REPORT

of the Committee on Development and Cooperation

on the results of the UNCED Conference - Development aspects

Rapporteur: Mrs Winifred EWING
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By letter of 8 July 1992 the Committee on Development and Cooperation requested authorization to draw up a report on the results of the UNCED Conference - Development aspects.

At sitting of 14 October 1992 the President of the European Parliament announced that the committee had been authorized to report on this subject.

At its meeting of 24 June 1992 the committee appointed Mrs EWING rapporteur.

At its meeting of 16 March 1994 it considered the draft report.

At its meeting of 29 March 1994 it adopted the resolution unanimously.

The following took part in the vote: Saby, chairman; Ewing, rapporteur; Cassanmagnago Cerretti, Cayet, Chiabrando, Günther (for Braun Moser), Hermans (for Tindemans), Kellett-Bowman, Langer (for Telkämper), Miranda de Lage (for Bird), Pons Grau, Quistorp (for Tazdait), Raftopoulos (for Kostopoulos), Romera I Alcazar, Van Hemeldonck, van Putten.

The report was tabled on 29 March 1994.

The deadline for tabling amendments will appear on the draft agenda for the part-session at which the report is to be considered.
A.  

MOTION FOR A RESOLUTION  
Resolution on the results of the UNCED Conference - Development aspects  

The European Parliament,  

- having regard to the conclusions of and the agreements signed at UNCED,  
- having regard to its resolutions on the results of UNCED (1) and on monitoring by the European Community of the implementation of Agenda 21 of UNCED (2),  
- having regard to the EU Treaty and Article 130 U (3) in particular,  
- having regard to Rule 148 of the Rules of Procedure,  
- having regard to the report of the Committee on Development and Cooperation (A3-0196/94),  

1. underlines the importance of the texts adopted by UNCED to promote a sustainable development and considers that UNCED will prove to be a success only if its conclusions are concretely implemented through a more efficient development policy which takes duly into account - as a matter of urgent priority - the whole range of questions relating to sustainability;  

2. recalls that the European Parliament voted unanimously to reject any Interpretive Declaration in the European Union's ratification of the Convention on Biological Diversity, and regrets that the Council, without waiting for Parliament's Opinion, decided to include such a statement; points out that this Interpretive Declaration has no legal status whatever with regard to the Convention on Biological Diversity;  

3. regrets that the Convention on Climate Change does not contain any binding commitments to reduce the greenhouse gases and calls on the Commission and the Member States to support a protocol on enforcement measures to be signed at the first Conference of the signatories in Berlin in 1995 including maximum emission levels for every signatory State and binding measures to increase energy efficiency;  

4. welcomes the entry into force of the Conventions on biological diversity and on climate change; demands that all the Member States of the European Union ratify them without delay;  

5. underlines the major role that the UN Commission on Sustainable Development has to play in the implementation of UNCED conclusions notably AGENDA 21; welcomes its setting-up and the decisions taken at it first meeting;  

6. demands that the European Union and its Member States contribute fully to help the CSD in fulfilling its tasks; welcomes the fact that the European Commission can fully participate within its areas of competence in the work of the CSD;  

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1 OJ n° C 241, 21.9.1992  
2 PV 52 II, 18.1.1994
7. regrets that the national reports to be submitted to the CSD on the implementation of UNCED decisions - notably AGENDA 21 - should be made on a voluntary basis; underlines that it is in the interest of the developing countries to produce regular and detailed reports underlining e.g. their progress and difficulties in the implementation of AGENDA 21; demands that the European Commission be ready to assist, upon request, developing countries in producing these reports;

8. recommends that national Commissions on Sustainable Development be set up to ensure a continued process of coordination and an efficient implementation at national level; demands that the European Commission be ready to assist upon request developing countries in establishing such bodies;

9. stresses that the implementation of AGENDA 21 will require over this decade a huge amount of additional and new financial means which would be equivalent to a doubling of the present total volume of aid; deplores the fact that UNCED was not able to define precise modalities and mechanisms to secure an adequate financing of AGENDA 21;

10. underlines the fact that the fulfilment of the agreed UN objective of granting 0.7% of GNP to development aid would nearly guarantee the financing of AGENDA 21; reiterates therefore its demand that this agreed UN objective be fulfilled without delay;

11. recalls the announcement made at UNCED by the President-in-office of the Council that the European Union and its Member States will allocate as soon as possible 3 billion ECUs including new and additional resources as an initial contribution to financing AGENDA 21; deplores the fact that up to now the Council was unable to agree full and precise modalities for its concrete allocation;

12. hopes that the EU Member States will make the necessary funds available to developing countries to finance the solution of environmental problems which cannot be tackled at national level, and to enable developing countries to comply with obligations arising from international conventions and agreements, as concluded inter alia during the UNCED Conference;

13. calls on the EU and its Member States to make sufficient financial and technical resources available to ensure that the conventions on climate and biodiversity can be applied and implemented effectively;

14. calls on the Commission to inform the European Parliament of the measures taken by the EU and the EU Member States to comply with the obligations it entered into at Rio, particularly in connection with the pledge to provide ECU 3 billion for the launch and initial implementation of Agenda 21, the ratification of the Climate Convention and Biodiversity Convention, the integration of each of the principles of the Rio Declaration in its development cooperation strategy and efforts to earmark 0.7% of GNP for development cooperation;

15. regrets that no new budgetary line was created in the budget of the European Union as a contribution to financing AGENDA 21; notes with satisfaction, however, that the expenditure concerning the promotion of sustainable development has greatly increased in 1993 because of increased expenditure flows to that end within the framework of the Lomé IV
Convention and within the financial envelope for the Asian and Latin American countries and because of a substantial increase of different budget lines in the budget of the European Union;

16. demands that the European Union and its Member States make a significant effort to mobilize over the next years new and additional financial resources; demands in particular that the European Union increase its financial contribution in its next budgets and regrets that the specific budget lines for 1994 related to UNCED objectives have shown - on an average - some decline over the past year;

17. considers that UNCED objectives cannot be achieved without taking new and innovative measures to alleviate the debt burden of the developing countries and notably the poorest among them;

18. reiterates in particular its views that the European Union must cancel without delay the ACP debt according to the proposal made by the European Commission in 1990;

19. stresses that the Commission, using the planned harmonization of economic and monetary policy in connection with the planned EMU, should develop a common debt strategy at least on the basis of the Trinidad Terms; account should be taken of the possibility of using part of the debts which are not to be cancelled immediately to finance environmental projects (debt for nature swaps);

20. calls on the EU and the EU Member States to continue their efforts within the Paris Club to apply the Trinidad Terms in full, including the cancellation of 2/3 of debts, and to exert pressure on the other creditor nations to do the same;

21. considers it vital when formulating adjustment programmes, with regard to the debt problem, that structural adjustment programmes should be linked to conservation of the soil, forests and waters, practical measures to protect biodiversity and energy-saving and environmentally benign technologies in connection with the development and expansion of industries;

22. takes the view therefore that structural adjustment programmes should be based on principles of sustainable use of natural resources and that in formulating SAPs greater attention should be devoted to the sustainability of development strategies, in addition to the attention which must continue to be paid to the social costs of adjustment;

23. regrets that the replenishment of the International Development Agency (10th IDA) and the current proposal for the replenishment of the Global Environment Fund (GEF) do not result in any significant increase for their future activities; reiterates its views that the European Union should become a member of GEF and that a substantial Community contribution be inscribed in the European budget to foster its activities;

24. calls in addition on the EU and the EU Member States to continue their efforts with a view to increasing the influence of developing countries over the management of the GEF; takes the view that, irrespective of this, greater attention should be devoted to the need for transparency and democratic decision-making in this field;

- 6 - PE 207.556/fin.
25. welcomes the progress made towards the elaboration of an international convention to combat desertification in those countries experiencing drought and desertification particularly in Africa which should be finalized in 1994;

26. deplores the fact that no significant progress has been made towards the negotiations for an international binding agreement on forests and expresses its concern at the reticence displayed in the Development Council of December 1993 concerning the conservation of tropical forests and the decision that the Commission's proposal for a regulation should remain in force for only a few years;

27. stresses once more the importance of confining imports of timber, as from 1995, to sustainably produced timber, as called for by the European Parliament in October 1993 (PE 205.699/fin.);

28. welcomes the fact that following UNCED a greater awareness of the problems linked to the promotion of sustainable development have continued to emerge, notably at international level, including the UN machinery, among some significant parts of the private sector and among the NGOs;

29. points out the positive contribution that the NGOs have brought to the whole UNCED process and should continue to bring in its follow-up and implementation; welcomes in particular the next gathering of Global Forum 94 devoted to the theme "Cities and sustainable development";

30. insists that the European Union and its Member States must continue and increase their efforts to better incorporate the problems related to sustainable development and the UNCED objectives e.g. as defined in AGENDA 21 within the entire spectrum of their development policies;

31. calls on the Commission and the Member States in particular to facilitate for the developing countries access to environmental research and clean technologies which takes into account and builds upon their own knowledge systems, culture, and capacities for increasing their technological options; technology transfers desired by developing countries must be effected without diverting development aid to the purchase of licences for patented technology on their behalf;

32. calls on the representative of the European Union and the representatives of its Member States to the Intergovernmental Conference on the Biological Diversity Convention (ICCBD) in Nairobi in June 1994 and to the first Conference of the Parties to the Convention on Biological Diversity scheduled to take place in Geneva in December 1994 to work towards the elaboration of a Protocol on 'the safe transfer, handling and use of any living modified organisms resulting from biotechnology that may have an adverse effect on the conservation and sustainable use of biological diversity', as recommended by Panel 4 and by the European Parliament;

33. calls on the Commission to forward to Parliament the data and studies concerning the impact of intellectual property rights on biological diversity on which it based its conclusion that the proposed EU legislation on legal protection for biotechnological inventors is 'supportive of and does not run counter to [the] objectives' of the Biological Diversity Convention;
34. calls on the Commission to develop a method of tracing intellectual and genetic input into biotechnological products patented in the EU, so that a just system of compensation can be established for communities from the South which have contributed their knowledge and resources; the Farmer's Rights programme, which has been set up by the FAO, must also be supported and implemented;

35. instructs its President to forward this resolution to the Council, Commission and the governments of the Member States.
B.
EXPLANATORY STATEMENT

1. The texts adopted by the Conference

At UNCED two international Conventions were opened for signature: the Framework Convention on climate change and the Convention on biological diversity. A comprehensive programme of action which provides a blueprint for action in all areas relating to sustainable development was adopted: Agenda 21. A Rio Declaration containing norms for state and interstate behaviour has been adopted as well as a statement of principles on forests which is a non-binding declaration.

2. Present state of ratification of the 2 Conventions

One of the Conventions has already entered into force, the other one is about to enter into force by the end of March 1994.

The Convention on biological diversity has come into force since the end of December 1993. The European Union has ratified the Convention (1). All the Member States have indicated their willingness to ratify it.

Regarding this last Convention it has to be underlined that the United States decided in June 1993 to sign the treaty while the former US administration had been strongly opposed to it at the time of the Rio Conference.

The framework Convention on climate change will enter into force in March 1994. The European Union as well as the Netherlands, Denmark, Portugal and Spain did ratify it (2).

All the Member States and the EC itself signed the two Conventions at the time of the Rio Conference.

3. Follow-up and implementation of Agenda 21: institutional questions: the Commission on Sustainable Development (3)

The question of the creation of an appropriate mechanism to monitor the follow-up of UNCED has been a key question during the Rio Conference.

Following the Recommendation of Agenda 21 (chapter 38), the United Nations General Assembly adopted in December 1992 a resolution which creates the Commission on Sustainable Development as a functional Commission of the Economic and Social Council (ECOSOC).

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1 OJ n° L 309, 13.12.1993
2 by the end of 1993
3 See Earth Negotiations Bulletin
According to its terms of reference the Commission has to monitor the progress in the implementation of Agenda 21 including those related to the provision of financial resources and transfer of technology. It has notably to monitor progress towards the UN target of 0.7% of GNP for development aid.

The Commission is composed of representatives of 53 states elected by ECOSOC for a 3 year term with due regard to equitable geographical distribution. 6 EC Member States are currently members of the Commission (Belgium, France, Germany, Italy, the Netherlands, the United Kingdom).

The agreement on the procedural arrangements to enable the EC to participate in the Commission has been difficult to reach since most non EC members were opposed to any agreement which would give to the EC rights similar to those of the Member States and, de facto, a permanent seat in the Commission. It was finally agreed that the EC would participate fully within its areas of competence without the right to vote.

The Commission shall meet once a year. Part of the meeting should take place at Ministeral level. Consultations and informal meetings with NGOs may be organized.

The Commission on Sustainable Development held its first substantive session from 14 to 24 June 1993. The Commission adopted a multi-year thematic programme of work from 1994 to 1996. Each year it will accord particular attention to different chapters of Agenda 21 as follows:

* 1994: Health, Human settlements and freshwater, toxic chemicals and hazardous water
* 1995: Land, desertification, forests and biodiversity
* 1996: Atmosphere, oceans and seas

The 1997 meeting of the Commission should be devoted to an overall review of Agenda 21 in view of the special session of the UN General Assembly which is due to take place in 1997 to globally assess the UNCED follow-up.

The Commission decided that the national reports to be submitted to it by national governments should be made on a voluntary basis. It is up to the countries to decide on the regularity, as well as the degree of detail, of their report to the Commission. All international organizations are equally requested to submit reports on their UNCED follow-up activities.

The Commission decided furthermore to establish two intersessional ad hoc working groups: on finance and the transfers of technology.

Part of this first meeting of the Commission took place at ministerial level.

3. **Follow-up and implementation of other parts of AGENDA 21**

Chapter 12 of Agenda 21 on Desertification and Drought requests the UN General Assembly to establish an intergovernmental negotiating committee for the elaboration of an international convention to combat
desertification in those countries experiencing serious drought and/or
desertification particularly in Africa with a view to finalizing such a
convention by June 1994.

This committee has been established. It held its first substantive session
in May-June 1993.

More than 170 NGO's have been accredited according to UNCED procedure and
some intergovernmental organizations have been granted observer status
(e.g. IGADD, SADC, etc.). Discussed in particular during this first
meeting was how to reflect properly the priority for Africa which is
expressed in the title of the mandate of the committee.

Chapter 17 of Agenda 21 on the protection of oceans, seas and coastal areas
requests that small island developing countries should strengthen their
cooperation and that a first global conference should be held on the
sustainable development of small island developing states.

A preparatory committee for the conference has been set up. It held its
first session in August-September 1993 and decided to recommend that the
conference be held in April-May 1994 in Barbados. Regional technical
meetings have been held. One in Vanuatu for the Indian and Pacific oceans
and another meeting in Trinidad and Tobago for the Atlantic-Caribbean and
Mediterranean regions. These meetings underlined a number of priority
areas. A pre-draft action programme for the sustainable development of
small island developing states has been worked out. It is currently being
discussed and negotiated.

Chapter 17 of Agenda 21 requested equally that an intergovernmental
conference be convened with a view to promoting effective implementation
of the provisions of the law of the sea on straddling and highly migratory
fish stocks.

The Conference has been established by the UN General Assembly with a view
to complete its work before September 1994. It held its first session in
July 1993.

Another important issue discussed during the Rio Conference was the
question of forests. This proved to be a very divisive issue. UNCED
eventually adopted a statement of principles on forests. According to this
non binding statement these principles reflect a first global consensus on
forests. They must be seen as a first step in the international cooperation
on forest issue.

It was the clearly expressed view of the Commission that such a non binding
statement of principles should be replaced as soon as possible by the
conclusion of a binding agreement which should guarantee a management of
forests throughout the world on a sustainable basis (1). This is also the
view of the European Parliament (2). It must be deplored that up to now

1 SEC (91) 1693 f, 30.10.1991

2 See notably OJ n° C 67, 16.3.1992. Resolution on the need for a
Convention on the protection of forests
no negotiation did take place in that connection within the framework of UNCED follow-up.

4. **Towards a greater awareness of the problems relating to development, environment and sustainability**

Within the United Nations secretariat a Department for Policy Coordination and Sustainable Development has been newly created. This department is headed by an Under-Secretary-General and provides the secretariat support to the Commission on sustainable development.

An Inter-Agency Committee on Sustainable Development, chaired by the Secretary General, has been set up to facilitate the implementation of Agenda 21 within the United Nations system.

The Inter-Agency Committee on Sustainable Development held its first session in March 1993. This committee will ensure effective cooperation and coordination of the United Nations' implementation of Agenda 21. The committee is composed of 9 members which represents the following institutions: United Nations Environment Programme (UNEP), Food and Agriculture Organization (FAO), International Atomic Energy Agency (IAEA), International Labour Office (ILO), United Nations Development Programme (UNDP), UNESCO, World Health Organization (WHO), World Meteorological Organization (WMO) and the World Bank.

The UNEP is in the process to redefine its task "in the light of its redirected and expanded agenda and heightened responsibilities as a result of UNCED" (1).

As far as the World Bank is concerned, it held its first annual conference on environmentally sustainable development at the end of September 1993 (2).

A World Council of Enterprises for the Environment has been created in 1993, within the framework of the International Chamber of Commerce.

Concerning NGOs it is worth mentioning that the gathering of NGOs - Global Forum - which has been especially active during UNCED - is expecting to meet once again next year in Manchester to address the following main item: cities and sustainable development (3).

Individual NGOs contribute to further analysis and define the concept of sustainability, as is the case also with the World Wide Fund for Nature (WWF), which produced a paper on "Sustainable use of natural resources: concepts, issues and criteria" in August 1993.

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1 The future course of UNEP, Report of the executive director, UNEP, 21.4.1993
2 World Bank News, n° 36, 23.9.1993
3 Global Forum 94, Manchester, 24 June-3 July 1994
5. **The financing of AGENDA 21**

According to the estimates of the UNCED secretariat which have been incorporated into AGENDA 21, the total cost for implementing AGENDA 21 in the developing countries would amount globally to over 600 billion dollars per year, including about 125 billion on grant or concessional terms from the international community. As indicated in AGENDA 21, these are indicative and order of magnitude estimates only and have not been reviewed by Governments.

Since the global amount of aid currently provided to the developing countries through all bilateral and multilateral channels amounts to roughly 55 billion dollars per year, new financial resources of about 70 billion dollars each year are therefore to be found, according to the UNCED Secretary General (1).

It is therefore against this background that the results of the Conference are to be judged.

It has to be stressed that if the UN objective to devote 0,7% of GNP to development aid was achieved, the above-mentioned gap of around 70 billion dollars would almost be bridged. Recent statistics from the OECD indicate that the industrial countries are currently devoting 0,33 % of GNP to aid which represents about 54 billion dollars (2) for 1990-1991 and 60,42 billion dollars for 1992. Members of the EC devote 0,43 % of their GNP to aid. Only one Member State - The Netherlands - meets this objective with 0,88 % of its GNP devoted to aid.

In the sector of finance it must be acknowledged that no significant and positive evolution did take place since UNCED.

No significant progress has been made concerning the fulfilment of the 0,7 % of GDP target. In this regard it has to be recalled that AGENDA 21 does not mention any target date since it was not possible to get an agreement on this point at UNCED. Agenda 21 indicates that developed countries agree to increase their aid programmes in order to reach the UN target as soon as possible. As acknowledged by World Bank officials "there is no evidence of movement in that direction" (3).

Concerning the multilateral aid channels, it has to be stressed that the recent 10th replenishment of the International Development Association (IDA) for the next 3 year period (1993-1996) did not result in any significant increase in real terms. The proposal made at UNCED by the President of the World Bank that there should be an "Earth increment" to support environmental activities of the IDA and to help the poorest countries meet their environmental objectives could not get through. The agreed level of replenishment at 18 billion dollars only maintains the IDA funding level in real terms.

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1 Interview of Mr M. STRONG, Le Figaro, 14.5.1992
2 OECD-DAC, 1992 and 1993 Reports
3 World Bank News, n° 24, 17.6.1993
The Global Environment Facility (GEF) constitutes an important new mechanism to provide funding for projects which do have an impact on the global environment. Established in 1991 as a 3 year pilot project and dotted with 1.3 billion dollars, GEF should be now established on a permanent basis and its financial resources should be replenished for the coming years. GEF participants have agreed in summer 1993 for a 3 year replenishment of approximately 2 billion dollars.

As far as the question of debt is concerned - which is of vital importance for many developing countries especially the poorest among them - no new initiative has been recorded. The global volume of debt of the developing countries keeps growing: 1479 billion dollars in 1991, 1542 billion dollars in 1992 (1). It must be emphasized that significant and innovative measures in the field of indebtedness are more acute and needed than ever. If developing countries are to comply with the guidelines of AGENDA 21 and are to promote a sustainable development taking duly into consideration the environment problems, the debt situation must drastically change. It is time now that the European Union and its Member States take the initiative in that respect.

6. The European Union and its Member States

During the Rio Conference the European Community and its Member States announced their willingness "to allocate as soon as possible 4 thousand million dollars (i.e. 3 billion Ecus) including new and additional resources for specific projects and key programmes in Agenda 21 as an initial contribution to its early implementation" (2).

This announcement did raise some question marks as no reference was made to any target date, it was not clear about what would come out of the EC budget and from the Member States and it was not specified what would be the amount of new resources out of the total envelope.

The European Council of June 1992 indicated that the Community and its Member States are prepared to commit themselves to give financial support to developing countries for the implementation of Agenda 21 through Official Development Assistance without giving any more detail.

The Development Council meeting of May 1993 decided that following the global financial commitment of 3 billion Ecus made in Rio, the Community and its Member States would provide an initial tranche of 600 Mecus in 1993. In addition, the Community and its Member States will on a best effort basis provide an extra 20 % (of 600 Mecus) in new and additional resources (3).

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1 OECD, Statistics on external debt, 1993
2 Speech by the Prime Minister of Portugal and President in office of the European Council, 12.6.1992
3 6705/93 (Presse 83)
The Development Council meeting in December 1993 only indicated that it went through the examination of the financial aspects concerning the follow-up of the Rio Conference without giving any further indication (1).

It is to be deplored, therefore, that until now the Community and the Member States have been unable to agree e.g. on which financial contribution would come from each of them, on what would come out of the Community budget and on what the total amount of new funding would be. Even the time period during which the 3 billion Ecu envelope should be allocated is not yet specified.

It must be underlined that it would be extremely important for the developing countries to know well in advance and with a good degree of precision the exact magnitude of the financial support which the Community and the Member States are willing to allocate in order to help them meet the UNCED obligations.

As far as the Community is concerned the progress report that it submitted in June 1993 to the Commission on Sustainable Development gives a more precise picture of its financial contribution following the Rio Conference (2).

This report indicates that the total financial resources to be committed in 1993 for financing programmes and projects of Agenda 21 would amount to about 770 million Ecu.
This global figure relates to Community financing under the Lomé Convention, the programme with the developing countries of Asia and Latin America, the Mediterranean programme and the relevant items in the Community budget.

The Commission's report underlines that this figure represents not only the financial resources within the framework of development aid activities but also incorporates the external component of other relevant Community programmes such as in the area of research, environment and energy.
This figure of 770 million for 1993 is to be compared with the commitments approved for 1992 which amounted to about 225 Mecus for the ACP and the Asian and Latin American countries. No precise estimate being given for the Mediterranean countries.

Out of the figure of 770 Mecus, 270 Mecus are devoted to rural environment, 154 Mecus to water, 96,7 Mecus to forests and 69 Mecus to energy.

In the budget of the European Union for 1993 the specific budget lines concerned with the implementation of UNCED conclusions (B7-500 Investment Promotion in the Asian, Latin-American and Mediterranean countries, B7-504 Ecology in the developing countries, B7-5041 Tropical forests, B7-811 International activities in the field of ecology) did show a significant increase over the previous years. This effort has however not been maintained in the 1994 budget.

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1 10641/93 (Presse 215)

2 Implementing UNCED: A progress report from the EC to the UN Commission on sustainable development, June 1993