

eco

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Governance
Issue

JOHANNESBURG SUMMIT PREPCOMM 4 * BALI, INDONESIA * NGO NEWSLETTER

CALLING ALL MINISTERS!

Familiar faces from other negotiations are beginning to appear in the corridors of the BICC. As Ministers and their entourages begin to arrive with varying degrees of pomp and circumstance, curiosity begins to mount as to what they're going to get up to while they're here.

First of all, a few examples of what their (un)civil servants have been up to for the past week:

- In the Energy discussion, Tuvalu, supported by Switzerland twice proposed inserting text recognising the implications for countries particularly vulnerable to climate change. Venezuela then replied on behalf of G-77 and China, in what has to rank as one of the most obscenely insensitive and ignorant statements in these negotiations, that 'climate change is a global issue, and no one country is affected more than any

other'. We strongly suggest that the G-77 and China representatives go back and read the Intergovernmental Panel on Climate Change's Third Assessment Report before coming to the next meeting...or perhaps stop pretending to 'represent' anything other than the OPEC countries as opposed to the vast majority of their constituents who already are disproportionately impacted by climate change. And to top it off, the EU, who we congratulated for having ratified the Kyoto Protocol on Friday, just sat there, mute.

- Iceland and Norway, with Japan lobbying in the corridors, have held the entire oceans text hostage to their frustration over their failure to gain agreement to resume commercial whaling at the International Whaling Commission meeting in Japan two weeks ago.

- The US has been putting heavy pressure on Latin American and Caribbean delegations, suggesting that the wording of their recent Sao Paolo declaration is 'unacceptable' to the US. Hello? A REGIONAL DECLARATION about Latin American environment and development policies is unacceptable to the US? William Walker* lives! By the way, while ECO applauds the energy targets in the Sao Paolo declaration, we find the rest of the initiative needs to be strengthened, and urges the Latin American and Caribbean region to strengthen their initiative with time-bound, targeted measures in the areas of biodiversity, indigenous peoples rights, fisheries, etc. ECO would offer the same encouragement to other parts of the world seeking to adopt measures to implement Agenda 21 in their part of the world.

This sort of childish petulance and schoolyard bullying has to stop.

We welcome the arrival of a group of people who are politically accountable, to one degree or another, to the public who wants to see real action to protect the planet and its people. Yesterday, we told you to bring your [brackets] to Johannesburg, but at the same time we want you to be **bold**, and don't be held hostage to the lowest common denominator. We underline the importance of taking the time necessary to get some real agreements to move this process forward. Don't pass it off to your civil servants while you mess about with the political declaration. We look forward to working with you; and we, and the world, will be watching.

*ECO offers a free cup of coffee at the Flamboyant Café to the first person who correctly identifies William Walker by email to ecoedinbali@yahoo.com.



Stop Press: “Working Group III Governance Discussion as Interesting as Watching Paint Dry” Says PrepCom IV Delegate

Despite a widespread rumour that negotiations last night were eclipsed by high-level deals and communications between capitals, Working Group III carried on gallantly with negotiations to agree an improved institutional framework – on the off-chance that an action plan might emerge.

Yes, many have been led to believe that a clear programme of action with targets and timetables for implementation will emerge from this Summit. As prospects for a Johannesburg Plan of Action now appear increasingly dim, it should come as no surprise that an improved institutional framework to ensure any action plan succeeds appears just as unlikely.

At its heart, sustainable development will rely on institutional capacity and clear mechanisms for enforcement and compliance, monitoring and accountability. These were central elements of the approach that the South African Government proposed in the non-paper circulated at PrepCom III but unfortunately it was not supported by the Chairman. WSSD must squarely face the challenge of strengthening governance structures since states have seen their ability to govern effectively for economic, social and environmental welfare steadily eroded by globalization.

Working Group III clearly has its work cut out: Section X contains many objectives and lacks focus. At the international level the text does not respond to the clear need to improve coherence between governance of trade, finance and investment for sustainable development. WSSD needs to counter-balance the international financial institutions and the WTO with stronger institutions protecting environmental and social values. The proposed means for strengthening sustainability aspects in the General Assembly, ECOSOC and CSD do nothing

to address these needs, and the proposal from USA and Japan to conduct high-level CSD meetings every four years aggravates an already imbalanced state of affairs. Instead, stronger UN institutions will require clear mandates, less fragmentation of MEA secretariats, institutional strengthening, more political support and reliable financial contributions from member governments.

The present text concerning governance at the national level is also weak, given that sustainability will ultimately be implemented nationally. Given the dominance of privatisation and the weakening of state roles across the world, many poor countries need support for carrying out institutional reforms that can provide more efficient and accountable delivery of services to the population.

Prepcom IV also needs to dramatically improve paragraphs 155 and 156 by making a commitment to improve civil society participation. WSSD needs to commit to measures to support popular participation, including regulation on devolution/decentralisation, participatory public planning, democratic means and social control mechanisms, and access for poor communities to public resources.

Finally, a strong recommendation is needed for member states to adopt measures to guarantee civil society rights to access to information, participation and justice in democratic decision-making, through context-based, binding sub-regional agreements, for example (Rio Principle 10).

Perhaps it was recognition of the challenges PrepCom IV faces on governance that compelled WGIII to carry-on negotiating late into the night...

Can the Gap be Bridged? Towards Coherence in Financing for WSSD

At the Rio plus five UNGA Special Session, declining aid flows were a decisive factor in the failure of the negotiators to reach agreement on a political statement. The need to reverse this decline in combination with the ignorance of most sustainable development negotiators on financial issues were the main motivations for the Monterrey conference on Financing for Development. The idea was to separate the issue of generating resources for international cooperation from the WSSD process. Monterrey would focus on delivering more resources whereas the WSSD would provide the framework for how these resources would be spent. Clearly a successful outcome of the Johannesburg Summit depends on a reaffirmation of stable and predictable levels of increased financial resources (including time bound targets for increased levels of ODA) while improving the quality of aid by untying aid flows, enhancing transparency and ensuring participation from local NGOs in recipient countries.

Monterrey cannot be considered a success, but some of the donor countries made pledges to increase their budgets for development assistance. Furthermore, the Monterrey Consensus contains references to debt cancellation, the need to develop an international financial architecture, and improving the coherence between trade and aid policies.

It could be argued that this strategy was born out of necessity, but it included a major risk. The separation of financial issues

from the overriding sustainable development strategies means that the WSSD process has lost ownership of the debate on finance. Most efforts to link the issue of finance to multilateral environmental agreements, participation of civil society and the recognition of basic human rights are bracketed by many countries. Developing countries fear they have to accept the inclusion of social and environmental dimensions in their own development processes. Many donor countries are less willing to put development finance towards sustainable development initiatives and are in fact more interested in supporting their own corporations.

The global community needs to take a fresh look at the entire system of financing for development and reorient it towards sustainable development. Doing so with any degree of honesty will necessarily require a re-examination of the institutions that are entrusted with the financing agenda. While these institutions are certainly a part of the framework that might deliver sustainable development, they are incapable of doing so themselves. An expanded institutional framework that incorporates intermediary and local NGOs will be critical if the goal of sustainable development is taken seriously.

Finally, such institutions (at all levels) will need to be invested with a different set of performance measurements — measures that gauge the ability of institutions to deliver on their developmental goals — rather than focus on financial accounting alone.

Governance – It's All About Accountability

As PrepCom IV comes to a close, the future for most of us doesn't stretch far beyond 4 September 2002. But the agreements reached here, and the precedents set have far-reaching implications which should be clarified and debated.

At the national level in most countries we have more or less established structures of accountability: a judiciary to uphold the law; government at different levels to decide on policies, put them into practice, and arbitrate between different concerns; and civil society and the private sector, with rights and responsibilities protected by law and to whom these other institutions are accountable.

So what do these shared values have in common? Underpinning them is the understanding that public rights and public goods provide the basis for stable, equitable and sustainable livelihoods. That's the theory, at least – but even if it is weak in practice, it is an important theory which is the basis for democracy and is the strongest defence against the exploitation of those without power by those with too much.

How does accountability work globally? The Millennium Summit Declaration states that, in future, the UN will come to act as the interface between the 'international' and the 'global' – bringing together inter-governmental debates and the more complex processes of globalisation. In the same way, Jan Pronk, as UN Special Envoy for WSSD, has suggested that WSSD should have two components: 'people oriented' and 'nations oriented'. With the benefit of the doubt, this is hinting that governments alone cannot guarantee the rights of individuals and that a growing, interlocking number of means to safeguard these interests are needed – just as at national level.

So far, it sounds as if this international debate could lead eventually to the kind of broad accountability which exists in many national contexts. But over the past six months, a major disconnect has become apparent. The Conferences in Doha and Monterrey both emphasised issues of governance, but neither really considered the overarching purpose. Sustainability has not been strongly pushed by any countries as a coherent policy framework for global collaboration and co-ordination. And at this PrepCom, the US and others are insisting that 'Type 2' agreements can exist without any clear inter-governmental commitment, while the arguments for a strong link are not clearly stated by anyone.

So what are we working towards? Let's imagine that in ten years time these accountability concerns have been taken seriously. What might the international system look like?

- First, equity and sustainability would be universally-accepted baselines for policy formulation, recognised as principles serving all our interests;
- Second, Global Public Goods would be recognised as shared resources that cannot be used up or threatened;
- Third, partnerships with other actors would be legitimate only if they increase the accountability of powerful actors to the marginalised and powerless...

If that's not our shared hope, what is?

Don't Forget to read the *Taking Issue* today!

Three Priorities for the PrepCom – Accountability, Accountability, Accountability!

Yesterday's ECO contained a misprint. Our text suggestion for 43(l) should read: "Develop a framework that secures corporate accountability and liability by 2005."

NGOs have agreed that voluntary initiatives have not prevented business from undermining sustainable development. Even UNEP has recently admitted in its latest report on business and the environment that: "There is a growing gap between the attempts of business and industry to reduce their impact on the environment and the worsening state of the planet."

Correction on 3 June 2002, the Brackets issue

On the headline "Bring your Brackets to Johannesburg" under item number 1. Consumption and Production second to the last sentence should read: "These rights are defined in the UN Guidelines for Consumer Protection".

Launch of Green Oscars

NGOs today will expose corporate crimes and launch a new website exposing the truth about corporate "best practice". Members of the Greenwash Academy are inviting your nominations for the Green Oscars - THE awards for corporations "acting" green at www.earthsummit.biz - so get voting today!

Bali Hai

All the cool kids are doin' it!

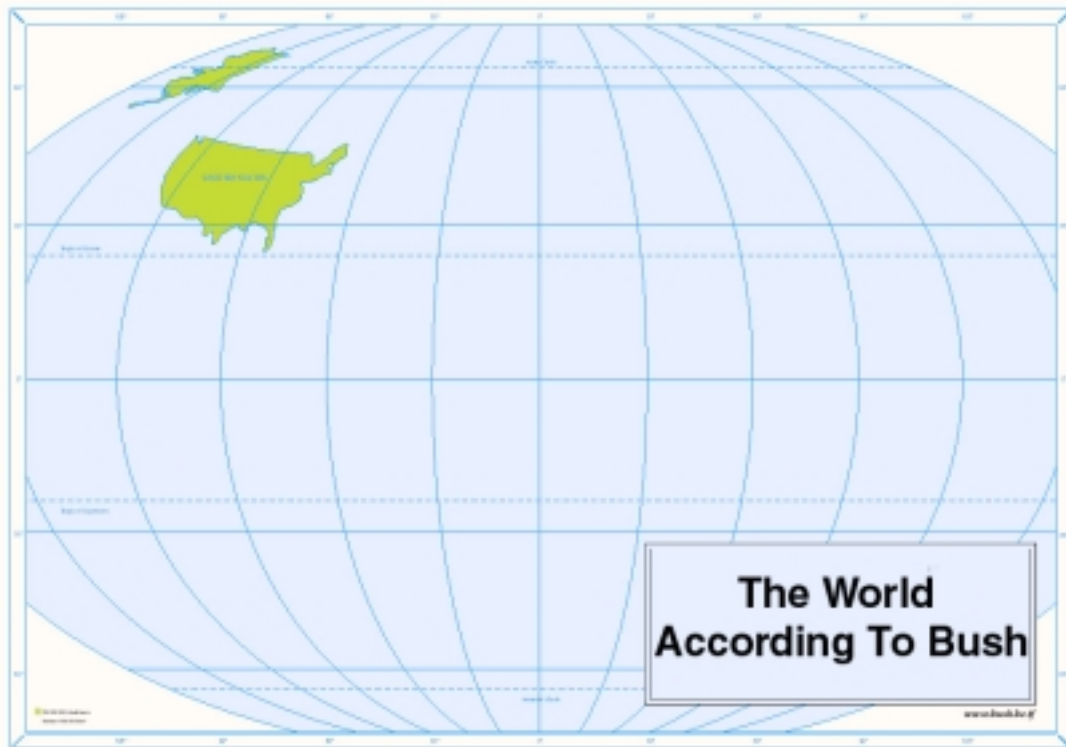
Bali Hai has been hanging out with the popular group at PrepCom 4 here in Bali....

All you need to do to join is to get rid of a few good brackets! When ECO called for governments to bring their brackets to Jo'Burg, we didn't mean **WEASEL WORD BRACKETS**. But if you want to be "cool" and fit in, then that's the way to go!!!

The ringleader of the cool group yesterday was clearly **CANADA** who worked hard to reopen the reproductive health text that had already been agreed. You're out of order Canada!!! Is this a sign of the cool group being disbanded??? One can only hope....

Bali Hai is waiting to see who has the integrity and strength to go against the tide and be a leader!!! If someone steps forward, maybe Bali Hai and others will follow....

In light of the rumour that CNN will be checking out IPF's Chandra Loca amphitheatre today, Bali Hai also undertook a small survey to find out how many delegates had visited Chandra Loca to rub elbows with their concerned civil society constituents. One delegate responded, "Is that that clubbing island near Ayia Napa?" Another smiled knowingly and quipped, "Living la Chandra Loca"...



Eco-Equity is a publication of Consumers International, the Danish 92 Group, Friends of the Earth International, Fundacion Natura, Greenpeace International, Indonesian People's Forum, Northern Alliance for Sustainability, Oxfam International, Pelangi and the World Wide Fund for Nature.

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