

The European trade union movement and sustainable development ahead of the Earth Summit

**a European strategy for quality employment and
the protection of the environment**

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The Issues of the Summit and the European Strategy for Sustainable Development

Address by Paul McAleavey, European Commission

1. Introductory Remarks

It is a pleasure for me to represent Margot Wallström, the European Commissioner for the Environment, at this important trade union conference in preparation of the World Summit on Sustainable Development.

I am pleased to say that the European sustainable development strategy is allowing us to forge new partnerships across the three pillars of sustainable development.

General Secretary Gabaglio and Marc Sapir came to meet Commissioner Wallström in February of this year to present the document "*Towards a European Trade Union Perspective on Sustainable Development*" and to explain the preparations of the trade union movement for Johannesburg.

I can confirm that the Commissioner strongly welcomed this initiative.

As a follow-up to that meeting, the Commissioner asked the Environment Directorate-General of the European Commission to work with the ETUC to develop a framework for co-operation between us on sustainable development issues. Work is now ongoing to develop this framework and contact officials have been appointed in DG Environment to participate in some of the ETUC expert groups.

So if I can draw a conclusion right at the outset it is this – to welcome on behalf of Commissioner Wallström the trade union movement's promotion of a strategy for sustainable development. We look forward to developing a stronger partnership with which will serve us not just for Johannesburg but also beyond.

I have been asked to give a broad-brush presentation today about the issues of the World Summit on Sustainable Development Summit and how the European Strategy for sustainable development fits in to this context.

So let me first put the Summit in its historical context.

2. Context of the Rio Process

In just eleven weeks time the world's leaders, and some 60,000 other people, will gather in Johannesburg for the World Summit on Sustainable Development.

This will take place ten years after "The Earth Summit" in Rio de Janeiro. Many refer to the 1992 Earth Summit as a high watermark for sustainable development.

In fact, five documents were finalised and agreed at Rio:

- the overall Agenda 21 document
- a statement of 27 principles guiding environment and development activities;
- a statement of principles on forestry;

And two United Nations Conventions were negotiated in parallel with the Rio preparatory process:

- the climate change convention; and,
- the bio-diversity convention.

To a certain extent, the Rio Summit – which came at a period of widespread optimism following the end of the Cold War - was a triumph of multilateralism. We are approaching Johannesburg in a different political climate, shaped by the so-called dark side of globalisation, the events of September 11th and the “War on Terrorism”.

In a nutshell, Johannesburg needs to provide a strong multilateral response to harness globalisation for the benefit of people, prosperity and planet.

The challenges we face are daunting and in some respects conditions are worse today than they were 10 years ago:

- The figures for poverty are well known, but still shocking. Half of the world's population live on less than Euro 2 per day. The gap between rich and poor is still growing. Today, 10% of the world's population receives 70% of its income, and the richest three men on Earth have assets equal to the annual output of the 48 poorest nations.
- 800 million people suffer from hunger and are undernourished;
- About 2 billion people have no access to basic energy services;
- At least 1.1 billion people still lack access to safe drinking water and about 2.4 billion have no adequate sanitation;

I could of course go on but we cannot let the size of the challenge paralyse us into inaction.

3. The Implementation Deficit

Progress towards the goals established at Rio has been slower than anticipated. Let me offer you just two reasons why progress has been so slow.

One reason is that the industrialised world's unsustainable patterns of consumption and production have remained unchanged. This explains one of the key problems of globalisation: market liberalisation and trade are opening up new economic opportunities, but our model of production and consumption is simply not viable as a model for the global economy.

A second reason for the gap in implementation is that the financial resources required for implementing Agenda 21 have simply not been forthcoming.

The target that 0.7% of GDP should be spent on official development assistance (ODA) has been repeated many times, but it still remains a distant prospect. Within the EU, the only 4 Member States to meet this target are Denmark, Sweden, the Netherlands and Luxembourg. ODA actually declined from 0.35% of donor countries' GNP in 1992 to 0.22% in 2000.

But an encouraging sign in this respect is that the EU and its Member States made a commitment at the Barcelona European Council last March to a substantial increase in development aid. EU aid already represents more than 50% of all ODA world-wide, and we are now committed to reaching a European Union average of 0.39% by 2006, with the ultimate objective of each Member State reaching the UN goal of 0.7% ODA of GDP.

4. Expectations for Johannesburg: Moving from Words to Deeds

Johannesburg should be about moving more generally from words to deeds. And it is of course not just about the environment. The examples I have given underline why Johannesburg must be about tackling the complex linkages between poverty and the environment.

The European Union believes that there should be two over-riding objectives for the Summit :

- poverty eradication; and
- the promotion of sustainable consumption and production patterns.

The main message is that we have to change growth, not limit growth.

The industrialised countries have a special responsibility to show leadership in both. And we believe that trade unions too have a crucial role to play.

The North has to show that it is making progress on **sustainable patterns of production and consumption**. The main message is that we need to **change growth, not limit growth**. We consume a disproportionate share of the world's resources and we need to commit ourselves to effective action in order to achieve more efficient resource use. This is why the EU is supporting the idea of a ten-year work programme on sustainable production and consumption with the aim of reversing trends in the loss of natural resources and promoting the decoupling of economic growth from environmental degradation.

Trade unions – in your own words – “negotiate corporate and industrial change” and therefore have an important role to play in shaping production and consumption patterns.

In terms of poverty reduction too, trade unions have an important role to play. As the ILO pointed out in Bali two weeks ago, one of the most important elements in any strategy for

poverty eradication is missing from the draft documents for the Johannesburg Summit – namely, employment and decent work. A key question for the implementation of the UN Millennium Development Goal on poverty alleviation is more and better jobs for the 500 million working poor and for the additional 500 million newcomers to the labour force over the next 10 years, 97% of them in developing countries.

(5) The Summit Outcomes

So what will be the main outcomes of the Johannesburg Summit? Although some environmental NGOs are pushing for a binding framework on corporate accountability to emerge from the Summit, it is clear that no new Conventions will be ready to sign at the Summit.

Instead, there should be three main outcomes from Johannesburg:

1. A Political Declaration setting out the elements of a new Global Deal; and,
2. An Action Plan.

In UN terms, the Political Declaration and the Action Plan are together labelled Type I outcomes.

3. A series of partnerships to implement concrete deliverables should also be agreed. These are the so-called Type II outcomes.

Given the wide-ranging and system-changing features of sustainable development, it is important to focus in on a few areas where real progress can be made.

In a recent speech, the UN Secretary-General named five key areas where Johannesburg could make a real difference. These are : Water and sanitation, Energy, Health, Agriculture, and Biodiversity. By concentrating on these five areas, Kofi Annan said, the Summit could produce an ambitious but achievable programme of practical steps to improve the lives of all human beings while protecting the global environment.

Let me outline today a few concrete areas at the interface of poverty eradication and environmental improvement where the EU will sign up to concrete actions.

- **Energy:** the EU is committed to concrete action in the field of energy and development, with a particular focus on access to energy services for those who are currently without it, improved energy efficiency, clean technologies and the development of locally-available renewable sources. Generally, we want the Summit to give a strong signal to increase of the share of renewable energy sources worldwide.

- **Water:** we are committed to ensuring that, by 2015, the number of people unable to reach or afford safe drinking water is halved; and that, by the same date, the number of people without access to adequate sanitation is halved. At Johannesburg, we will be launching a strategic partnership on water and sanitation between international organisations, governments and stakeholders, with a particular focus on integrated water resources management.

- **Halting and reversing the loss of natural resources**, or, in other words, protecting the natural resource basis of economic development. Natural resources issues such as oceans and seas, forests, as well as convention areas such as bio-diversity need to be addressed.

- **Chemicals**. The EU will be pushing for a renewed commitment to sound management of chemicals throughout their life cycle, aiming to ensure that by 2020 chemicals are used and produced in ways that do not lead to significant adverse effects on human health and the environment.

- **Globalisation and trade**: The EU is firmly committed to concluding the Doha Development Agenda successfully and on time, and to fulfil the commitments made in Doha, including in areas which are difficult for the EU. There are also elements outside the DDA that should be addressed in Johannesburg, such as increased market access for sustainably produced products, notably “fair trade” and organic products, as well as the provision of technical assistance for capacity building in developing countries.

In all these actions, the EU will pay special attention to and provide strong support for the efforts that the **African** countries themselves are making to achieve sustainable development.

Finally, an effort is being made to improve the **coherence of EU policies**, by continuing the process of adapting key EU domestic policies, including agriculture and fisheries, to the objectives of sustainable development.

6. The EU Sustainable Development Strategy

Coherence of EU policies is a central feature of the European Union’s own sustainable development strategy agreed a year ago in Gothenburg.

Following the Rio+5 Conference in 1997, individual countries, international organisations and the European Union committed to preparing and implementing their own strategies for sustainable development.

What report card on our own performance will the European Union be able to take to Johannesburg? While individual Member States have different stories to report in terms of their domestic sustainable development strategies, Commissioner Wallström believes that the Union scores around 5 out of 10. We are half way there.

In Gothenburg, the European Council agreed a **strategy for sustainable development**, putting the **environmental dimension on a par** with economic and social development in the Lisbon Strategy. Real change must be undertaken within the EU in order to achieve sustainable development, what we call "putting our house in order". Our strategy focuses on four themes:

- climate change;
- transport;
- public health; and,
- natural resources.

Progress in implementing this strategy is to be reviewed at every spring European Council on the basis of the synthesis report presented by the Commission. However, there is still plenty

of work to do. As was made clear in this year's Synthesis Report, there is a "delivery gap" within the EU itself. Furthermore, the environmental dimension is not yet as fully integrated as we would like it to be. But we will continue to work to improve this.

7. What is the situation now?

So, at 11 weeks from the Summit, where do we stand in terms of international preparations?

I came back from Bali last weekend with Commissioner Wallström, where the final preparatory meeting for the Johannesburg Summit took place. The results of Bali can be described as disappointing: while the process did not come off the tracks or break down, there was certainly no breakthrough either.

It was very clear in Bali that different countries and groups of countries have different interests and levels of ambition for the Johannesburg Summit. Thus, the newly proposed targets, such as halving by 2015 the number of people without access to adequate sanitation, setting a target for a global increase in renewable energy sources and significantly reducing the loss of bio-diversity are still opposed by some delegations, like the United States.

In the end, the meeting was dominated by developing countries' insistence on trade and finance issues. The G77 developing countries pressed for the creation of a World Solidarity or Poverty Fund, based on voluntary contributions from public and private funds. While they said that they did not wish to re-open agreements reached in launching the trade round in Doha or at the Financing for Development Conference in Monterrey, the G77 was seeking "signals" from the developed countries which would lead to increased market access for developing countries and ways of constraining those who have not yet clearly committed increased resources under the Monterrey consensus to do so.

This will mean a heavy agenda for Johannesburg which will have to agree on the Summit's political declaration, complete the Action Plan and decide on criteria for monitoring the Type II partnerships.

Now is the time for stronger leadership. The South Africans are in the driving seat, having taken over from the Indonesians, and will need Europe's help and support to pull things together in the coming weeks.

8. The Next Steps

So, a successful outcome in Johannesburg now depends on finding ways of bridging the gap between the developed and developing countries over trade and finance issues.

Upcoming meetings such as the Seville European Council and the G8 meeting in Canada in late June, as well as bilateral contacts, will provide important opportunities for discussion among developed countries on how to respond to the concerns of the G77 without re-opening the Doha and Monterrey agreements. We will need to work closely with the G77 to re-establish a climate of trust and partnership, and to explain our globalisation and sustainable development agenda. In addition to political contacts, we will also continue our technical work to build support for our partnership initiatives which can bring real benefits in terms of poverty reduction, improvement in health and education and environmental protection to developing countries.

9. Concluding Remarks

So, let me conclude with a few words on the subject of partnership more generally.

The Earth Summit in 1992 sought to establish new ways of involving people or groups outside government in decision-making and implementation. As a result, the involvement of the so-called major groups of society, as defined in Agenda 21, is now seen as crucial for sustainable development. The concept of "partnership" has been widely used in recent years, and it lies at the heart of the agreements reached in Rio, and those we hope to reach in Johannesburg.

But it is true that the engagement of some major groups – the non-governmental organisations and local authorities for example – has been more apparent than has been the case until now for the social partners.

Some businesses have made significant improvement in their standards of operation throughout the world. The World Business Council for Sustainable Development has taken an enlightened lead in stimulating the commitment to sustainable development on the part of its membership of more than 120 multinational corporations. Voluntary instruments for corporate responsibility are increasingly being applied. And business too wants to be closely engaged in the Type II partnerships for deliverables that should emerge from Johannesburg.

The Johannesburg agenda and the European Union's Lisbon Strategy should both be investment strategies. **Sustainable development is as much about innovation, investment, growth and new jobs as it is about protecting the environment, human health and quality of life.**

Trade unions have an important role to play in all these areas.

That is why Commissioner Wallström has asked me to pass on her support for the work you are undertaking up to Johannesburg and beyond and to reiterate our desire to work more closely with you on these issues.

Thank you for your attention.