



**SUMMARY OF IIED'S 30TH ANNIVERSARY
CONFERENCE: EQUITY FOR A SMALL PLANET
– AN INTERNATIONAL FORUM ON THE 2002
WSSD
12-13 NOVEMBER 2001**

The International Institute for Environment and Development (IIED) held its 30th Anniversary Conference from 12-13 November 2001, in London, UK. The Anniversary Conference was comprised of a one-day workshop followed by a one-day conference, and was held in collaboration with the UK Department for International Development (DFID) and Foreign and Commonwealth Office, Canadian International Development Agency, Department of Foreign Affairs and International Trade Canada, Royal Danish Ministry of Foreign Affairs and Sweden's International Development Cooperation Agency.

On Monday, 12 November, the International Workshop, hosted by the Canadian High Commission, served to outline issues, present themes and generate discussion. The conclusions of the workshop were presented to the International Conference, which was convened on Tuesday, 13 November and hosted by the Trade Union Congress. More than 450 participants attended the workshop and conference, including representatives from governments, NGOs, multilateral organizations, academia and the private sector.

Carrying a theme of "Equity for a Small Planet," the purpose of this event was to convene an International Forum that would consider the dynamic interactions between processes of globalization and efforts to protect local livelihoods, with an emphasis on perspectives from the South, and to clarify many of the critical issues and emerging priorities to be forwarded for consideration at the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg. The outputs of the conference consisted of a series of opinion papers that would provide input to the WSSD.

A BRIEF HISTORY OF IIED

The International Institute for Environment and Development (IIED) is an independent, non-profit research institute whose goal is to provide expertise in the field of sustainable development at the local, national, regional and global levels. For the past three decades, IIED has collaborated with many partners in seeking to address issues

of poverty reduction and equitable management of the world's natural resources, and has sought to be a driving force for multilateral efforts to meet the challenges of global change.

In 1971, Robert Anderson founded the International Institute for Environmental Affairs (IIEA), a small privately funded think-tank whose mission was to prepare for the UN Conference on the Human Environment (UNCHE), which was held in Stockholm in 1972. That year, Barbara Ward and René Dubos published *Only One Earth for the Stockholm Conference*, a book that helped to define UNCHE's agenda. Barbara Ward was invited to lead IIEA, which became established as IIED to reflect a combined focus on environment and development.

In the 1980s, IIED assisted in the publication of *Our Common Future* (the Brundtland Report) for the World Commission on Environment and Development, the first international gathering addressing sustainable human development. IIED also played an integral part in providing input to the 1992 UN Conference on Environment and Development (UNCED), producing a series of reports that served to guide the agreements forged on issues of biodiversity and forestry, authoring numerous background papers, and co-organizing a major NGO Forum called *What on Earth is to be Done?* to mark its 20th anniversary.

With preparations now underway for the WSSD in Johannesburg in 2002, IIED continues to contribute to the sustainable development process through the publication of a series entitled *The Future is Now*, which reviews challenges and lessons learned in the past decade and outlines the challenges ahead, as well as through a series of *WSSD Opinion Papers*. In collaboration with partners in the Regional and International Networking Group (RING), a global consortium of research and advocacy institutes, IIED is also working to advance a globally integrated perspective in clarifying critical issues and emerging priorities, particularly related to globalization, development and governance, for consideration at the Johannesburg Summit.

REPORT OF THE INTERNATIONAL WORKSHOP

The IIED Workshop on Equity for a Small Planet was held on Monday, 12 November 2001, at Canada House in London, UK. The one-day workshop focused on ways to ensure greater equity and develop local livelihoods, particularly in developing countries, within

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the context of an increasingly market-oriented process of globalization. Over 150 participants attended, representing governments, NGOs, multilateral organizations, academia and the private sector.

Following introductory remarks and keynote presentations in a morning Plenary session, participants broke into five working groups to address themes of: standards and certification; corporate-community partnerships; market access for small producers; poverty reduction and forest conservation through markets for environmental services; and investment for sustainable development. In the afternoon, participants met in Plenary to hear presentations on local and global governance. They then resumed discussions in the individual Working Groups, before reconvening for a closing Plenary to hear reports on discussions and concluding remarks.

OPENING PLENARY

Robert Rochon, Deputy High Commissioner, Canadian High Commission London, opened the meeting and welcomed participants to the workshop. Highlighting Canada's association with IIED, he praised IIED's work in fostering international consensus on environment and development, and said this workshop would continue its tradition of facilitating greater cooperation within the international community.

Nigel Cross, Executive Director, IIED, thanked the Canadian High Commission for hosting the workshop and introduced the agenda, noting that the issue of markets had emerged since UNCED and would be on the agenda at the WSSD. He said the discussions from the workshop would feed into the IIED conference to be held on Tuesday, 13 November, in the form of a Chair's report. He then introduced Ashok Khosla, Chair of the workshop.

Chair Khosla stated that the phrase "Equity for a Small Planet" captures concerns that the world's poor seek to advance on the global agenda. Noting that "equity" implies being inclusive while working to create sustainable jobs for all, he drew attention to the need for mechanisms to create sustainable livelihoods. He said there should be a two-point agenda going into Johannesburg: how to establish mechanisms for eradicating poverty and achieving sustainable livelihoods; and how to ensure accountability in the international system.

In his keynote address, Hilary Benn, Parliamentary Under-Secretary of State of the UK at DFID, discussed why poverty eradication should be central to the WSSD agenda, emphasized the need for practical models to support behavior change, and stressed the value of collaboration despite the credibility dilemma for developed countries due to their poor environmental record. He highlighted key elements for the Summit, including finance, trade and investment, the role of civil society, disparities in wealth, and governance. Noting that the WSSD will end exactly one year after the events of 11 September 2001, he emphasized the lessons of global interdependence, and acknowledged the difficulty of living in a world scarred by poverty, injustice and inequality.

A brief discussion followed during which participants highlighted, *inter alia*: community-level operations as the most successful mechanisms for sustainable development; lack of representation and involvement by developing country ministries of finance, trade and industry in environmental negotiations; debt relief and management for poor countries; the WSSD's potential role in furthering the agenda of poverty

eradication; climate change; and practical initiatives to address the role of timber and diamonds as commodities that can promote conflict in Africa.

One participant emphasized that the Secretariats of many UN conferences and agreements should collaborate. Hilary Benn concurred, acknowledging overlaps within "the UN family." He also suggested focusing on community-level action and technology transfer as means to support small business growth, and highlighted the practical possibilities offered by introducing the Tobin tax, which would impose a small levy on all financial/banking transactions. Chair Khosla said people should rely not on aid but on the fulfillment of agreements and promises, so that the international community does not suffer from lack of credibility and confidence. He also supported restructuring the global economy to enable communities to take care of themselves without relying on conditional aid.

GOVERNANCE FOR SUSTAINABLE DEVELOPMENT

Chair Khosla opened the Plenary session on governance for sustainable development, and participants heard presentations on both local and global governance.

LOCAL GOVERNANCE: David Satterthwaite, Director, Human Settlements, IIED, facilitated the session on local governance. He noted that societies with good governance structures have access to electricity, water, heat, emergency and safety services, education, health care, and legal protection systems, while those lacking good local governance are deprived of these services.

Sean Southey, Secretary General, International Council for Local Environmental Initiatives, said the world had made significant progress toward sustainable development at the local level. He stated that national sustainable development plans are "not something that we can be proud of as we head to Johannesburg," and suggested that 5,800 Local Agenda 21s are evidence that local governments are better equipped than national governments to implement Agenda 21 and sustainable development, adding that the local level is affected most when unsustainable development exists. He noted that local governments, however, are not represented along with national governments throughout the UN system and instead are represented rather as a major group, and said this adversely affects the poverty eradication process and the role of the local institutions. He emphasized leadership in sustainable development, new mechanisms to support sustainable development, a culture of sustainable development, and efforts to discuss implementation of Agenda 21 and sustainable development at the local level.

Arif Hasan, Consulting Architect of the Orangi Pilot Project, Pakistan, explained, using the city of Karachi as an example, the causes of planning failures due to, *inter alia*, lack of interaction between the minority policymaking group and majority informal group, which has led to policies that are inconsistent with people's ways of life, a shift from master plans to projects, the overburdening of people, and an overvaluation of services. He highlighted information and communication gaps between planners, politicians and people, with a specific view to enabling communities to relate to these power structures in a bid to bring about changes.

GLOBAL GOVERNANCE: Camilla Toulmin, Director of Drylands, IIED, discussed the need to redesign global architecture so it can address the needs of all people equitably. She argued that strong

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local structures provide clear and simple models for global governance. On market-based initiatives for social and environmental goods, she said that potential benefits can easily become trapped, that markets need careful design to ensure equal access, and that public-private partnerships have potential for delivering better services, but will not deliver unless there is a strong structure to ensure that the needs of all parties are met. She defined and briefly discussed the key elements of institutional design: representation; decision-making processes; evidence and information; timeframes; practical measures to match rhetoric; openness and accessibility; and evaluation. She asked the group to consider: how these elements can help to inform market design to improve people's lives, resources and aspirations; how markets might be effectively governed to achieve social and environmental ends; and what implications such actions might have for local and global governance.

PARALLEL WORKING GROUPS

Five Working Groups met in morning and afternoon sessions, with participants hearing presentations and engaging in discussions. The Working Groups then reported back to the afternoon Plenary with summaries of the key points raised.

STANDARDS AND CERTIFICATION: A LEAP FORWARD OR A STEP BACK FOR SUSTAINABLE DEVELOPMENT?

Facilitator Luke Danielson, Director, Mining Minerals and Sustainable Development, IIED, introduced the topic. Following three presentations, the group engaged in discussion on the arguments for and against certification, drawing on lessons learned and working toward the goal of drafting a list of principles for a certification system that could contribute to sustainable development in any sector.

Presentations: Steve Bass, IIED's Director of Programmes, discussed the impacts of forest certification on forests, livelihoods and markets. He highlighted driving forces and assumptions behind the rapid rise in forest certification, and argued that certification has failed to deter destructive practices and has put small producers at a disadvantage. Noting that laws and policies are changing forest sector governance and beginning to define new ways of operation, he questioned whether regulatory characteristics are reflecting the concerns of local communities.

Ronald Sanabria, Manager of the Rainforest Alliance, Costa Rica, presented an overview of how certification programmes in various sectors promote sustainable standards, and outlined a case study of ecotourism certification in Galapagos, which aims to foster proactive conservation through development of voluntary, third-party independent certification of boats and hotels, using new technologies and systems to enhance the socioeconomic and environmental situation. He discussed the challenges, successes and lessons learned, and noted the importance of stakeholder participation and networking among government, NGOs, industry and local communities.

Xavier Font, Leeds Metropolitan University, UK, discussed the variety of tourism ecolabels, noting that some are "greenwash" due to questionable standards, and stressed the need for meaningful labels that do not confuse the consumer. He discussed a means of critical analysis for tourism certification, at both global and local levels, and introduced the proposed Sustainable Tourism Stewardship Council as a newly-conceived international accreditation body.

Working Group Report: The group summarized its discussions, noting that the overall conclusion was that no one formula would cover all situations or companies, and that a certification process should address contexts in which products and services are different. Most supporters of certification come from developed countries and impose on domestic industries. The group suggested examining whose values are being reflected; stressed the role of government and the issue of capacity; and questioned whether a certification system would support government or act as a substitute for a non-functioning system. It also noted that certification is a tool, that its utility may depend on what other tools are being used, that it is often driven by consumer preference, and that over one hundred different consumer certification schemes exist, drawing attention to the need for consumer education in driving the process.

CORPORATE COMMUNITY PARTNERSHIPS: FAIR DEALS OR PUBLIC RELATIONS? Facilitator James Myers, IIED, introduced the questions before the group: what is new about corporate-community partnerships; what is useful about them; what can be done to make them better; and what are the lessons for international attempts to foster sustainable development. The group heard an introduction and four presentations, two of which were supplemented by respondents. Each presentation was followed by a brief discussion, before the group considered emerging issues from which to draw lessons.

Presentations: Gordon McGranahan, Environment and Economics Programme, IIED, elaborated the broad objectives of corporate-community partnerships, explained why corporations and communities should be involved in partnerships, and identified steps to "true" corporate-community partnership.

Maxi Louis, Project Director, Namibian Community Based Tourism Association, spoke about tourism partnerships in Southern Africa, noting the positive and negative aspects, achievements and challenges. In response, Jurgen van Zyl, Development Bank of Southern Africa, noted five lessons from three types of negotiated transactions arising from corporate-community partnerships, namely: delivery of benefits; rights; the complex nature of negotiations; social responsibility and empowerment; and commercial viability. Elaborating on an IIED-mediated initiative on water provision in Argentina, Ricardo Schustermann, IIED Latin America, provided an overview of the pre-conditions for fair deals in corporate-community collaboration, emphasized non-obligatory involvement of the private sector, and stressed the need for research. In response, Ken Kaplan, Business Partners for Development, UK, highlighted that partnerships can produce good governance. Alice Ojwang, University of Witwatersrand, South Africa, presented on forestry partnerships in South Africa, emphasizing the reasons local communities enter into partnerships with corporations, the benefits that can accrue, and major concerns for communities. She concluded that information, knowledge, supportive policies, organized representation, legal structures, facilitators and third-party brokers are essential for partnerships.

Working Group Report: Noting that many of the interactions referred to as "partnerships" are in fact simply "relationships," the group reported a lack of consensus on the definition of partnerships. It then listed lessons learned. The first lesson identified is that governance at both national and local levels is critical. Good governance was a byproduct of appropriate policy and legislation, and could result from partnership. However, partnerships are context-specific, could be

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harmful where governance is lacking, and may not always work well all the time and in all sectors. The second lesson is that balance of power is an essential component of governance, but that communities often lack power. Power balance lies in the knowledge and understanding of the stakes being brought to the table, including various forms of collateral. Third parties play an important role in ensuring this balance of power. The third lesson is that commercial viability is essential in these partnerships, as a lack of business sense inhibits partnership. Finally, partnerships take time to develop and, as they are iterative in nature, should be considered processes, not products. The challenge identified was how to establish governance and support it in order to assess the effectiveness of partnerships as forms of collaboration.

REGOVERNING MARKETS: MARKET ACCESS FOR SMALL PRODUCERS: Working Group Facilitator Halina Ward, IIED, introduced this issue, noting market trends of liberalization, as well as protectionism in the North. He suggested examination of barriers to market access and possible solutions through considering: the consequences of market exclusion and benefits of market inclusion; and the extent to which corporate policy enhances the exclusion of smallholder producers.

Presentations: Michael Hart, Small and Family Farms Alliance, UK, outlined the problems faced by small producers in the UK, including: an inability to meet supply; stringent and increasing standards; changing “goal-posts”; and retailer control of the food chain, including lack of regulation and a regulatory body for retailers. Noting that farmers in the South and small producers in the North face similar problems, he said access to land, markets and credit would not solve Southern farmers’ problems, but addressing the concentration of power by retailers could. Drawing from two case studies in Uganda and Tanzania, Lawrence Muze, AMKA Regional Trustees, Tanzania, summed up the market barriers faced by small producers, noted their strengths, weaknesses, opportunities and threats, and presented six recommendations, including: the need for a clear strategy to increase market share; capacity building for small producers to update them on production, sourcing and market techniques; and relevant research and knowledge targeting investors and small producers.

Liz Humphrey, Traidcraft, UK, outlined lessons from the Fair Trade Model for improving market access for small holders in mainstream markets. She elaborated on the “traidcraft exchange” and “export readiness” concepts, provided an overview of how to get people into the market, and highlighted lessons learned, including the value of the middleperson in trade, the need for effective capacity building, the underestimated gap between producer and buyer expectations, and the guidance needed to conduct fair trade. Anne Tallontire, Natural Resources and Ethical Trade Programme, UK, discussed what drives the market, why supermarkets put controls on producers, power relations in the supermarket, and market access, and presented a resource book on good practice guidelines for exporters working with smallholder producers. She concluded that action is needed on two levels to: enable exporters to support smallholder producers by ensuring that they understand and can meet supermarket demands; and establish local ownership of standards. Julio Berdegú, RIMISP, Chile, spoke on the experience of those new smallholder producers who are emphasizing adding value, interacting more with markets than governments, and engaging in non-traditional markets and services. He said few are self-sustaining, and highlighted five issues: institutional constraints, as the

rules of the game are stacked against them; inability to deal with traditional markets, while value-added markets impose high demands; the complex organizational arrangements needed for the sector to mature; the high potential for failure and need for new instruments to deal with risk; and the need to address relevant financial services, technical support and legal and regulatory frameworks.

Working Group Report: The group stressed three key issues: the similarity of experiences among the small agricultural producers from both the North and South; the need to ask whether small producers should survive; and, in light of the significance of economic concentration in local and global markets, the need for balance through regulation to deal with corporate power.

SILVER BULLET OR FOOLS’ GOLD: CAN MARKETS FOR ENVIRONMENTAL SERVICES HELP CONSERVE FORESTS AND REDUCE POVERTY? Facilitator Joshua Bishop, IIED, opened the session by introducing the panelists and setting the scene for how markets for environmental services (MES) can help to reduce poverty while protecting the environment.

Presentations: Natasha Landell-Mills, Forestry and Land Use, IIED, discussed markets as solutions to environmental problems and market versus non-market approaches, with a focus on forestry and its global importance. She emphasized the role of Agenda 21 as a framework for market instruments, expressing the view that government should play a complementary role with market-oriented approaches. John Kerr, Michigan State University, USA, addressed benefit sharing in watershed management using Sukhomajri, India, as a case study. His presentation emphasized that higher productivity and improved conservation are mutually supportive. Saleemul Huq, IIED, presented on integrating sustainable development criteria into the Clean Development Mechanism (CDM) under the Kyoto Protocol to the UN Framework Convention on Climate Change. He explained that within the CDM context, developed countries can invest in developing countries. CDM reduces greenhouse gas emissions and promotes sustainable development, while offering developing countries some latitude to make decisions in the interests of development.

Marta Echavarría of Ecodecision, Ecuador, discussed local governance and watershed markets in Ecuador and Colombia, emphasizing that MES are not necessarily the solution to achieving sustainable development. She said markets need a lot of attention and are linked to other concepts like good local governance and environmental awareness. Ronaldo Seroa da Motta of the Institute for Applied Economic Research, Brazil, addressed global governance, environmental markets and the developing world. He stressed that CDM forest projects are competitive and that secondary benefits are significant, and suggested that this creates a conflict between cost-effectiveness and welfare maximization arising from CDM opportunities in Brazil.

Working Group Report: The group noted that the underlying premise of this session is that markets are not necessarily optimal for tackling poverty; however, it recognized the need to identify and take advantage of opportunities even as markets evolve. The challenges the group agreed to deliberate on included property rights, land tenure, good systems of administration, basic human rights and informal rights, the equity dimension, non-monetary systems, policy support, tackling high transaction costs and gender equity. Participants in the session agreed on the need to: better understand linkages between markets and poverty; strengthen traditional and non-monetary mechanisms; create

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incentives for the participation of the poor and capacity for strengthening participation; provide information to, and a forum for, the poor; recognize traditional and informal rights; minimize risks in order for markets to evolve; define eligible activities that are accessible to the poor; and decide on specific actions.

INVESTMENT FOR SUSTAINABLE DEVELOPMENT: THE PUBLIC-PRIVATE INTERFACE: Facilitator Raymond van Ermen, European Partners for the Environment, and Maryanne Grieg-Gran, Environment and Economics Programme, IIED, introduced the presenters and the session, which they said would focus on the issue of leveraging private capital for sustainable development. They indicated that the goal of the session was to ensure that private capital flows are directed to activities that secure the economic benefits of investment and contribute to poverty reduction and environmental improvement.

Presentations: Nicola Borregaard, Executive Director of CIPMA, Chile, presented the results of a study of the mining sectors in Peru and Chile, and the forestry sectors in Chile and Brazil, both of which compared the environmental effects of foreign and domestic investments. Conclusions include that FDI's impact differs depending upon the sector, and cannot be generalized, and that there is a lack of sustainability, information and resources at the local level. The group focused on: how the difference between foreign investors can be reduced; how to advance the "ignored" topics such as information shortage, cooperation, resource exhaustion, and local effects; the need for governments to have "everything in order" before inviting FDI; how to improve the link between local and global levels; resource extraction and local sustainability; and obligatory taxes that go to the local community rather than on national expenditure.

John Forgach, President of "A2R LLC" of Brazil, presented a case study of a programme on investment in biodiversity and sustainable resource management. He said empowering the business community is an important mechanism for creating sustainable development. He expressed support for citizen engagement for economic opportunity and development to occur. He said the purpose of his presentation and programme was to prove the non-effectiveness of sustainable development that depends on grant money or donations. Tariq Banuri, Research Director, Stockholm Environment Institute, presented on voluntary approaches to the governance of investment. He outlined a programme called the global reporting initiative (GRI), which is based on voluntary commitments. In spite of the lack of rules, he noted 237 different standards and said those not interested in disclosure or standardization often form new standards solely to create confusion, a trend that had grown in part due to the new concept of Global Public Goods that stands to benefit from a system of governance of investment.

Nick Robins, Henderson Global Investors, UK, explained the role of public policy in stimulating socially responsible investment (SRI), a movement he said began in Europe and North America in response to harmful commodities like tobacco and alcohol. He said globalization of capital is leading to further pressure for global transparency. Participants inquired about the implications of globalization for public policy. In response, Robins noted the encouragement of increased equity of investment toward the South, as well as progress in terms of long-term disclosure, accountability and transparency, and efficiency.

Working Group Report: The group described ways to address three major investment challenges for sustainable development, namely: investment in small- and medium-sized enterprises that will support local level prosperity, benefit the poor and minimize an emphasis on transnational corporations; the need for common standards that would help companies work toward the interests of the poor; and the need to contemplate change and explore new markets. The group's summary states that: transnational corporations should be prepared to sign commitments including the GRI; small- and medium-sized enterprises should support capacity building; and governments should support regulation in the South on natural resource issues.

CLOSING PLENARY

Workshop Chair Khosla noted the rich Working Group discussions, and urged participants to carry their messages forward to the WSSD. He then opened the floor for comments.

Responding to the question of how dialogue on these issues has changed since 1991, many speakers stressed the enhanced importance of a community focus, the emergence of local Agenda 21s and the successes of local governance that truly defines sustainable development, particularly in light of a continuing lack of political will and national government failure to address poverty effectively. One participant underscored the importance of communication within communities to promote participation and awareness. A number of speakers reminded the group to "walk the talk" and develop concrete initiatives.

Tensions between globalization and decentralization were highlighted, and a number of participants suggested that the focus on markets as an inevitable route to sustainable development should be reexamined. Several speakers urged negotiation with multinational corporations (MNCs) on how to improve local livelihoods, noting that displaced people question the MNC notion of development.

Most agreed that globalization had wrought fundamental changes and recognized differences among countries in relying on various models that had worked for them. One speaker suggested that the globalized world is akin to some third world countries, with irresponsible governance that must be addressed by the state in order to create equity, while taking into consideration the limits of the state and of markets.

Chair Khosla thanked participants for their insights, and Nigel Cross thanked the Canadian High Commission for their hospitality, before declaring the workshop closed.

REPORT OF THE INTERNATIONAL CONFERENCE

The International Conference on the WSSD convened on Tuesday, 13 November 2001, at the Congress Hall of the Trade Union Conference in London, UK. Four plenary sessions were held that examined: views from the South, from Rio to Johannesburg; views from the North on globalization and sustainability; who benefits from globalization; and Johannesburg, toward equity. During three of the sessions, including one at which UN Under-Secretary-General for Economic and Social Affairs, Nitin Desai, participated via satellite, presentations were followed by interactive question and answer sessions. The session on who benefits from globalization consisted solely of an interactive panel discussion.

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OPENING REMARKS

Nigel Cross, IIED Executive Director, welcomed participants to the Conference and thanked the governments of Canada, Denmark, Sweden and the UK for their support. He drew attention to the fact that this event was part of an ongoing process of developing ideas and discussion on issues of sustainable development.

VIEWS FROM THE SOUTH: FROM RIO TO JOHANNESBURG

Introducing the session's speakers, David Runnalls, President of the International Institute for Sustainable Development, recalled the work of the late Barbara Ward, noting that she would have approved of the Conference's title given that equity in world affairs was a matter she devoted her life to. He noted IIED's past contributions to the agenda of the 1972 UNCHE, 1989 Brundtland Commission, and 1992 Earth Summit, in particular its emphasis on a different environmental perspective from the South.

Ashok Khosla, Chair of the IIED International Workshop held the previous day, said this Conference's title raised issues of social justice and fairness for civil society, and of a share of ownership and a stake in the future for the corporate world. He reiterated that the 2002 WSSD in Johannesburg should address the creation of jobs and deal with sustainable livelihoods, and presented the results of the Workshop, which addressed standards and certification, market access for small producers, poverty reduction and forest conservation through markets for environmental services, and investment for sustainable development. Khosla said two important agenda items for the Johannesburg Summit are how to support governments in developing the means, infrastructure and technologies to create sustainable development, and the need to develop systems of accountability of the international system.

Gerson Almeida, Head of the Porto Alegre Secretariat for the Environment, Brazil, presented a case study of sustainable development at the local level in Porto Alegre, which created principal councils on environment, health, and urban planning, and sectoral councils on education and health. These councils formed a series of congresses at the local level in the 1990s that addressed democratic management, decentralization, equality, and quality of life. The congresses led to the establishment of a municipal level Department of Environment in 1996, which emphasized that direct democracy is the basis for sustainable development.

Moss Mashishi, CEO of the Johannesburg Summit, compared the WSSD to the World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance, calling for urgent consideration of the substantive issues on the WSSD agenda during the coming months. He discussed the Summit's website and explained particular goals of the Summit from the South African perspective. He expressed a commitment to eradicating poverty and inequality, and recognized the need to address inequalities arising from globalization and trade. He stated that the success of the Johannesburg Summit would depend on properly managed global consensus, excellent logistics, security, and the success of meetings feeding into the WSSD process.

DISCUSSION: In the subsequent discussion, participants' concerns focused on: what the critical issue to be addressed by the WSSD should be; arrangements for stakeholder participation; the right to a safe and healthy environment; equity in resource sharing; the fulfillment of

effective North-South partnerships; the population dilemma; and historical conditions that might have enhanced the institutionalization of participation in the case study presented from Porto Alegre. Respondents emphasized: poverty eradication as the overarching theme; the need to reject unilateral country actions and genuinely address and fundamentally redefine the inherent inequalities in North-South partnerships; the importance of developing a common vision and planned dialogues and roundtable processes, as well as integrated logistical support systems on transport, information and dissemination under preparation to enhance civil society participation; and an emphasis on the nexus between population, consumption, distribution and equity as the major population issue. On the favorable historical conditions in Porto Alegre, Brazil, Almeida underscored the long political struggle and social organization against authoritarian regimes.

VIEWS FROM THE NORTH: GLOBALIZATION AND SUSTAINABILITY

Lael Bethlehem, Chief Director of Forestry, South Africa, introduced the panelists and spoke about Johannesburg as the venue for the WSSD, stressing the historical human challenges that city has faced.

Margaret Beckett, UK Secretary of State for the Department of Environment, Food, and Rural Affairs, expressed appreciation for IIED's ability to convene stakeholders in London, but emphasized that global dialogue alone is not sufficient. She stressed the need for action, acknowledged the importance of solving global problems such as terrorism, climate change and disease, and supported the WSSD as the venue for reaching a balance of all sectors and addressing problems in a holistic manner. She said the economy and improved market access could induce social change and poverty eradication, adding that Agenda 21 should not be renegotiated or new agreements created, and emphasizing instead domestic support for Agenda 21 and collaboration with stakeholders at the domestic level. She noted the UK's financial support to the WSSD and Prime Minister Tony Blair's commitment to attend.

Emphasizing that the key to sustainable development is inclusion, David Anderson, Canada's Minister for the Environment, explained Canada's preparatory processes and themes for the WSSD. He elaborated on the value of international environmental governance and explained his political strategy on the issue in the run-up to the WSSD, and called for the revitalization of institutions, a rethinking of environmental capacity and serious political commitment to turn uneven progress into steady progress. He announced a G-8 Ministers of the Environment Meeting planned for March 2002 that would address poverty in Africa and, noting the positive response by G-8 heads of state to the Partnership for Africa document, stressed the need to consider its relationship with the UN Global Compact, the Keys to Sustainable Development of the World Business Council for Sustainable Development and the EU guidelines for MNCs.

Saskia Sassen, Professor of Sociology at the University of Chicago, described the architecture of the global economic system in order to increase understanding of how to intervene in the struggle for environmental sustainability, noting that: the liberal economic system is complex, with multiple sites for intervention; there is a need for an equally complex environmental system; and economic liberalization

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has managed to destabilize states, as well as order and formal hierarchies of power, thus creating openings for new actors. She then underscored five relevant issues:

- the emergence of strong sub-national and local level governance systems, coinciding with a weakening of the state;
- the existence of “tight and strategic cross-geographic organizational power sites” that transcend North-South barriers, through which accountability can be demanded, and which are inhabited by the anti-globalization networks;
- the impact of social forces on technology and the use of the global financial market management structures as sites through which to demand accountability of these markets;
- research findings that sustainable methods of production and distribution are labor intensive; and,
- the emergence of local, non-cosmopolitan forms of politics that have global impact.

DISCUSSION: In the ensuing discussion, one speaker highlighted the issue of involving both government and NGOs in addressing core problems in the UK in preparation for the WSSD. Margaret Beckett agreed, and called for collaboration within and across departments and for the inclusion of environment and development NGOs. One participant said it was naïve to think that globalization and trade liberalization could eliminate poverty and help the environment. Beckett responded that trade was more controllable than other areas such as climate change, yet both had to be addressed, and observed the need to be aware of where we are rather than where we would prefer to be in order to achieve our objectives. Regarding a comment on removing agricultural subsidies, she agreed that more should be done to hasten the process, but emphasized the importance of agreement and making concessions when necessary in order to achieve this goal.

Replying to a question about whether the WSSD would be a key topic in the upcoming G-8 Summit, David Anderson noted the need to encourage industrialized countries to discuss sustainable development, reiterating African leaders’ recent proposal for consideration of sustainable development in the G-8. On enforcement of environmental law and compliance mechanisms, he cautioned that developing countries’ “lack of capacity” to comply must be addressed.

Addressing one participant’s question about the role of state versus corporate power in controlling the agenda, Saskia Sassen agreed that both are important, but are not equal. She also stressed that while States played a major role in negotiations, stakeholders also dealt with each other, parts of States and their capitals.

In response to a question about decreasing levels of ODA and its relationship to an active civil society in developing countries, Minister Anderson acknowledged the importance of increasing ODA levels, but emphasized that there was likely to be five times as many businesses as governments represented in Johannesburg, which would help countries realize that private finance is much more significant than ODA, and offers better opportunities for development.

PANEL DISCUSSION: WHO BENEFITS FROM GLOBALIZATION?

Simon Upton, Chair of the OECD Round Table on Sustainable Development, moderated the session, indicating that the discussion would be guided by questions from the group, to which the panelists would respond. The panelists were: John Edmonds, General Secretary GMB, Trade Union Congress, UK; Sir Mark Moody-Stewart, Chair of

Business Action for Sustainable Development; Kristalina Georgieva, Director, Environment Department, World Bank; Madhu Sarin, Independent Advisor on Social Development and Collaborative Natural Resource Management, India; and Michael Odhiambo, Executive Director, Resource Conflict Institute, Kenya.

During this panel discussion, one participant questioned progress toward implementation of sustainable development and, in denouncing globalization, drew attention to the existence of a southern perspective. Panelist Madhu Sarin agreed that the social security base for poor and marginalized communities has been jeopardized by corporate culture, and urged democracy in the formation and activity of corporations. Mark Moody-Stewart observed that markets do not have to destroy culture, and said communities should try to seize opportunities to use the market.

Another participant noted that globalization is a process, and highlighted differing visions of the “globalizer” and “globalizee.” Panelist Michael Odhiambo added that globalization entails both impacts and opportunities, and emphasized the potential to address capacities to enable communities to tap into corporate power and take advantage of opportunities. John Edmonds underscored accountability and democracy, stated that the North should rethink its ideological belief in the market and private capital, and noted that gaps between rich and poor in a society breed poor health, violence and cultural depravity.

Responding to a comment that sustainable development requires women’s empowerment, Sarin affirmed that sustainable development involves questions of who is in control and making decisions. Kristalina Georgieva added that this fits into broader questions of social inclusion and how to move forward to ensure that the current “losers” in society are enfranchised and empowered. Mark Moody-Stewart underscored domestic policy and governance considerations.

One participant asked whether voluntary approaches for regulating investment and corporate activity are sufficient when binding OECD guidelines exist. In response, Kristalina Georgieva stated that small- and medium-sized businesses viewed anything beyond voluntary approaches as an attempt by the North to place restrictions on the South. Madhu Sarin noted that not all corporations have access to global means, and that it was foolhardy to assume one could create good governance where it did not exist by using regulations. Mark Moody-Stewart acknowledged that business becomes anxious when it believes regulations will not apply to everyone. He underscored the need for regulatory frameworks because the market could not do everything. John Edmonds called for networks that could promote agreement between business and trade unions.

On the question of whether globalization can be made to work while the North continues to consume 80 percent of the world’s resources, Kristalina Georgieva noted the contradiction in demanding an appropriate policy framework in the South while beneficiaries of globalization in the North support subsidies that have adverse environmental effects in the South. One participant described the world community as more unequal than any country, with different centers of power, increasing inequity, and “apartheid” exercised in terms of the movement of people, and a continuation of colonization. He said globalization and markets are not the problem, but rather the concentration of wealth and accumulation of power that they are used to justify. He expressed an interest in antitrust institutions to counter these trends.

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Regarding globalization working for the poor in countries lacking adequate institutions, one participant stated that globalization has no internal logic and stressed the need to unpack "globalization" and "localization" by examining the conditions, policies and structures that improve or worsen the state of the poor, and recognizing the diversity of markets such as social markets. Michael Odhiambo stated that, as with laws, there is potential to alienate and disempower people through institutions that are detached from the daily reality of people's lives.

Speakers also questioned: globalization's impacts on the illegal drug trade and the arms trade; how the world addresses sustainable development during war; the problem of "brain drain" from some countries; and the stubborn resistance to changes in energy use and sources. John Edmonds said that if working people were excluded from the debate on sustainable development they would become ill-informed, take conservative positions and resist sustainable development if they perceived a threat to jobs. Regarding a question on finance and debt, Kristalina Georgieva said that developing countries need to take responsibility for debt, and highlighted the Heavily Indebted Poor Countries (HIPC) initiative.

Chair Upton then asked the Panel to name one positive initiative or success that should result from the WSSD. Edmonds called for a commitment to involve all sectors of society in the WSSD process. Moody-Stuart added that the process should be clarified to define their roles, as well as how markets can act in a framework of sustainable development. Sarin called for states to make a stronger commitment to ensuring security for people's livelihoods. Georgieva expressed hope that world leaders would attend WSSD, translate concrete actions for governments and then implement them. Odhiambo supported an increase in support for the diversity of cultures and lifestyles that globalization is diminishing. Finally, Chair Upton supported the use of reliable indicators rather than random figures, and expressed the hope that there would be an end to agricultural subsidies.

JOHANNESBURG: TOWARDS EQUITY

IIED Chair Derek Osborn opened this session, reviewing the discussions held throughout the day, and noting concerns raised about growing inequalities, the impact of globalization and the role of markets. He highlighted the key ideas expressed during the panel session relating to: involving all parts of society in the WSSD process; clarifying the process by which different players can make their contribution to the WSSD; developing indicators to evaluate implementation; working towards sustainable livelihoods; and recognizing the diversity of cultures.

In a speech delivered by videoconference link, Nitin Desai, UN Under-Secretary-General for Economic and Social Affairs, noted IIED's valuable advocacy- and action-oriented research, and invited IIED to bring together similar research institutions to identify the need and methods for effectively carrying out this type of research. He reiterated the Johannesburg Summit objectives, described avenues for stakeholder participation in the Summit process, highlighted Agenda 21 implementation achievements, elaborated on the concept of operationalizing Agenda 21 and emphasized the importance of examining challenges in terms of Agenda 21 implementation. Welcoming stakeholder views on their preferred input and process, Desai called for a Johannesburg Summit for all stakeholders, a replication at the national level of

the international stakeholder participation process, an association of the Summit with the Millennium Assembly agenda, and the need to address means for achieving agenda implementation.

Dan Nielsen, Ambassador, Environment and Sustainable Development, Danish Ministry of Foreign Affairs, stressed Denmark's support for a "Global Deal" at the Johannesburg Summit, which would include a new balance between sustainable development themes and collaboration among governments and major stakeholders, especially trade unions. He expressed concern about addressing the link between globalization and sustainable development, and urged that the Johannesburg Summit agenda only include "value added" issues, consisting of areas where progress could be made. He also cautioned that an excessively broad agenda could mean a lack of focus and progress at the Summit.

DISCUSSION: In the ensuing discussion, one participant inquired whether the Global Deal would be an effort toward rectifying the negative consequences of globalization and markets. Nitin Desai stated that the Global Deal is the hoped-for outcome of the Johannesburg Summit, stressing that all stakeholders must "bring something to the table" in order to achieve a deal. Nielsen addressed a comment that highlighted the importance of mechanisms of accountability, compliance, and capacity building, by stating that governments are compelled to respond to accountability and capacity building. Two participants expressed concern about lack of political will, wondering whether there would be sufficient momentum for success heading into the Johannesburg Summit. Desai noted his pleasure at the support of civil society, and highlighted the importance of the WTO meeting in Doha, Qatar, and the Financing for Development meeting in Monterrey, Mexico. Nielsen concurred, noting, however, that the WTO should not be obligated to motivate the Johannesburg process.

CLOSING PLENARY

In his closing remarks, session Chair Osborn likened the Johannesburg Summit to a market place, noting that the secret of the market is "not simply to make demands but to make offers as well." He then reiterated a statement by Nitin Desai urging participants to ask "not only what Johannesburg can do for them, but what they too can do for Johannesburg." Expressing his appreciation to participants for their active contributions and to organizers for their hard work, he closed the meeting shortly after 5:00 pm.

THINGS TO LOOK FOR BEFORE WSSD

JOINT MEETING OF THE INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE OF THE IMF AND THE DEVELOPMENT COMMITTEE OF THE WORLD BANK: This meeting will take place from 17-18 November 2001, in Ottawa, Canada. For more information contact: IMF External Relations Department; tel: +1-202-623-7300; fax: +1-202-623-6278; Internet: <http://www.imf.org/external/np/sec/nb/2001/nb01103.htm>.

ASIA AND PACIFIC WSSD REGIONAL PREPARATORY MEETING: The Asia and Pacific WSSD preparatory meeting will take place in Phnom Penh, Cambodia, from 27-29 November 2001. For more information contact: Hiroko Morita-Lou, UN-DESA, New York; tel: +1-212-963-8813; fax: +1-212-963-4260; e-mail: morita-lou@un.org; Internet: <http://www.johannesburgsummit.org/>.

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MEETINGS OF THE OPEN-ENDED INTERGOVERNMENTAL GROUP OF MINISTERS OR THEIR REPRESENTATIVES ON INTERNATIONAL ENVIRONMENTAL GOVERNANCE (IEG):

The fourth and fifth IEG meetings will be held on 1 December 2001 in Montreal, Canada, and at the end of January 2002 in New York, USA, prior to the second Preparatory Committee for the World Summit on Sustainable Development. The next special session of the UNEP Governing Council/Global Ministerial Environment Forum will take place from 13-15 February 2002 in Cartagena, Colombia. For more information contact: Masa Nagai; tel: +254-2-623493; fax: +254-2-230198; e-mail: Masa.Nagai@unep.org; Internet: <http://www.unep.org/IEG/>.

GEF COUNCIL AND REPLENISHMENT MEETING: The next Global Environment Facility meeting on the replenishment of the GEF Trust Fund will take place from 3-4 December 2001. The GEF Council Meeting will take place from 5-7 December 2001 in Washington, DC. The Council meeting will be preceded by an NGO consultation on 4 December 2001. For more information contact: Mohammed El-Ashry, CEO; tel: +1-202-473-3202; fax: +1-202-522-3245; e-mail: gef@gefweb.org; Internet: http://www.gefweb.org/Replenishment/Schedule_of_Meetings/schedule_of_meetings.html.

GLOBAL CONFERENCE ON OCEANS AND COASTS AT RIO+10: ASSESSING PROGRESS, ADDRESSING CONTINUING AND NEW CHALLENGES: This conference will be held from 3-7 December 2001 in Paris, France. It is intended to provide an overall assessment of progress achieved on oceans and coasts. For more information contact: Catherine Johnston; tel: +1-302-831-8086; fax: +1-302-831-3668; e-mail: johnston@udel.edu; Internet: <http://www.udel.edu/CMS/csmp/rio+10/>.

SOUTHERN NGO SUMMIT: This summit will take place in January 2002 in preparation for the WSSD, with the exact date yet to be determined. For more information contact: Esmeralda Brown, Southern Caucus Chairperson, New York; tel: +1-212-682-3633; fax: +1-212-682-5354; e-mail: ebrown@gbgm-umc.org.

FOURTH SESSION OF THE PREPARATORY COMMITTEE ON THE INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT: This meeting will convene from 14-25 January 2002, at UN headquarters in New York. For more information contact: Financing for Development Coordinating Secretariat, 2 UN Plaza (DC2-2386), New York, NY 10017; tel: +1-212-963-2587; fax: +1-212-963-0443; e-mail: ffd@un.org; Internet: www.un.org/ffd.

SECOND PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting will take place from 28 January - 8 February 2002 in New York, USA. It will review the results of national and regional preparatory processes, examine the main policy report of the Secretary-General, and convene a Multi-stakeholder Dialogue. For more information contact: Andrey Vasilyev, DESA; tel: +1-212-963-5949; fax: +1-212-963-4260; e-mail: vasilyev@un.org; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; fax: +1-212-963-1267; e-mail: aydin@un.org; Internet: <http://www.johannesburgsummit.org/>.

DELHI SUSTAINABLE DEVELOPMENT SUMMIT 2002: This meeting will be held from 9-11 February 2002 in New Delhi, India. The theme will be "Ensuring sustainable livelihoods: challenges for governments, corporates, and civil society at Rio+10." For more

information contact: Beena Menon, for registration; tel: +91-11-468 2100 or 468 2111; fax: +91-11-468 2144 or 468 2145; e-mail: beenam@teri.res.in; or Mudita Chauhan-Mubayi, for the Agenda; email: muditac@teri.res.in; Internet: <http://www.teriin.org/dsds/index.htm>.

INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT: The UN International Conference on Financing for Development will be held from 18-22 March 2002 in Monterrey, Mexico. It will bring together high-level representatives from governments, the UN, and other leading international trade, finance and development-related organizations. For more information contact: Harris Gleckman, Financing for Development Coordinating Secretariat; tel: +1-212-963-4690; fax: +1-212-963-0443; e-mail: gleckman@un.org or; Federica Pietracci, tel: +1-212-963-8497; e-mail: pietracci@un.org; Internet: <http://www.un.org/esa/ffd>.

THIRD PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting will take place in New York, USA, from 25 March - 5 April 2002. It will aim to produce the first draft of a "review" document and elements of the CSD's future work programme. For more information contact: Andrey Vasilyev, DESA; (see above).

FIRST JOINT MEETING OF THE HEALTH AND ENVIRONMENT MINISTERS OF THE AMERICAS: This meeting will take place in March 2002, in Ottawa, Canada, as a follow-up to the 2001 First Meeting of the Ministers of the Environment of the Americas. For more information contact: Environment Canada; tel: +1-819-956-5212; fax: +1-819-956-5964; e-mail: enviroinfo@ec.gc.ca; Internet: <http://www.ec.gc.ca/>

G-8 ENVIRONMENT MINISTERS MEETING: The G-8 Ministers of the Environment are scheduled to meet in April 2001 in Bamf, Canada, with the agenda of supporting the G-8 Summit to address the challenge of poverty alleviation, particularly in Africa. For more information contact: Environment Canada; tel: +1-819-956-5212; fax: +1-819-956-5964; e-mail: enviroinfo@ec.gc.ca; Internet: <http://www.Canada2002earthsummit.gc.ca>

FOURTH PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting will take place from 27 May - 7 June 2002 in Indonesia. It will include Ministerial and Multi-stakeholder Dialogue segments, and is expected to result in elements for a concise political document to be submitted to the 2002 Summit. For more information contact: Andrey Vasilyev, DESA (see above).

G-8 SUMMIT: The 2002 G-8 Summit is scheduled to take place from June 22-26 in Kananaskis, Canada. For more information contact: John Klassen, Summit Management Team (SMO); tel: +1-613-957-5555; fax: +1-613-941-6900; e-mail: pm@pm.gc.ca

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: The World Summit on Sustainable Development will take place in Johannesburg, South Africa, from 2-11 September 2002. For more information contact: Andrey Vasilyev, DESA, New York; tel: +1-212-963-5949; e-mail: vasilyev@un.org; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; e-mail: aydin@un.org; Internet: <http://www.johannesburgsummit.org/>.