

ASIA-PACIFIC FORUM FOR ENVIRONMENT AND DEVELOPMENT

APFED MESSAGE TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

1. We, the members of Asia-Pacific Forum for Environment and Development (APFED), reviewed the environment and development issues facing the region and identified five major issues that require priority attention, namely freshwater resources, renewable energy, trade, finance, and urbanization.
2. At the outset, we state our conviction that poverty alleviation lies at the core of our pursuit for sustainable development. We believe that fundamental changes in the world's consumption and production patterns are critical to achieving sustainability. We also believe that good governance and capacity building are overarching concerns on which hinge our success in addressing the particular sustainable development challenges we face. Concrete and clearly benchmarked actions must be taken to make sustainable development a reality.
3. We present the following recommendations for the consideration of the World Summit on Sustainable Development (WSSD).

I. RECOMMENDATIONS ON KEY ISSUES

A. FRESHWATER RESOURCES

- (1) Formulate comprehensive water policies and effective implementation mechanisms at the national and local levels**
 - formulate water policies and implementation mechanisms in conjunction with other areas such as land use, food security, pollution control, water supply and sanitation, conservation of ecosystems and poverty alleviation
 - involve the local community, particularly women and the poor, in water policies
 - water policies should give due consideration to the interlinkages between freshwater resource management and the protection of coastal areas and marine environments from negative impacts of land-based activities
 - develop integrated water resource management (IWRM) plans by 2005
 - the international community should, through bilateral and multilateral cooperation, provide support to those countries lacking the capacity for water resource management planning
 - support the outcomes of the International Conference on Freshwater held in Bonn in 2001 and maintain its momentum to the 3rd World Water Forum to be held in Japan in March, 2003, followed by concrete time-bound actions to implement its outcomes, with the support of enhanced access to environmentally sound technologies and technology transfer
- (2) Promote comprehensive monitoring and assessment in river basins and groundwater catchment areas**
 - promote, in addition to water quantity and quality, assessment of socio-economic activities, such as water consumption patterns, for better water demand management

- promote capacity building for monitoring and assessment techniques as well as on utilization of data obtained for policy formulation
 - promote and support international cooperation in the above efforts
- (3) Formulate cooperative mechanisms in shared freshwater resources to avoid conflicts**
- ensure that water-sharing agreements are based on fair and equitable water distribution, recognizing the needs of all stakeholders, in particular of women and the poor
 - share the experiences of regional cooperative mechanisms, such as the Mekong River Commission, within the region as well as with the rest of the world

B. RENEWABLE ENERGY

- (1) Encourage use of renewable energy systems and services in communities**
- build partnerships amongst developed and developing countries by developing markets for renewable energy products and services, using funding and other mechanisms
 - decentralize renewable energy systems through effective dissemination programs involving local people in rural areas
 - facilitate the raising of awareness and spread of knowledge about renewable energy amongst all sectors, in order to remove institutional, technical and financial barriers
 - support capacity building in communities for the use, efficient installation and maintenance of such technologies
 - strengthen national efforts towards energy efficiency and conservation
 - promote mechanisms for sharing experiences on Renewable Energy Technologies (RETs) amongst stakeholders
 - aim towards establishment of an International Consultative Group on Renewable Energy
- (2) Optimize the use of pertinent renewable energy products and services in ways appropriate to the conditions of each locale**
- optimize the use of RETs based on biomass, solar, wind, micro-hydro and geothermal energy to suit local conditions
 - formulate national energy policies that include targets for renewable energy installation
 - redirect subsidies that currently support fossil fuel based technologies towards development of RETs
 - involve local communities in the choice of the RETs

C. TRADE

- (1) Build capacity in trade-environment policy analysis and implementation**
- strengthen capacities of developing countries for negotiations relating to trade and environment and for assessing the economic, social and environmental implications of trade policies and multilateral agreements
 - enhance capacity-building initiatives already launched by international organizations such as the United Nations Environment Programme (UNEP), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Asian Development Bank (ADB), United Nations Conference on Trade and Development (UNCTAD), World Bank and World Trade Organization (WTO) to promote active participation of the countries in this region
 - establish a capacity building network on trade and environment in the region amongst government policy makers, experts and other stakeholders for the purpose of setting up databases and models for assessing impacts of trade liberalization on sustainability

(2) Promote environmentally sound technologies (ESTs) by rewarding small and medium sized enterprises (SMEs) who use them

- encourage developing countries to adopt appropriate technologies that are not only environmentally friendly, but are also cost-effective and easy to use and maintain
- make ESTs and RETs widely available and accessible, especially to SMEs, and explore creative approaches in lieu of intellectual property rights (IPR) protection by, for example, rewarding and encouraging innovation
- protect the exclusivity of local ownership of sustainable indigenous knowledge and practices, including genetic resources, while ensuring their wide dissemination for the benefit of all humankind
- recognize that demand-side as well as supply-side factors significantly affect the promotion of ESTs

(3) Ensure that trade acts as a tool for sustainable development

- give priority to addressing imbalances and inequities in the world trading system
- developing countries should formulate trade policies that take into account the quality, timing, sequencing and scope of liberalization, especially import liberalization
- remove unfair protectionism and trade discrimination, including those in the guise of environmentalism
- harness information technology to give small producers full access to the global markets and to market information
- support partnerships amongst civil society, government and business to develop new markets and to promote participation by all in international trade

D. FINANCE

(1) Make the best use of official development assistance (ODA) and domestic resources

- developed countries should make concrete efforts towards the Rio target of 0.7 percent of GNP for ODA
- developing countries should mobilize domestic resources for sustainable development from all possible sources, according to their capacities, and ensure the most efficient utilization of external funds and ODA
- remove distorting subsidies and incentives and allocate national resources to reflect commitment towards sustainable development
- translate the Monterrey Consensus into concrete initiatives for the benefit of developing countries
- promote and support South-South cooperation
- developed countries should improve access of developing countries to their markets to enable them to mobilize additional resources through enhanced export earnings
- pursue debt-for-nature, debt-for-poverty-reduction and debt-for-education swaps especially for least developed countries (LDCs)

(2) Increase the contribution of private capital to sustainable development

- promote expansion of the contribution of private capital, including the role of domestic banks and foreign direct investment, to sustainable development
- promote socially responsible private investments, particularly in areas of relevance to sustainable development, including water, renewable energy and energy efficiency
- support developing countries to improve the capacity of their financial institutions

- governments, international financial institutions and businesses should take concrete measures for greater stability of the international financial system, in particular with regard to short-term capital flows
- enhance the role of export credit agencies to promote sustainable development

(3) Enable the full effects of existing and additional international funding mechanisms

- strengthen and replenish global environmental financial mechanisms, including the Global Environment Facility (GEF)
- additionally, establish and promote a new regional environment facility (REF), to deal with environmental needs and overarching issues, such as poverty reduction
- encourage initiatives in the region for the establishment of a fund to improve the management of the environment and natural resources for poverty reduction, initiated by regional financial institutions such as the ADB
- ratify the Kyoto Protocol and accord high priority to the implementation of the Clean Development Mechanism (CDM)
- renew efforts towards the introduction of global financial mechanisms such as a global tax on economic activities which adversely impact sustainable development

E. URBANIZATION

(1) Encourage countries in the region to take an integrated approach to manage urbanization

- integrate land use planning; infrastructure and services development; recycling of solid wastes; promotion of economic efficiency in production and services; human and natural resources management; and environmental conservation as well as rural/urban linkages in policy formulation to manage urbanization
- develop a proper institutional framework to promote responsibility and accountability, as well as participation and partnerships amongst a wide range of stakeholders at national and local levels

(2) Strengthen local initiatives in the management of urban environments

- enhance the capacities of local governments, civil society, community groups and the private sector and strengthen initiatives and partnerships to solve urban environmental problems
- promote inter-city cooperation to encourage transfer of successful policy and technology measures, know-how packages and sustainable urban development models, such as through the Kitakyushu Initiative for a Clean Environment

II. RECOMMENDATIONS ON OVERARCHING ISSUES

A. GOOD GOVERNANCE

(1) Facilitate devolution of power and empowerment of stakeholders

- promote education and awareness building through effective information sharing amongst governments and civil society stakeholders and through adequate financial support
- recognize the value of decentralized actions, local knowledge, and appropriate representation of stakeholders, in decision-making processes at all levels
- empower women through strengthened participation in decision making processes

(2) Create and optimize partnerships both within and across borders

- establish formal mechanisms for multi-stakeholder participation in the development process, such as national and local councils for sustainable development
- promote regional multi-stakeholder mechanisms, such as a network of national councils for sustainable development (NCSDs) or a regional council for sustainable development, to serve as a venue for sharing experiences and good practices, forging common agendas and coordinating actions for sustainable development
- strengthen governance systems for corporations and international institutions

B. CAPACITY BUILDING

(1) **Take a well-financed and structured approach to capacity building**

- undertake institutional and human resource capacity building in an integrated and systematic manner at both national and local levels
- direct capacity building efforts to all stakeholders, particularly for the empowerment of women, strengthened with focused and coordinated international assistance

III. APFED'S COMMITMENTS

4. We, the members of APFED, will take the actions possible within our capacities, to see the realization of the recommendations put forth above.
5. APFED will launch the following partnership initiatives, which will be included in the Type II outcome of the WSSD:
 - (a) APFED will launch a new initiative to collect and analyze **best policy practices** (BPP) related to the actions recommended above, in close collaboration with the scientific community and other stakeholders. This will be compiled by the end of 2004 for use as a common asset for policy makers in Asia and the Pacific region.
 - (b) APFED will continue its work to compile a final report with policy recommendations by the end of 2004. As a part of APFED's final outcomes, APFED will develop, in close collaboration with relevant international and/or inter-governmental organizations, a **network of researchers and research institutions** (NetRes). One of the important functions of this network will be to develop policy recommendations to put into practice the APFED recommendations in the final report on governmental policies and measures in the region.
 - (c) APFED will make an **inventory of capacity building programs** (CBP) in Asia and the Pacific region and disseminate the information to those needing training.

IV. FINAL STATEMENTS

6. We believe that successfully dealing with these environmental and developmental issues, along with operationalizing existing regional initiatives such as the Phnom Penh Regional Platform on Sustainable Development for Asia and the Pacific, will contribute significantly to poverty alleviation and sustainable development in the region.

7. We reiterate that what the world needs now is meaningful change, change that begins with ourselves. We need a framework to serve as the basis and impetus for such change. We urge the global community to adopt the Earth Charter and support its implementation.
8. We submit that most of what needs to be done is by now well known and has been well discussed in various fora. What remains missing is the political will to effect meaningful change through decisive actions that break new ground and build on partnerships. We therefore call on all leaders to exercise such political will, even as we pledge our own commitment as global citizens to be active partners in putting the WSSD results into concrete action.

ANNEX

I. BACKGROUND: ENVIRONMENT AND DEVELOPMENT CHALLENGES IN ASIA AND THE PACIFIC

1. Asia and the Pacific region have experienced tremendous economic growth in recent years. Annual growth of GDP per capita between 1975 and 1995 in the region was 3.09 percent, as compared to 1.17 percent for the world. While economic growth, fuelled by industrialization and international trade, has been accompanied by some improvement in human development, it has added much strain on the environment and has on the whole negatively affected sustainable development of the region. Some of the many environmental challenges that the region experiences include ozone depletion, water shortages, air and water pollution, depletion of natural resources, biodiversity loss and land degradation, including the depletion of forests. Global warming is also a serious problem, particularly as it pertains to small island states and other vulnerable countries in Asia and the Pacific region.
2. In recent years, particularly since the United Nations Conference on Environment and Development (UNCED), many efforts have been made to deal with these environmental and sustainable development-related issues. However, numerous challenges still remain. One emerging issue that has significantly affected sustainable development in recent years is globalization.
3. Economic impacts of globalization have deeply affected Asia and the Pacific region. Although globalization has both positive and negative impacts, the negative aspects of globalization, such as the imbalance of power in the WTO, the inability of small- and medium-sized companies and economies to overcome the formidable barriers to full participation in regional and global markets, and unsustainable production and consumption patterns, have affected the poor disproportionately. Because the poor and the LDCs are the most vulnerable, globalization's adverse impacts have further intensified poverty.
4. At present, poverty constitutes the largest challenge to sustainable development. While the number of people living in absolute poverty has decreased in East Asia, numbers for the rest of the region are increasing. South Asia suffers from the same level of poverty as that of sub-Saharan Africa. The magnitude and diversity of poverty in Asia and the Pacific region, where approximately 800 million, or 70 percent, of the world's poor people live, call us to view poverty alleviation as an utmost priority.
5. In addition to poverty, inequity—the uneven and unequal distribution of wealth, uneven rates of human development and the increasing gap between the haves and have-nots, especially when gender is taken into account—is a challenge that is at the focus of our attention. Equity, or the lack thereof, in the region has special implications as it relates to unsustainable urbanization patterns. Rapid urbanization has resulted in the expansion of slums, aggravating poverty in urban areas. Moreover, development focusing on urban areas has also created differences in progress in terms of human development between urban and rural areas.
6. It is thus clear that the development patterns currently being pursued in Asia and the Pacific region have not succeeded in alleviating poverty and inequity. Furthermore, we recognize that the current development patterns constitute an important threat to environmental security, which is in itself a threat to global security.

7. The world community needs to change the current development patterns from unsustainability to sustainability. We believe that success in achieving sustainable development in the region will determine success for the rest of the world. In this context we declare our commitment as the members of APFED, and call on other organizations and governments in the region to demonstrate tangible commitments to poverty alleviation and the achievement of sustainable development.

II. KEY ISSUES AND PRIORITIES CURRENTLY ADDRESSED BY APFED

8. During 2001 and 2002 we have discussed five issues, namely freshwater resources, renewable energy, trade, finance and urbanization. Our discussions focused on these five key issues, as we believe that effective management of natural resources such as freshwater and energy, and appropriate handling of social and economic issues such as trade, finance and urbanization, are the keys for sustainable development.
9. Freshwater resources have reached a critical condition in most parts of Asia and the Pacific region, with regard to both quality and quantity. Due to the growing imbalances between water availability and demand, conflict over water resources is predicted to increase at all levels, and may eventually threaten peace in the region. The impacts of this water crisis—such as insufficient food provision, unsafe water supply, poor sanitation, natural disasters such as flood and drought, and environmental degradation—particularly affect the poor. Taking into consideration the region's ongoing growth in both population and economic activity, actions for sustainable water management should be taken, with special consideration to the diversity of water-related issues in the region, so that the water crisis will not constitute a major constraint to sustainable development here. Actions should be taken in line with the outcomes of the International Conference on Freshwater held in Bonn in 2001, keeping in mind the International Year of Freshwater in 2003 and the 3rd World Water Forum to be held in Japan.
10. Energy demand in Asia and the Pacific region is expected to soar with the rapid economic growth that the region is experiencing. Considering that renewable energy resources are suitable for many decentralized communities in Asia, with effective policies and governance to promote their use, the region has high potential to lead the world in the use of renewable energy. To meet the increase in energy demand in a sustainable way, actions should be taken now to promote the use of promising renewable energy resources such as biomass, wind and solar energy in the region and to further develop and invigorate the market for RETs. Such action would also greatly reduce the emission of greenhouse gases and the intensity of global warming and climate change.
11. With a new round of multilateral trade negotiations expected to take place under the WTO, and as a result of regional and subregional trade negotiations such as through ASEAN (Association of South East Asian Nations), trade liberalization is expected to expand in Asia and the Pacific region. While increasing trade could lead to economic growth in the region, it may also bring more stress on the environment and widen the gap between the rich and the poor within and amongst countries in the region. Therefore, a real challenge for the region is to ensure that trade liberalization is harmonized with the environment and that people in all the economies of the region, particularly the poor, are able to reap the benefits from trade liberalization.
12. The Asia and the Pacific region has emerged as the largest recipient in the developing world of private capital flows, in particular, foreign direct investment. However, within the region, globalization has resulted in two categories of developing countries: those which have not been able to attract much private capital, such as LDCs, land-locked countries and small island states, for which ODA remains the primary source of external funding; and those countries that have

seized new opportunities from globalization. Actions for financing sustainable development should take into consideration the difference between these two categories of countries.

13. Increasing urban migration is escalating the pressures on urban infrastructures. This trend is becoming unsustainable in many instances because urbanization is concentrated in a few large cities. With nine of the world's fourteen megacities located in Asia and the Pacific region, critical issues to be addressed include traffic congestion; inadequate waste management; air, noise and water pollution and their associated health hazards; poor sanitation; and deficient infrastructure and services. Actions should be taken in line with the Kitakyushu Initiative for a Clean Environment, adopted at the Ministerial Conference on Environment and Development, 2000. Efforts should aim in particular at strengthening urban environmental management through information exchange and the sharing of best practices.