economic development:** Emphasising eco-efficiency and the possibility of an eco-efficiency target, as well as a measurable target on reversing the decline in natural resources by 2015. Those natural resource issues that are closely linked to economic development should be prioritised: freshwater, energy and land.
- **Integrating environment and poverty eradication:** The Summit should improve the understanding of the linkages between poverty and environmental degradation. Furthermore, it should promote better integration and coherence in the global development agenda and in the poverty eradication work of international financial institutions by better integrating the three pillars of sustainable development.
- **Making globalisation sustainable:** There are both opportunities and challenges arising from economic globalisation. The increase in international trade and in investment flows needs to become a consistently more positive factor in the pursuit of sustainability. Often this also requires action outside the trade and investment sphere proper, including *inter alia* addressing the regional and national imbalances in the benefits deriving from globalisation, including the digital divide, as well as building partnerships with business and industry.
- **Enhancing good governance and participation** both at international and national level: Internationally, the question is whether the current institutional setting is able to respond to the new challenges of economic globalisation and sustainable development. At the national level, the 2002 Summit should emphasise the importance of such principles as democracy, good governance, access to information and justice, and participation.

The EU should keep flexibility to ensure a balanced agenda that is supported by developing countries. The EU substantive positions should not be locked, but need to be progressively developed, taking also into account the objectives to be agreed internally.

Financial and technical assistance for sustainable development will remain a major issue, since developing countries feel disillusioned because richer countries have not honoured political commitments. The EU must seek to focus the debate on future action to make greater progress. The 2002 Summit should recognise the primary role of domestic resources, as well as the role that trade liberalisation and private financial flows, notably foreign direct investment (FDI) can play in generating more resources for sustainable development. At the same time, the Summit should recognise that international flows must be channelled so that progress made is not counteracted by negative impacts on environmental resources or equity.

It is essential for the EU to consider **means of implementation** for its policy proposals for 2002, i.e. financial elements, including support for technology transfer and capacity building. More importantly, it is necessary to have a **solid foundation to achieve sustainable development in the EU** which also contributes to global sustainable development.

Therefore, the Communication also stresses the **link with other processes at EU level**, without prejudging their outcome, and the need to ensure that they are **complementary and mutually reinforcing**. The commitment at Rio+5 by all countries to have strategies for sustainable development in place by 2002 requires the EU to go to the Summit with an effective strategy.

Finally, the EU needs to speed up its **preparatory process**. A Steering Group is proposed to champion stakeholder preparations at European level and a major public event on an assessment of the implementation of the Rio agreements so far. Support for the NGOs advocacy role for sustainable development should be enhanced. Outreach to developing countries, supporting civil society participation and regional preparations at pan-European level will also be required.

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND EUROPEAN PARLIAMENT

Ten years after Rio: Preparing for the World Summit on Sustainable Development in 2002

1. POLITICAL CHALLENGE OF 2002

At the 1992 United Nations' Conference on Environment and Development, the Earth Summit in Rio de Janeiro, the international community agreed an ambitious and comprehensive strategy to address environment and development challenges through a global partnership for sustainable development. The Rio Conference raised considerable expectations. However, eight years have passed since the Conference and the fundamental sustainable development challenges still remain. Environmental policy has developed both nationally and internationally and a series of global targets have been set for poverty eradication since 1992. But natural resources continue to decline, pollution, notably of the air and seas, increases and a growing number of people are born or pushed into poverty, living on less than a dollar a day. The economic and social gap between the richest and the poorest nations keeps widening.

The ten-year review of Rio in 2002 offers the opportunity to rekindle the spirit of solidarity and political resolve that characterised Rio. Success this time will depend on a number of factors:

First and foremost, it will require developed countries to **show real commitment to changing their unsustainable patterns of production and consumption**. For the EU, this involves bringing to fruition some ambitious projects to support sustainable development. This involves the adoption, at the upcoming Göteborg Summit, of a Sustainable Development strategy, based among other things, on the integration strategies prepared in follow up to the Cardiff Summit¹. Progress on climate change, notably a successful outcome of the resumed COP-6, and on the global forest issue, as well as the ratification and implementation of some recently concluded international environmental agreements, will influence the atmosphere and chances of success in 2002.

Secondly, the overall atmosphere will also be conditioned by the way the deadlock caused by developing countries' expectations and OECD countries' lack of delivery of development aid finance are handled.

The European Union made a significant contribution to the Rio Summit. It has worked hard to keep Agenda 21 high on the list of political priorities in Europe and the world. Europe remains the catalyst in global socio-economic co-operation. The EU should continue to show leadership in 2002.

To meet these challenges, a united, coherent and far-sighted EU position will be crucial. It is therefore necessary to launch a preparatory process involving all EU Member States, stakeholders and partners around the world. Early and open

¹ The Transport, Energy, Agriculture, Development, Industry, Internal Market, Fisheries, Ecofin and General Affairs Councils.

preparations are called for in order to allow the EU to provide an effective input and to play a leading role.

With a view to ensure an effective EU contribution to the 2002 Summit, this Communication aims – on a basis of an **assessment of progress since Rio** – to set in motion a **coordinated EU preparatory process**, by

- (1) suggesting the **EUs strategic objectives** and possible **key issues** to be addressed at the Summit;
- (2) **highlighting synergies with related EU processes**, as a basis for a credible and decisive EU contribution to the Summit;
- (3) indicating **preparatory measures** to take in the lead-up to the Summit.

This Communication does not attempt to lay out what the substantive EU positions for the Summit might be, nor prejudge the outcome of ongoing internal EU processes on them. It identifies some key problem areas for sustainable development where the world must arrive at a consensus view on solutions by 2002. It also looks at the connections between various processes in Europe and globally.

The approach reinforces the need for EU to have a strong and ambitious European Sustainable Development Strategy. The sectoral integration strategies implementing the mandate given by the Cardiff European Council, the forthcoming Environmental Action Plan, effective action-plans under the Bio-diversity Strategy, including for development, an European Climate Change Programme and a EU Chemicals Strategy will also be essential. So will rapid progress in implementing the new Development Policy and greater coherence between environment, development, trade, energy, transport, agriculture, fisheries, and research and technological development policies. Together these will all provide substantial input for the EU position in 2002.

Similarly, the UN Conference on Least Developed Countries (LDCs) and the UN Financing for Development process, and the ongoing OECD work on sustainable development, will provide wider platforms which will allow the EU to build consensus for the Summit.

2. BACKGROUND

2.1. The Rio Process

The **United Nations Conference on Environment and Development (UNCED)** in Rio de Janeiro in 1992 was a major breakthrough in international diplomacy and the development of international law, and the first of a series of UN Summits during the 1990s. It reaffirmed the concept of **Sustainable Development** launched by the Brundtland Commission, i.e. the pursuit of meeting the needs of today without compromising the possibility of future generations to meet their own needs. This has since been further refined notably at the Copenhagen Social Summit so that

sustainable development is now viewed as having three pillars, economic development, social development and environmental protection.

The Conference adopted the **Rio Principles, Agenda 21** and the **Forest Principles**. Two major legally binding conventions on **Climate Change** and on **Biological Diversity** were adopted, and negotiations started on a **Desertification Convention** and the **Barbados Programme of Action for Small Island Developing States**, both concluded in 1994. The Summit set up the UN Commission on Sustainable Development (CSD) to monitor the implementation of Agenda 21.

Agenda 21 is a very comprehensive document, consisting of 40 chapters, over 100 programme areas and 3000 recommendations. It addresses key sectors such as agriculture, industry and urban management, a range of environmental priorities such as biodiversity conservation, protection of oceans and seas, climate change, hazardous waste, toxic chemicals and water, as well as a series of cross-cutting issues such as technology transfer, poverty, population and trade. It reflects the views of a broad group of stakeholders. As such it is a long-term blueprint for sustainable development in the 21st century.

The CSD has launched several international processes including the negotiations that resulted in the adoption of the UN Fish Stocks Agreement (UNFSA), the UN Informal Consultative Process on Oceans and Law of the Sea (UNICPOLOS). On forests, the Intergovernmental Panel (IPF) was followed by the Intergovernmental Forum (IFF), which in turn led to the UN Forum on Forests (UNFF).

At the nineteenth Special Session of the UN General Assembly (**Rio+5**) in 1997, Governments reviewed progress in implementing the Rio commitments. While progress had been made, the review was marked by a general dissatisfaction at the rate of actual implementation. Developing countries were also disappointed by the developed countries not living up to their commitment to increase the levels of official development assistance (ODA) and by the lack of sufficient new and additional resources for meeting the incremental costs of tackling global problems.

Rio+5 in 1997 did however set two important new targets: to make greater measurable progress and to have **national sustainable development strategies** (nssd's) in place at the next review, which was decided for 2002. It also introduced a new focus on key economic sectors: specifically energy, transport and tourism.

2.2. State of play of preparations

The UN General Assembly adopted a resolution on Rio+10 at its 55th Session in December 2000. This resolution decides to hold a Summit level UN Conference in 2002, entitled the World Summit on Sustainable Development, in South Africa.

The World Summit on Sustainable Development will be prepared by the Tenth Session of CSD, which will begin in April 2001 with a procedural session, and hold three substantive preparatory meetings (PrepComs) in 2002, the third and final being at Ministerial level and held in Indonesia.

The outcome of the negotiations is in line with the EU position developed for the Eighth Session on the CSD in April 2000, which addressed Rio+10. However, the UN GA resolution has not identified the key issues to be addressed².

Preparations have already started among EU Member States and other key players for the Summit, as well as among environment and development NGO's, and business interests. The UN General Assembly resolution will also formally enable the UN Secretariat to start preparing for the World Summit on Sustainable Development.

3. ACHIEVEMENTS AND CHALLENGES

3.1. Developments since Rio

The Rio Conference raised expectations of solving environment and development problems through a global partnership for sustainable development.

The 1990s witnessed a number of positive trends such as economic growth, wider availability of health services, better communications and transport, major advances in life sciences and related technologies, enhanced participation of civil society, increased awareness regarding environmental issues. Also, the international community has addressed a series of global environmental issues – some successfully, for example, in reducing threats to stratospheric ozone.

Overall, however, the unsustainable trends prevailing at the time of Rio have not been reversed. On the contrary, **pressures on the environment and on the natural resource base are increasing**, in the North as well as in the South.

Many natural resources (such as water, land and soil, forests and fish stocks) are already being exploited at or beyond their limits. Waste and emissions are posing serious threats to the health of the world's people.

World **population** has reached 6 billion, and although growth is slowing, it is expected to peak at around 9 billion by 2050. Nearly all of this growth will take place in developing countries, and may be associated with negative environmental and social impacts. The efforts required to meet the needs of an additional 3 billion people in the next 50 years will be immense, even at present consumption levels³. Current problems will become more acute as more countries move towards higher consumption levels and adopt resource-intensive economic practices.

A few examples illustrate the obstacles that the international community will have to overcome in order to ensure a more sustainable future for mankind:

² At CSD-8 the EU suggested: **poverty and environment**, including the social dimension of sustainable development; reversing the decline of **natural resources** through increased resource-efficiency; **environment and security** (the potential threat of conflict due to environmental pressures); national and local implementation of sustainable development **strategies**; strengthening of the international and national **institutional framework** for sustainable development; **follow-up** and further review, including the future programme of work for the CSD.

³ GEO 2000, UNEP 1999

- Although world **energy** consumption has experienced significant growth⁴, two billion people do not have access to affordable and adequate energy services. Wood remains the main energy source for a third of the world's population. While the link between GDP growth and increased energy use has been broken in OECD countries, energy use shows strong prospects for rising over the coming decades. Also the switch to renewable energy sources has been slow.
- **Water** consumption is rising each year by two to three percent. Freshwater resources are being consumed faster than nature can replenish them. About one-third of the world's population already lives in countries with moderate to high water stress. 20% of the world's population lacks access to safe drinking water, while 50% lacks access to safe sanitation. In addition, pollution of rivers, lakes and groundwater remains a major cause of concern all over the world⁵.
- By 1990, poor agricultural practices had contributed to the degradation of 562 million hectares of **land**, about 38 percent of the roughly 1.5 billion hectares cropland worldwide. Since 1990, losses have continued to mount, with an additional 5 to 6 million hectares lost annually due to severe soil degradation⁶. In Africa, production losses from soil erosion alone are estimated at over 8%, reaching 20% in some Asian and Middle Eastern countries.
- For **biodiversity**, 25% of mammal species and 11% of bird species are at a significant risk of extinction⁷. This is mainly due to the destruction of habitats. The introduction of new species into ecosystems is resulting in the spreading of robust generalist species at the expense of specialist species⁸.
- Globally, between 1990 and 1995, 56 million hectares of **forests** were lost, a total loss of 65 million hectares in developing countries, equivalent to an annual rate of loss of 0.65%, (mostly biodiversity-rich primary forests) being partially offset by an increase of nearly 9 million hectares in the developed world⁹.
- Exposure to hazardous **chemicals** in the environment continues worldwide, such as pesticides, lead and mercury, and to new chemicals coming onto the market. Heavy metals and persistent organic pollutants are of particular concern, because they persist for many years in the environment, have widespread distribution and effect the human health through the food chain.¹⁰
- Due to a variety of factors, including excessive fishing capacity, approximately 44% of the major **fish stocks** are fully exploited, 16% are over-fished, and an additional 6% depleted¹¹. Landings of marine fish are levelling off, and in some cases production has declined. Aquaculture output is growing rapidly and has had

⁴ World energy consumption totaled $101,29 \times 10^{12}$ kWh in 1990, reached $111,37 \times 10^{12}$ kWh in 1997 and is expected to reach $146,54 \times 10^{12}$ kWh by 2010. Carbon dioxide emissions increased from $5,836 \times 10^6$ Mt in 1990 to $6,175 \times 10^6$ Mt in 1997 (Source: Energy Information Administration (EIA).

⁵ GEO 2000, UNEP 1999

⁶ GEO I, UNEP 1997

⁷ IUCN, 2000

⁸ Environment in Europe at the turn of the century, EEA 1999

⁹ FAO

¹⁰ GEO 2000, UNEP 1999

¹¹ The state of world fisheries and aquaculture, FAO 1998].

some negative impacts on eco-systems. Marine habitats, such as coral reefs and mangroves, are also degrading.

The world has not become more equitable either. The disparity in incomes between the rich and poor, within nations and between wealthy and poorer nations in general, continues to widen, meaning that global equity has worsened. A relatively small percentage of the world's people and nations still use most of the world's economic and natural resources.

Worldwide, population growth has meant that the number of people living in absolute poverty continued to rise globally: 1 person in 5 lives on less than a dollar a day¹². The number of countries in which the child malnutrition exceeds 40% almost doubled from 7 countries in 1992 to 13 countries in 1998, mostly in South Asia.

Heavily indebted poor countries (HIPCs) are of particular concern: Per capita GNP has declined since 1992, mostly as a result of decreasing export earnings, slow growth and expanding populations. Compared to other low-income countries, HIPCs have made less progress in reducing illiteracy, in lowering infant mortality, and in slowing fertility. The G7 debt relief initiative has provided hope for the better, but actual delivery is slow.

There have, on the other hand, been some encouraging developments in the **social field**. In particular, primary **education** enrolment is growing in most regions. The gap between girls' and boys' enrolment is also narrowing and adult literacy climbed in the 1990s.

Health indicators have also improved with economic development and wider access to health care services. However, substantial regional differences persist, and some trends are worrying:

- 20% of children still die before they reach the age of 5 in developing countries compared to less than 1% in developed countries¹³. On present trends, the world is not on course to reach the OECD-DAC target of reducing infant and child mortality rates by two-thirds by 2015, partly because 20% of the world's population lacks access to safe water and at least twice as many lack proper sanitation facilities¹⁴.
- As a result of AIDS, life expectancy in developing countries did not improve in the 1990s, averaging 65 years both in 1993 and 1997. Worse, AIDS has decreased life expectancy in 33 countries (mostly in sub-Saharan Africa) since 1990¹⁵.

¹² A better world for all, UN-WB-IMF-OECD, 2000
¹³ A better world for all, UN-WB-IMF-OECD, 2000
¹⁴ GEO 2000, UNEP 1999
¹⁵ WHO, 2000

3.2. Key problems in implementing the Rio agenda

Failure to change unsustainable patterns of consumption and production

There is a sharp contrast between consumption levels and the "ecological footprints" in industrialised and developing countries¹⁶. For example, an American consumes up to 50 times more resources in a lifetime than the average person in most developing countries. Continued economic growth in industrialised countries, coupled with population growth and the natural desire of developing countries to catch up in terms of material welfare, is placing increased pressure on the environment and the natural resource base.

Unsustainable consumption and production patterns are **detrimental to the environment, economically inefficient and wasteful**. Reversing current trends is therefore both an environmental and an economic imperative. It is also necessary to underpin development processes in developing countries and to ensure the availability of resources to meet the basic needs of the poor. The lack of progress in coming to terms with unsustainable production and consumption patterns can largely be attributed to a **failure to internalise environmental externalities** into economic activities.

It is also necessary to provide consumers with relevant, accurate and readily understandable information that enables them to make informed choices concerning products and services that are environmentally preferable to competing products. It is equally important to work in partnership with business to improve industry's environmental performance.

Shortage of financial resources

Agenda 21 addressed the crucial question of **financing sustainable development**, concentrating on the needs of developing countries and economies in transition. The need for new and additional resources for tackling global environmental problems was fully recognised in 1992. However, this has not been followed by an increase in financial assistance to developing countries. On the contrary, **official development aid, including debt relief, (ODA)**, which represented 0.33% of donors' GNP in 1992, declined to 0.22% by 1998¹⁷, although it has slightly increased since then. The ODA target of 0.7% of GNP reconfirmed in Rio is far from being met.

ODA constitutes on average only 1.7% of public investment in developing countries. It would be counterproductive to focus on ODA as the sole source of financing for sustainable development, since the main source of resources will almost always be domestic. However, it is of strategic importance in covering "one-off" costs for the transition towards sustainable development (capacity building, re-alignment of legislation etc.). More emphasis should be put on the role of public support, both financial and non-financial, in providing public goods which in general is not provided by private finance. This includes, for example, specifically well defined and enforceable access to and tenure of resources and a stable economic framework. For

¹⁶ Living Planet Report 2000, WWF 2000

¹⁷ EU donors contributing on average 0.34% of GNP compared to 0.18 % of GNP from non-EU donors

the poorest countries, ODA is of much higher importance in the state budget, and in these cases its decrease has meant fewer resources for action to protect the environment.

Whilst the quantity of aid has gone down, there has been **qualitative progress** in mainstreaming the environmental dimension into both policy dialogue and concrete programmes on the ground, in part assisted by a more systematic use of environmental appraisal in multilateral and bilateral aid programmes. Applied at the level of plans, programmes and policies it could arguably have the most important impact on sustainable development.

In addition, the increase in **trade and private capital flows**, including foreign direct investment, to developing countries since 1992 has off-set the decline in ODA levels by a huge margin and brought about technology transfer. More can be done to further the benefits of this trend. Trade could make a decisive contribution to financing of sustainable development, if products are sustainably produced and transport costs internalised. Foreign direct investment could make an important contribution to sustainable development, in particular if supportive domestic policies on transparency and predictability are in place. However, these private flows do not remove the need for ODA, since they tend to benefit some countries, and certain activities within those countries. Public goods such as institution building, research on development problems and environmental protection do not often benefit from private investment.

Insufficient response from international institutions

The international response to the challenges identified has been insufficient. The 1992 Rio Conference assigned tasks to a number of UN bodies and led to the creation of the Commission on Sustainable Development (CSD) as the body to mobilise the UN system towards sustainable development, and to integrate economic, social and environmental aspects in UN activities. The CSD process has brought together the major groups at the global arena, and set in motion a number of processes (for instance, on forests and on oceans), but its decisions do not seem to have had the desired effect on the ground in delivering sustainable development. One reason for this could be that the relationship between the sustainable development agenda of the Rio process, and other development processes of the UN is unclear. Better **coherence** between the development objectives is needed, as pointed out by the Millennium Declaration of the UN General Assembly.

While comprehensive, Agenda 21 lacks priorities, and while it contains a **huge number of target dates and actions**, there is no overarching, politically uniting target. There is also a lack of guidance on how the sometimes very broad goals of Agenda 21 should be translated into operational terms.

Weaknesses in domestic governance and capacity

At the national level, there is increased attention to sustainable development objectives, but progress is patchy. Several countries have embarked on government strategies for sustainable development, based on the commitment in Rio. So far 70

countries are reported to have strategies in place¹⁸. However, their real effectiveness is still not known. National Councils for sustainable development or their equivalents, which provide for stakeholder participation at the national level, have also been set up in several countries, but civil society still lacks access to information and participation in decision-making in most of the world's countries. The strengthening of institutional capacity or the establishment of new policy mechanisms have not always resulted in the successful integration of policy measures. Access to scientific knowledge and the adaptation and take-up of more sustainable and cleaner technologies has been slow.

4. GIVING THE EU A GLOBAL EDGE

At the Summit, the EU must be able to point to progress internally as well as in relation to third countries. A number of on-going processes should provide a basis for achieving this objective.

The EU Sustainable Development Strategy and the sectoral strategies implementing it, the forthcoming Environmental Action Programme, and the Cardiff integration strategies should be **complementary and mutually reinforcing**. The EU positions for the Summit will be influenced or even determined by these other policy documents. The Sustainable Development Strategy will provide the EU **response to the Rio+5 commitment** on national sustainable development strategies. Once adopted, the new Environmental Action Programme should provide the environmental pillar in this process.

Other recent EU initiatives are linked to the economic and social pillars of sustainable development – e.g. Luxembourg on employment, Lisbon on the strengthening of employment, economic reform and social cohesion, as part of a knowledge based economy, or even more recently the development of a Social Policy Agenda for the EU. There are also some policy developments in the fields of transport and energy which are important¹⁹ in so far as they address in an integrated manner the economic, social and environment pillars of sustainable development.

By pursuing all these inter-linked processes in a mutually supportive manner, **the EU's credibility on the international scene would be greatly enhanced**. Coherence and complementarity with EU Member States' strategies also need to be ensured.

At the same time the Summit will help to mobilise public support within the EU and to bring a sense of urgency to the policy debate on sustainable development, as well as lend support to an effective move towards integration in the EU policies.

Not all issues addressed in a European strategy will be relevant for a global context, and not all issues that will be addressed at the 2002 Summit should be included in an EU strategy. Nevertheless, the Göteborg sustainable development strategy and the other processes mentioned should also contribute to providing a sound basis for **the EU's substantive positions for the Summit**. For example:

¹⁸ Earth Council, 2000

¹⁹ The Security of Energy Supply Green Paper, 29 November 2000, the Oil Supply Communication (COM(2000)631) and the forthcoming review of the Common Transport Policy.

- The EU has a positive contribution to make in terms of **integration of environmental objectives into other policies**. Lessons learnt in the Cardiff process could be transferred to the **international level**.
- If it is to be credible, the EU's positions at the Summit on issues such as resource use efficiency must take as a basis the **actions and objectives agreed internally**. The international aspects of the new Environmental Action Programme, the Climate change strategy, and the Bio-diversity Action Plans should be the basis for the EU objectives on substantive environmental issues. Similarly, internally agreed policies and measures should provide a basis for the EU position on specific sectors (e.g. transport and energy).

Progress in some ongoing international processes, notably a successful outcome of the resumed COP-6 of the Climate Convention in May 2001, will be essential. The **EU's ratification and implementation of all relevant international agreements** according to targets set will be important contribution to a credible EU position for 2002. The ratification of the Kyoto Protocol remains perhaps the most important, but also that of the Rotterdam Convention, the Cartagena Protocol on Bio-safety and a future POPs Convention. Also relevant are the Aarhus Convention and other UN-ECE based agreements, as well as international agreements on fisheries.

The **enlargement of the European Union** may in fact be the biggest single contribution to global sustainable development that the EU can make. The extension of EU policies and legislation to central and Eastern Europe will in effect be a leapfrog development upgrading environmental protection, social development and economic growth. The awareness of the challenges involved in this will probably only rise as we approach 2002. This region is coincidentally the only one to have received increased aid budgets through the 1990s.

In relation to developing countries, the **EU development cooperation** is an important expression of European commitment to global sustainable development. In total, the European Community and the Member States provide some 55 percent of total international Official Development Assistance and more than two thirds of grant aid. The Council recently adopted a new European Community development policy outlining measures to refocus the EC development cooperation on poverty reduction. The Communication is complemented by the environment integration strategy prepared in the Cardiff exercise, and Communications on Poverty, Communicable diseases, transport, fisheries etc..

5. STRATEGIC OBJECTIVES OF THE EU FOR THE SUMMIT

As shown above, the Rio process has lost momentum due to a multiplicity of factors. Overall, a **renewed political commitment to the revitalisation of Rio and to the implementation of Agenda 21** should be the main result of the World Summit on Sustainable Development. To achieve this, the Summit must make progress on certain strategic points. These include:

Equity and partnership

The Summit should result in a renewed atmosphere of partnership between developed and developing countries. One way is to reassure developing countries

that the developed countries' global environmental concerns do not take precedence over the development goals. The original idea that in sustainable development economic development, social development and environmental protection are **interdependent and mutually reinforcing** should therefore guide the Summit.

Furthermore, there needs to be a clear sense of equity in the preparations for and the outcome of the Summit, making reality of the notion of common but differentiated responsibilities, as reflected in Principle 7 of the Rio Principles on Environment and Development. Inter-generational equity, i.e. the need to ensure a sustainable future for the generations to come, which is embedded in the concept of sustainable development, should also be a prominent guiding principle.

Integration and coherence at the international level

In the same way as the EU is working towards implementing the Amsterdam Treaty integration principle in all its policies, the Summit should help to push forward the **integration** of environmental, social and economic objectives at the international level, within and outside the UN system.

Also, a greater degree of **coherence** in international co-operation should be achieved between the follow-ups of the main UN Summits: Rio, Cairo, Beijing, and Copenhagen, in line with the UN Millennium Summit Declaration implementation.

Environment and development targets

Rio has suffered from being too imprecise. To revitalise and sharpen the political commitment, **targets could be adopted**.

Since Rio, a series of so-called international development targets have been adopted by donors and generally agreed in the main UN Summits or their follow-ups. They have now been endorsed by the Millennium Summit of the UN and should be mainstreamed in all UN processes, including Rio. However, the only target adopted in the Rio process is having national sustainable development strategies in place by 2002. Unlike the other agreed UN targets this is a process target. Other **more specific sustainable development targets could be adopted** (see below 6.1).

Effective action at national level and international monitoring – national strategies for sustainable development

The Summit should encourage the **implementation of the Rio target on sustainable development strategies**. Work by the OECD/DAC, carried out in cooperation with a number of developing countries, focuses on principles and approaches, which should be applied to the planning process so as to enhance a country's implementation of sustainable development. The Summit should adopt this broader but more effective definition of the target, and should put in place **mechanisms to assist countries to implementing the strategies and to monitor progress**. A **continuous peer review mechanism**, complementing the annual reporting to CSD, would be a very valuable outcome of the Summit.

Furthermore, the Summit should set the agenda and modalities for the **follow-up and monitoring** of continued implementation of Agenda 21, through a mechanism for future review. The local level follow-up is also important and should be supported, in the form of Local Agenda 21 or Habitat processes.

6. KEY ISSUES FOR THE SUMMIT AGENDA

The Summit agenda needs to be **balanced** integrating Northern and Southern concerns and environment and development issues. It should also be **attractive for Heads of State or Government** i.e. should have a high political content, and be ground breaking, as Rio was.

Based on a comprehensive assessment of the implementation of Agenda 21, which should be dealt with during CSD-10 in early 2002, and with a view to achieving the strategic objectives as outlined above, **the focus of the Conference should be forward looking.**

It would be premature at this stage to develop an elaborate view on the substantive issues to be addressed at the Summit. The agenda would have to be based on a consensus view on the comprehensive assessment. Furthermore, it is **not in the EU's interest to lock its position on the substance too early.** It would be opportune, on the contrary, to keep flexibility to allow for a good North – South balance.

Moreover, the more detailed substantial content of the EU position on the various issues identified as possible items for the Summit, needs to be developed, taking into account other processes, most notably the Göteborg Sustainable Development Strategy, the Cardiff strategies, the new Environmental Action Programme, and the Development Co-operation policy and EC country support strategies.

However, it is clear already that the Summit should not renegotiate Agenda 21 or other elements of the Rio outcome. It should address some major themes that have proven particularly difficult to solve, seek to make progress on some of the unfinished business of Rio, such as technology transfer and capacity building and consider new trends since Rio.

The overarching themes of poverty eradication and sustainable production and consumption, which were agreed in 1997, are still relevant. But, while the focus on **poverty and development** is fundamental to sustainable development, equal attention must be given to **environmental protection and sustainable management of natural resources.** Otherwise the Rio process has no justification, but would merely be duplicating other development processes of the UN.

In order to design a balanced and forward-looking agenda, **four closely linked sets of issues** should be addressed in an integrated manner:

- **Protecting the natural resource base of economic development**
- **Integrating environment and poverty eradication**
- **Making globalisation sustainable**
- **Enhancing good governance and participation**

1. Protecting the natural resource base of economic development

The World Summit on Sustainable Development should **concentrate on those natural resource issues that are of particular importance to economic development**. The links between natural resource depletion and **security** could also be addressed. The Summit could thereby help place environmental protection at the heart of preventive security policy making.

The Summit should focus on issues that are not effectively dealt with by other intergovernmental processes. Natural resources issues such as **oceans and seas, forests**, as well as convention areas such as **climate change and bio-diversity** may be important to address, depending on the progress made in these areas before 2002, but should in principle not be a priority for the Summit agenda.

Coming to terms with unsustainable production and consumption will on the other hand remain an overarching priority, as was identified at Rio+5 in 1997. **Decoupling** of economic growth and environmental pressures must be a key element in the Summit debate. While recognising that countries have common but differentiated responsibilities, this issue is also relevant for many developing countries. The main message is that we need to **change growth not limit growth**. A **target on eco-efficiency** could be a principal goal for the Summit to respond to the need to change production and consumption patterns, notably in developed countries. This target could be a quantitative target, or simply a process target (e.g. development of policy measures and instruments to promote sustainable production and consumption).

The CSD has identified some of the key natural resource issues where global co-operation has proven especially difficult. These issues are of global significance although, as explained in section 3, they are probably more important for developing countries than industrialised countries.

- **Energy:** The energy issue concerns both the access to and environmental impact of energy. It includes areas such as air pollution and sustainable use of natural resources. The EU has taken a lead in pushing for "Shared Goals for Action" to achieve access to safe and sustainable energy for all, for which it needs to build support. Also, the possibility of adopting a quantified target of the share of renewable energy sources, and/or the market penetration of alternative fuels for vehicles, could be addressed.
- **Freshwater:** Access to safe freshwater is a major and increasing resource constraint for economic development. Several global and regional conferences on freshwater issues are being held. These will provide a basis, but the Summit could adopt an action plan which needs to include work on sewage management.
- **Land and soil degradation** will be an important issue, and one which developing countries, particularly African countries, will push strongly. It is a horizontal issue which addresses several economic sectors, including agriculture.

A global target on **ensuring that current trends in loss of environmental resources are effectively reversed both at global and national levels by 2015**, which at present is an OECD-DAC target, as well as **sectoral targets (e.g. forests, water, soil)** could be agreed, possibly based on indicators.

2. Integrating environment and poverty eradication

Although the 2002 Conference should **not duplicate other ongoing UN processes** (e.g. Copenhagen, Finance for Development, LDC Conference in 2001 or the follow-up of the UN Millennium Summit), poverty eradication issues will have to be a major focus of the Summit.

Rio showed that there **are strong links between poverty and environmental degradation**. Many environmental problems are caused by lack of social equity and economic development and many environmental problems hinder poverty reduction and economic development. The poor, for example, are very often the worst hit by environmental degradation and suffer most from lack of access to basic services like clean water supply and sanitation. There are many examples of win-win approaches which improve both the social situation and environmental quality, often involving ensuring poor people's control over the natural assets from which they live.

Understanding of these positive linkages between environmental protection and poverty eradication is crucial. One of the fundamental results of Rio was a consensus on the need to move away from the belief that environmental problems could only be addressed once we have achieved economic growth. The Summit should reaffirm this consensus and stress the positive linkages.

In accordance with this, and in line with the Millennium Summit Declaration, the 2002 Summit must move us towards **more integrated and coherent follow-up of the development targets of the UN summits of the 1990s**. The 2002 Summit should promote the integration of the environment dimension into efforts to implement these targets in areas such as health, education and gender, by all governments, relevant international organisations and financial institutions. It also needs to effectively integrate the major concerns of those other processes.

3. Making globalisation sustainable

By influencing economic, social and environmental patterns all around the world, globalisation affects sustainable development. The 2002 Summit should identify and address the issues emerging therefrom.

International trade in goods and services and international flows of capital, people and know-how, are parts of the process of globalisation and economic growth. It is generally accepted that this process enhances economic development, but its overall effects on sustainable development will depend on whether globalisation and economic growth result in more eco-efficient resource allocation or in additional pressure on scarce environmental resources. **The sustainability impact of investment and trade liberalisation therefore needs to be addressed²⁰.**

The WTO is the expression of an open and non-discriminatory trading system, and sustainable development is enshrined in the first preambular clause of the Marrakech Agreement establishing the WTO. Although achieving sustainable trade also depends on national actions outside the scope of WTO Agreements, it is essential to launch a New Round of multilateral trade negotiations, with sustainable development as a

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In this context, a civil society dialogue has been launched by the Commission with a view to taking better account of sustainability concerns in trade policy matters.

central objective. A New Round would be beneficial to all, in particular by allowing for better market opportunities and better multilateral rules.

- Trade can and should make a decisive contribution to sustainable development by further promoting the participation and equitable integration of developing countries, including LDCs, in the global economy. While recognising the importance of strengthening local markets, LDCs and many low-income countries should use the opportunities the multilateral system offers, including in the rapidly growing global services market (e.g. tourism). They should be able to benefit from better market access and from an improved framework for multilateral rules to be brought about by a new WTO Round. The initiative to give free access to European markets for LDCs' exports should be pursued as a useful step to provide increased income opportunities to the poorest countries. Other industrialised countries should follow suit.

Better market access alone, however, is not a panacea for LDCs problems: The reforms necessary in these countries need help to build capacity for the implementation of existing agreements as well as improved trade-related technical assistance. This includes intensified and improved supply side support programmes (e.g. in the area of investment promotion, skill training, technology transfer, strengthening of transport and exporting facilities, developing of marketing channels etc).

- As regards the relationship between WTO and environment policy, the key issues are: (i), a clarification of WTO rules, in particular concerning labelling and process and production methods, trade measures in Multilateral Environmental Agreements and precaution, and (ii) promotion of trade in environmentally friendly products and services. In this regard, concrete ways should be explored to facilitate exports of environmentally friendly products originating in developing countries. At the same time, strong national and international policies aimed at tackling existing and emerging environmental problems are increasingly necessary to make sure that trade and environment interact in a mutually supportive way.
- Concerning the social dimension of sustainable development, trade can help to enhance social development, by improving living and working conditions, and to combat social exclusion, particularly in developing countries. The WTO contribution should concentrate on analytical work and dialogue with the ILO.

Business interests have a crucial role to play in ensuring the contribution of globalisation to sustainable development. They have become increasingly involved since Rio, but should now take on firm commitments. While Rio brought in NGOs, the Summit should bring in industry, particularly multinational enterprises, to become committed. A new culture of environmental accountability is necessary, as elaborated in the Malmö Declaration of the first Global Ministerial Environment Forum (29 – 31 May 2000). Consumer awareness of public commitments, progress made and the issues at stake can be a powerful way of turning commitments into reality. The established multi-stakeholder Rio +10 Coalition, launched in June 2000, also has a useful role to play.

Progress has been made in recent years, and the concept of corporate responsibility is increasingly being invoked. The recently adopted OECD guidelines for Multinational

Enterprises (MNEs) provide a valuable instrument to foster accountability and responsibility. Organisations like the World Business Council for Sustainable Development (WBCSD) have also taken a pro-active stance and achieved some progress, in particular in large international enterprises, in terms of improved resource efficiency and reduced emissions and waste. However, even if these developments are encouraging, much remains to be done to apply best practices more widely and systematically by private actors.

The emergence of a new “**Information Society**” is another striking development linked to globalisation. It raises issues related to the “digital divide” within countries, between developed and developing countries and between generations. The potential of the information society to strengthen economic development with less pressure on the environment, while ensuring access and capacity for developing countries and the poor, should be explored.

In order to promote sustainable globalisation, enhanced co-operation between all relevant international institutions should be further encouraged to make the best use of their respective expertise and to develop synergies. It is also necessary to ensure that international financial institutions become more responsive to sustainability concerns.

4. Enhancing good governance and participation

There is growing momentum for the Summit to address **global governance on sustainable development**. The current institutional setting was designed a long time ago and it might not be able to respond to the new challenges of a globalising world. It is therefore necessary to consider what the prospects are for strengthened governance on sustainable development. The **CSD's role and the adequacy of current UN structures to deal with sustainable development** should therefore be addressed, taking into account the overall development structures of the UN. Lack of regional structures in most parts of the world is another item worth exploring.

Good governance is a pre-condition for sustainable development. At the **national level**, creating or enhancing a legal framework of transparent, democratic and accountable institutions, including measures to promote and protect human rights, to support an active and organised civil society and to combat corruption, are essential prerequisites of sustainable development. The Millennium Summit of the UN endorsed good governance at the national level. This could be elaborated further, however, and would benefit from having global Summit-level approval.

Local communities must have a primary role in designing, planning and implementing strategies for sustainability. This requires greater investment in people, mainly in local populations.

Civil society (environment and development NGOs, business and industry, social partners, etc.) has emerged as a major actor not only nationally but also internationally. The social partners, for example, have a major role, which will have to be further strengthened at local level to ensure cohesion and sustainable development. However, in many countries, constraints still exist, as well as in many international institutions and processes. The principles of the **Aarhus Convention** on access to information and justice, and participation should be pursued at global level. The possibility of supporting similar structures as the **Regional Environment**

Centres might be considered. Young people also need to be allowed to be more involved.

The role of media is also becoming increasingly important in a globalising world. Awareness raising and development of shared values are necessary to promote sustainable development at all levels. This presupposes independent and objective media. The Summit should not only become a media opportunity in itself, but also provide a platform for a longer-term perspective in media coverage.

7. MEANS OF IMPLEMENTATION

Levels of official development assistance (ODA), together with technology transfer and capacity building, will continue to be the prime concern of developing country partners. For the South real progress towards the promised 0.7% GNP aid target remains a key measure of the North's political commitment and is of strategic importance even though private financial flows are now economically much more important. In order to make a success of the 2002 Summit progress will have to be made internationally in meeting the aspirations of the South.

Effective strategies must be found to deal with this fundamental impasse. These should relate to the level, quality and contents of development assistance. For the first, there are positive signs in terms of political declarations from major donors, but so far only little evidence of real delivery. In addition, the EU should be ready to back up specific proposals on key issues, such as energy, freshwater or land degradation, by financial elements.

There are signs of increasing recognition of the complexity of aid finance. The UN process on Financing for development may provide a break of some of the stalemate surrounding this issue and come up with some innovative finance mechanism. The Third UN Conference on Least Developed Countries will have an important role to play in this context. Sustainable development needs to be included in these processes.

Furthermore, the replenishment of the Global Environment Facility (GEF) should be finalised in April 2002, and will influence the Summit. The EU's role in finance discussions both in the GEF and wider development aid needs reconsidering. While the EU presents a united front on the environmental agenda, it does not use its financial muscle collectively.

As regards private financial flows to developing countries, there has been a dramatic increase in the 1990s, although with imbalances between regions and over time. Private financial flows now represent more than 5 times official aid flows. This means that developing countries have a real interest in developing a partnership with global business.

Scientific and technological cooperation with developing countries is also a critical element for achieving the Rio objectives on technology transfer and capacity building. An objective and validated knowledge base is required, developed in cooperation with partners. Through research on policy, management of ecosystems and the human dimensions of development, as well as specific technological tools, the EU can build strategic alliances and efficiently promote sustainable development.

Research should be problem-driven, inter-disciplinary and cross-sectoral. It should recognise the socio-cultural, economic and ecological specificity of the knowledge required as well as the need to invest in human and institutional capital in partner countries.

Research must seek a more balanced compromise between agricultural priorities and the conservation of ecosystem biodiversity. It is essential that national and international agricultural research efforts (such as those of the CGIAR centres), adapt and exploit the new knowledge and technologies, in conjunction with traditional knowledge and methods, to develop more sustainable products and practices to respond to economic, social and environmental needs.

8. THE EU PREPARATORY PROCESS

To achieve international leadership the EU preparations need to be timely, have focus, involve developing country partners as much as possible and be coherent with EU positions. There is therefore a need to ensure an effective framework for preparations. This should include the EU institutions, Member States, civil society (NGO's, business interests, social partners etc) and partners.

8.1. Ensuring efficient EU co-ordination and inter-institutional dialogue

The EU will have to show in 2002 "greater measurable progress" in accordance with the target set in the Rio+5 review in 1997. The regular reporting for the Summit should be used as a basis for a **debate at EU level, involving the European parliament and Member states, on the implementation of Agenda 21** and the Rio Agreements, including the Conventions. Its aim would be to contribute to a higher degree of consensus on the state of implementation of Agenda 21.

The Commission will prepare such a report for CSD-10, to which, i.a, the **European Environment Agency** should contribute. It would provide an overview of the EU's response to the Rio commitments, including how Agenda 21 and subsequent CSD outcomes have had an impact on development and economic cooperation activities

Division of labour between EU countries will be needed to ensure that the EU maximises its impact. This should be supported by **information exchange** in order to avoid duplication of efforts and to ensure coherence. Similarly, **EU co-ordination at the United Nations** (notably in New York and Nairobi) should be strengthened.

In order to ensure better coherence between the international development processes, **better links with the other UN processes** should be sought, including through more enhanced participation of other ministries in the Council preparations for the Summit. Links between Council groups should be strengthened.

Parliamentary co-operation at the international level is increasing and bringing additional dimensions to the intergovernmental processes. **The European Parliament** should be actively contributing to the preparations and be represented at the Summit as part of the Community Delegation. The Committee of the Regions and the Economic and Social Committee should also be involved.

8.2. Promoting dialogue with civil society

One of the main contributions of the Rio process has been the increased and more structured participation of civil society. Civil society, industry and local communities have already started preparations, which should be brought into the governmental process and should take on commitments in the outcome of the Summit. Representatives of such groups should be part of EU delegations to the Summit as advisers. **An EU level Steering Group will be established to champion NGO and other civil society organisations' active involvement in and contribution to the preparations at the regional level.**

The Commission will ensure a high degree of **transparency** in the preparations for the Summit, including by way of its Europa web-site and an interactive dialogue with civil society. **The participation of civil society at Member State level should also be ensured, involving the full range of interests and actors able to contribute to sustainable development.** The National Councils on Sustainable Development and their equivalents have had an initial discussion on preparations for the ten-year review of Rio, at European and global level, but could be brought further into the preparations of the Summit.

A major civil society event could be envisaged at the end of 2001, possibly in collaboration with the European Parliament and Member States. It should contribute to the above-mentioned assessment of the EU's implementation of Agenda 21 and discuss its platform for the Summit.

8.3. Strengthening dialogue with partners

The Union **cannot work in isolation** and must draw on all available mechanisms and processes to ensure a global commitment to the Summit. First of all, the EU should initiate a dialogue with the **candidate countries** on preparations for the Summit. Using the informal ministerial meetings would be one opportunity.

Secondly, the EU should ensure a **pan-European** preparation for the Summit through the UN-ECE. The Regional Environment Centres might be called upon to support civil society participation in Central and Eastern European countries.

The revitalisation of the Barcelona Process and the Euro-Mediterranean Dialogue is an opportunity to involve our Southern neighbours and make best use of the Mediterranean Commission on Sustainable Development. Likewise, the Baltic 21 provides a good platform for cooperation around the Baltic Sea.

The OECD Sustainable Development Project and the OECD Environmental Outlook and Strategy which will be adopted by the OECD Council at Ministerial level in May 2001, could also play a role in building consensus among **developed countries**.

Links also need to be made, at an early stage, between regional processes (such as the UN Regional Commissions), and between these and the global preparatory process and in civil society preparations.

Furthermore, dialogue with **developing countries** is necessary to ensure a positive outcome in 2002. There must be a real sense of ownership of the process and preparations of the substantive issues by the global community. Support for developing countries' preparations is important, including civil society. Support

should also be given to **developing countries' regional processes**. Twinning arrangements between governments or region-to-region can be useful tools to achieve stronger participation of developing countries.

One entry point for dialogue is the regular activities of development cooperation which create opportunities to forward the Rio agenda. The EC, for example, has ample opportunity to do so in the six focal areas of its development cooperation (i.e. trade and development; regional integration and cooperation; support to macro-economic policies and social sectors; transport, food security and sustainable rural development; as well as institutional capacity-building and good governance).

9. CONCLUSIONS

The 1992 Rio Earth Summit was a milestone in global partnership and raised high expectations for sustainable development. However, by and large, the fundamental challenges identified at Rio still remain. The 2002 Summit not only provides the occasion of renewing the commitments made 10 years earlier, but also, and more importantly, an opportunity to capture public attention and to focus political will for stronger commitments in order to push forward the sustainable development agenda.

The European Union made a significant contribution to the Rio Summit. It has worked hard to keep Agenda 21 high on the list of political priorities in Europe and in the world. The EU should continue to show leadership in 2002. To this end:

- There is a need to achieve a strong degree of coherence and complementarity between the preparations for the 2002 Summit and the European Sustainable development strategy, the new Environmental Action Programme, the European Employment Strategy, the new Development Policy and EC Country strategies.
- The EU should support a focused agenda, concentrating on key sustainable development issues where progress can be measured and where commitments are realistic, and a balanced agenda that integrates Northern and Southern concerns and environment and development issues.
- The EU must be credible, i.e. have a solid foundation to achieve sustainable development within the EU and make a positive contribution to sustainable development worldwide.
- Ensuring the adequacy of means of implementation is important. Policy initiatives must be backed up with financial elements, including support for technology transfer and capacity and institution building
- Progress on some international issues before 2002 is important to create a political atmosphere conducive to an effective outcome. This includes processes like the major environmental Conventions, including climate change, development processes such as Financing for Development, debt relief and developments regarding trade and investment.
- Preparations need to be launched as soon as possible, involving civil society and reaching out to partners in the rest of the world. Support for preparatory processes in Eastern Europe and developing countries should also be given.

Denmark welcomes the decision taken at the last COSCE meeting on 13 February to prepare a consolidated EU paper on the future activities within the economic and environmental dimension. The distributed list of "Suggestions for OSCE activities in the economic dimension as presented at the Brussels Seminar" put forward by the Commission provides a valuable inspiration and Denmark like to contribute with the following comments in this regard.

- Following the Vienna ministerial meeting, with the apparent need to devote more attention to economic matters, and in light of the replacement of the economic coordinator, the time seems ripe for a thorough evaluation of OSCE's work within the economic dimension. Building on the broad discussions at the Brussels seminar, the next preparatory seminar in Bucharest and the Economic Forum in Prague should focus more specifically on how the OSCE activities can provide an added value. The main perspective must be the potential security implications of the increased globalisation.
- The selection of a new economic coordinator will be crucial for the clarification of OSCE's work, making it necessary to search for a candidate with a diverse background, who will be able to combine the economic and security related aspects. We support the points presented by Finland in coreu HEL/52/01 regarding the future activities of the economic coordinator. The issue of further institutionalisation is not an urgent matter, but should be considered after the new economic coordinator has taken office.
- The reform of the Economic Forum should be continued. The two-tier approach adopted at the Economic Forum in 2000 with a general debate on broad economic topic and more focused working group discussions should be enhanced. The Forum must still be a venue for an informed dialogue on the current economic development trends, but more emphasis should be given to the working-groups, where the issues on the agenda should be very clearly defined. This is necessary in order to secure the formulation of concrete recommendations, suitable for follow-up by OCEEA. In order to secure an inclusive dialogue at the Economic Forum, engaging all members of the OSCE, we strongly welcome the proposal to establish an informal open-ended working-group in Vienna. The selection of the specific discussion issues for the Economic Forum could be a topic for the working group in Vienna.
- The increased involvement of OSCE field missions is an important element in the search for a more concrete approach within the economic dimension. The work of the OSCE mission in Yerevan serves as a good example of OSCE's ability to act as a catalyst at local level. By creating a forum for inter-agency dialogue with the government and other international organisations on the economic aspects of the security situation, the mission has managed to facilitate the discussion of these important issues. The missions should furthermore provide valuable inputs – through regular reports and active participation in OSCE meetings – to the overall discussions within the economic dimension to strengthen the concrete and field-oriented focus. The OCEEA should be responsible for the co-ordination and follow-up to these inputs.

- The activities carried to promote the Aarhus Convention on public participation in decision-making on environmental matters should be multiplied. These efforts underline the multi-dimensional character of OSCE's work, linking environmental development, support for civil society and conflict-prevention. By supporting civil society groups in the environmental field, OCEEA strengthen the national civil society in general. Often this approach will appear less controversial than similar support for NGO's related to human rights and democratisation.
- In terms of concrete project oriented activities – especially with regard to civil society development – closer cooperation between ODIHR and OCEEA should be enhanced. As noted by OCEEA in the work programme for 2001 some coordination has already been established, however, this ought to be intensified in order to avoid overlap and increase the synergy effect.