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ENVIRONMENTAL AFFAIRS

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July 1988

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PRIME MINISTER'S
PERIODNAL MESSAGE
SERIAL No. T.30/90

SUBJECT CE MOSES

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10 DOWNING STREET

LONDON SWIA 2AA

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THE PRIME MINISTER

CC OPS

14 February 1990

Pear Prime Phinister,

Thank you for your two letters of 18 January about the Bergen Conference "Action for a Common Future". It is very good of you to invite me to give a keynote address to the Ministerial session but unfortunately I am already so heavily engaged in May that I am afraid there is no possibility of coming to Bergen. This is a disappointment to me as I attach very great importance to the issues which you will be discussing there and would dearly like to take part. However, our delegation will be led by our Secretary of State for the Environment, the Rt. Hon. Chris Patten, M.P. who has already met your Environment Minister. I know he will make an excellent contribution at Bergen; and I have asked him to consider, when he has studied the Conference papers, whether to invite another Minister with responsibilities for either Energy or Industry to accompany him in May.

In the meantime I wish you every success with the Conference, which will be a major opportunity to demonstrate the progress we are all making towards safeguarding "Our Common Future".

Jours swiendy

Jayane Shaliter

Mr. Jan P. Syse

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## IO DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

14 February 1990

I enclose the Prime Minister's reply to the two letters from the Norwegian Prime Minister about the Bergen Conference "Action for a Common Future". Provided the Department of the Environment are content, I should be grateful if you could arrange for its delivery.

C. D. POWELL

Richard Gozney, Esq., Foreign and Commonwealth Office • Common or street

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2 MARSHAM STREET LONDON SWIP 3EB 01-276 3000

My ref:

Your ref:

Charles Powell Esq Private Secretary to The Prime Minister 10 Downing Street LONDON SWIA 2AA

12 February 1990

Dear Charles

LETTERS FROM NORWEGIAN PRIME MINISTER

It has been agreed with FCO that this Department will provide draft replies for the Prime Minister's signature to the two letters from the Norwegian Prime Minister dated 18 January which reached us under cover of your two letters of 1 February to Richard Gozney. I attach a single draft reply.

and

The first letter is a straightforward one sent to all Heads of Government of the UN/ECE region about Ministerial representation at the Bergen Conference in May which will be a regional follow-up to the Brundtland Report. We have given strong support to this follow-up process ever since the Prime Minister's foreword in July 1988 to the UK's preliminary response to the Brundtland Report. The Norwegian preparations went somewhat astray towards the end of last year because of ambitions to turn the Conference into a major target setting event on such matters as carbon reductions. Recent meetings at official level appear to have injected some healthy realism and we are hopeful that by May the UK will be able to give a strong lead in what will be the first political meeting to examine environmental co-operation with a democratised East Europe. The Secretary of State proposes to attend the Ministerial session on 14/16 May and he notes that the Norwegians are suggesting that delegations might include another Minister with policy interests in the main conference topics - economics, industry, energy and awareness raising. Mr Patten suggests that nearer to May he will consider participation by an Energy or Industry Minister but that until we have seen the Conference papers it is not necessary to take a decision.

The second letter invites the Prime Minister to give a keynote address to the Conference during the Ministerial session. The UN Secretary-General will be the main keynote speaker along with the Zimbabewian Finance Minister and various UN figures such as Dr Tolba of UNEP. My Secretary of State believes that as Bergen is a regional conference it would be more appropriate for the Prime Minister to consider speaking opportunities on global issues such as the London meeting on the Montreal Protocol in June, the G7 Summit in July and the Second World Climate Conference in November.

Copies of this letter go to Richard Gozney (FCO), Myles Wickstead (ODA), Neil Thornton (DTI) and Stephen Haddrill (DEn).

YOURS

KATE BUSH Private Secretary a. 1 Forgin | Syse S

DARAFT REPLY FROM THE PRIME MINISTER TO MR JAN P SYSE, PRIME MINISTER OF NORWAY

Thank you for your two letters of 18 January about the Bergen Conference "Action for a Common Future". W is very good of you to half the

I was honoured by your inwitation to give a keynote address to the Ministerial session but unfurtupately so disay for May is no full that I san see no possibility of coming to Bergen. This is a disappointment to me as I have followed with keen interest the changes in environmental thinking that have occurred interestionally since the London launch of the Brundtland Report, "Our Common Future". I hope you will have found the United Kingdom's two protress reports of help in the preparations for Bergen.

I am however happy to be able to tell you that the United Kingdom delegation will be led by our Secretary of State for the Environment, the Rt. Hon. Chris Patten MP, who has already had the pleasure of meeting your Environment Minister. Mr Patten will be maintaining a close interest in the issues that will be addressed at Bergen and I have asked him to consider, when he has studied the Conference papers, whether there might be benefit in inviting another Minister with responsibilities for either Energy or Industry to accompany him in May.

In the meantime I wish you every success with the Conference which will be a major opportunity to demonstrate the progress we are all making towards safeguarding "Our Common Future".

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July 1918



Foreign and Commonwealth Office London SWIA 2AH 7 February 1990 Thank you for your two letters of 1 Pebruary enclosing copies of letters from the Norwegian Prime Minister about the ECE Regional Conference in Bergen, Norway, on the follow-up to the report of the World Commission on Environment and Development. The Department of the Environment, who lead on this, have agreed to provide advice and draft replies to the Norwegian Prime Minister's two letters. I understand they hope to do this as soon as possible after officials return from a preparatory meeting for the Bergen conference which is being held in Oslo this week. I am copying this letter to Roger Bright (Department of the Environment) and Myles Wickstead (Overseas Development Administration). (R N Peirce) Private Secretary C D Powell Esq 10 Downing Street

10 DOWNING STREET LONDON SWIA 2AA From the Private Secretary 1 February 1990 Curret I attach a copy of a letter the Prime Minister has received from the Prime Minister of Norway. I should be grateful if you could provide a draft reply for the Prime Minister's signature. It would be helpful if this could reach me by Thursday 8 February. I am copying this letter and enclosure to Roger Bright (Department of the Environment) and Myles Wickstead (Overseas Development Administration). C. D. POWELL Richard Gozney, Esq. Foreign and Commonwealth Office

ROYAL NORWEGIAN EMBASSY

25 BELGRAVE SQUARE
LONDON SWIX 8QD
TEL. 01-235 7151

recyk

London, 1 February 1990 Enclosure

Prime Minister's Office 10 Downing Street London SW1

Dear Sirs,

Please find enclosed a letter to the Right Honorable Prime Minister Margaret Thatcher from the Norwegian Prime Minister Mr. Jan P. Syse.

Yours sincerely,

Kjell Eliassen Ambassador



# 10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

Ack 1 February 1990

I enclose a copy of a letter the Prime Minister has received from the Norwegian Prime Minister, Mr. Jan P. Syse. of 18 Jourgo

I should be grateful if you would Seefeld provide advice together with a draft reply for the Prime Minister's signature, to reach this office by Thursday, 15 February.

I am copying this correspondence to Alan Ring (Department of the Environment).

CHARLES POWELL

Richard Gozney, Esq., Foreign and Commonwealth Office

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10 DOWNING STREET LONDON SWIA 2AA From the Private Secretary 1 February 1990 I am writing on the Prime Minister's behalf to acknowledge receipt of your letter of 1 February enclosing a letter from Mr Jan P. Syse, Prime Minister of Norway. C. D. POWELL His Excellency Mr. Kjell Eliassen

ROYAL NORWEGIAN EMBASSY 25 BELGRAVE SQUARE LONDON SWIX 8QD TEL, 01-235 7151 London, 1 February 1990 Enclosure The Prime Minister's office 10 Downing Street London Dear Sirs, WEN COR? Earlier today I transmitted to you a letter from the Norwegian Prime Minister, Mr. Jan P. Syse, to the Right Honorable Prime Minister Margaret Thatcher, inviting her to give a key note address at the opening of the Ministerial Session of the Regional Conference on Environment and Development in Bergen in May. I now have the pleasure to transmit another letter to Prime Minister Thatcher from Prime Minister Syse regarding the representation of the British Government at the Ministerial Session. Yours sincerely, njellalian Kjell Eliassen Ambassador

SUBJECT WMASTER THE PRIME MINISTER PRIME MINISTER'S PERSONAL MESSAGE -ERIAL No. 194/90 Oslo, 18 January, 1990 Prime Minister THE BERGEN CONFERENCE "ACTION FOR A COMMON FUTURE". COP In February last year my predecessor, Ms. Gro Harlem Brundtland, extended to your Government an invitation to attend the Regional Conference on the follow-up to the World Commission on Environment and Development (WCED) in the ECE region. The Conference will take place in Bergen, Norway, from 8 to 16 May this year. It will be divided in two parts: a Working Session (8-11 May) and a Ministerial Session (14-16 May). The Norwegian Government greatly appreciates the positive response and support that this initiative has received from the member governments of the Economic Commission for Europe (ECE). We are pleased that so many governments have taken an active part in the preparations for the Conference, through participation in the international preparatory committee and in the three expert meetings which have so far taken place. We have also benefitted from the active participation of five non-governmental sectors (industry, trade unions, youth organizations, the science community, and voluntary environmental organizations). As you know, the selected topics for the Conference agenda are the following: \* sustainable economics \* sustainable industry \* sustainable energy \* awareness raising and public participation Wherever possible and relevant, the North-South dimension will be dealt with under each main topic. In this connection, it will be particularly important to analyze the effects on developing countries of measures to be implemented by the ECE countries. The Right Honourable Margaret Thatcher Prime Minister of the United Kingdom of Great Britain and Northern Ireland London

Reflecting the interdisciplinary character of the agenda, the Norwegian delegation to the Ministerial Session will, in addition to myself and the Minister of Environment, include the Ministers of Foreign Affairs, Finance, Energy, Industry, and Development Cooperation.

In the same way, we hope that the other ECE member governments, in addition to the Minister of Environment, will also be represented by one other minister with responsibilities relevant to one of the four main topics of the Conference.

The U.N. Secretary-General, as well as the heads of relevant U.N. and other international organizations have also been invited to attend the Ministerial Session.

The Working Session of the Conference, will be attended by government experts and representatives of the afore-mentioned non-governmental groups.

According to the mandate given to the Conference by the ECE, we should aim at

\* reviewing progress in the follow-up of selected aspects of the WCED report; and

\* identifying initiatives for further measures of relevance to the ECE region.

It is expected that the Conference will lead to the adoption of two documents: an Agenda for Action and a Ministerial Declaration.

I would appreciate an early indication, preferably by the end of February, of your Government's representation at the Ministerial Session.

I look forward to your continued cooperation in order to make this regional conference an important contribution to sustainable development and to the U.N. Conference on Environment and Development in 1992.

Yours, sincerely

Jan P. Syse

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## 10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

15 January 1990

#### ONE WORLD

Thank you for your letter of 12 January, which the Prime Minister has seen and noted without comment.

CAROLINE SLOCOCK

Miss Kate Bush, Department of the Environment.

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The Physical Physical

2 MARSHAM STREET LONDON SWIP 3EB 01-276 3000

My ref:

Your ref:

Caroline Slocock Private Secretary to The Prime Minister 10 Downing Street LONDON CM 12/1

Phio dinisto?

12 January 1990

Dear Caroline

ONE WORLD

SWIA 2AA

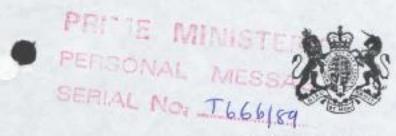
The Prime Minister may wish to be aware of a major media event which will coincide with the Bergen conference on sustainable development which my Secretary of State will be attending in May.

In the week beginning 6 May the BBC, in conjunction with a number of overseas TV companies, will be putting on a series of programmes dedicated to the environment, including special reports, discussions from Bergen and a satellite discussion between President Bush and President Gorbachev. We understand that there is also a proposal for a documentary introduced or with a commentary by the Prince of Wales. Officials here and in ODA have already met the BBC and have been impressed by their proposals. We will be looking out for announcements which might be timed to coincide with One World week.

As other Departments may wish to become involved I am copying this to Simon Whitely at the Department of Transport, John Nielsen at the Department of Energy, Neil Thornton at the Department of Trade and Industry and Andy Lebrecht at MAFF as well as to Stephen Wall at the Foreign Office, Myles Wickstead at ODA and Sonia Phippard in Sir Robin Butler's office.

KATE BUSH

Private Secretary



10 DOWNING STREET

LONDON SWIA 2AA

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THE PRIME MINISTER

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4 April 1989

Dear Prive Minister

Thank you for your letter of 24 February inviting the United Kingdom Government to the Regional Conference on Environment and Development that you are hosting in Bergen on 8-16 May 1990, in association with the UN/ECE. I am happy to accept this invitation.

Lord Caithness, Minister for Housing, Environment and Countryside, will act as the UK's focal point for preparations and I have asked him to consider how best we can respond to the suggestions made in your letter.

As you know, the UK response to the Report of the World Commission on Environment and Development, which we published last year, was offered as a contribution to the Bergen Conference, and I hope that the Workshop that we are organising in the Autumn will also be of positive help.

Jours svicerely Margares Lather

Her Excellency Mrs. Gro Harlem Brundtland

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#### 10 DOWNING STREET

#### PRIME MINISTER

Please could you re-sign this letter as there was an error.

Thank you,

"Dear Prime Minister"

Kind egods.

FACE . PAUL GRAY 3.4.89 PRIME MINISTER I attach for your signature a reply to Mrs. Brundtland's letter inviting the UK to be represented at the May 1990 Regional Conference on Environment and Development. You may also be interested to see the attached letter from DOE commenting on some of the more detailed points in Mrs. Brundtland's letter. feco. (PAUL GRAY) 31 March 1989 DALAAW



# 10 DOWNING STREET

LONDON SWIA 2AA

THE PRIME MINISTER

Year Prime Minister

Thank you for your letter of 24 February inviting for the UK Government to the Regional Conference on Environment and Development that you are hosting in Bergen on 8-16 May 1990, in association with the UN/ECE. I am happy to accept this invitation.

Lord Caithness, Minister for Housing, Environment and Countryside, will act as the UK's focal point for preparations and I have asked him to consider how best we can respond to the suggestions made in your letter.

As you know, the UK response to the Report of the World Commission on Environment and Development, which we published last year, was offered as a contribution to the Bergen Conference, and I hope that the Workshop that we are organising in the Autumn will also be of positive help.

Kird negards

Your sicerely Dayant Shaller

Her Excellency Mrs. Gro Harlem Brundtland



2 MARSHAM STREET LONDON SWIP 3EB 01-212 3434

My ref:

Your ref:

Charles Powell Esq Private Secretary to The Prime Minister 10 Downing Street LONDON SWIA 2AA

30 March 1989

Dear Mr Powell

REGIONAL CONFERENCE ON WCED REPORT: BERGEN, 8-16 MAY, 1990

Bob Peirce has agreed that I should reply to your letter of 2 March covering the letter to the Prime Minister from Mrs Brundtland inviting the Government to be represented at this Regional Conference. This is because DOE takes the lead within Whitehall on the WCED Report.

We have been working closely with the Norwegians on the preparations for the Bergen Conference, with good foundations having been laid when we seconded an official from the Department to work in Oslo last year. Our efforts have been reasonably successful in that the Norwegians have agreed to limit the Conference to four sensible main topics: Economics of Sustainability; Energy; Industry; and Awareness Raising and Public Participation. We are putting on an expert Workshop on the latter during the Autumn.

We are also happy with the idea that a single Minister should be designated to act as "a focal point" and the Secretary of State recommends that this should be Lord Caithness.

We are not quite so happy about the suggestion of a formal preparatory conference to bring together government, industry, science and non-governmental organisations but can probably make some use of the UK Committee for UNEP which was helpful in channelling NGO views into our Ozone Layer Conference.

The national reports that the Norwegians and the ECE would like us to prepare would however require a disproportionate use of scarce resources and we, along with other countries who are similarly worried, will be aiming to persuade the Norwegians to accept something less ambitious. We do not however think that our concerns on these points need to be spelt out in the Prime Minister's reply, for which a draft is attached.



A copy of this letter goes to Bob Pierce, Neil Thornton, Stephen Haddrill, Myles Wickstead and to Trevor Woolley. CESBush KATE BUSH Private Secretary

DRAFT REPLY FROM THE PRIME MINISTER TO MRS GRO HARLEM BRUNDTLAND, PRIME MINISTER OF NORWAY

Thank you for your letter of 24 February inviting my Government to the Regional Conference on Environment and Development that you are hosting in Bergen on 8-16 May 1990, in association with the UN/ECE. I am happy to accept this invitation.

Lord Caithness, Minister for Housing, Environment and Countryside, will act as the UK's focal point for preparations and I have asked him to consider how best we can respond to the suggestions made in your letter.

As you know, the UK response to the Report of the World

Commission on Environment and Development, which we published

last year, was offered as a contribution to the Bergen

Conference, and I hope that the Workshop that we are oganising in

the Autumn will also be of positive help.

DANAAX

ENV ARLAIR: WED



# 10 DOWNING STREET

LONDON SWIA 2AA

2 March 1989

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From the Private Secretary

De Sh.

# REGIONAL CONFERENCE ON THE FOLLOW-UP TO THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT (WCED) IN THE ECE REGION, BERGEN, NORWAY 8-16 MAY, 1990

I enclose a copy of a letter to the Prime Minister from Mrs. Brundtland, inviting the Government to be represented at the Regional Conference on the follow-up to the Report of the World Commission on Environment and Development (WCED) in the ECE Region, to be held in Bergen on 8-16 May. The letter also invites the Prime Minister to consider the possibility of forming a national preparatory committee, to designate a Minister as the contact point and to prepare a national report on measures already taken or planned in the areas to be dealt with by the Conference. I should be grateful for advice on the various points raised in the letter together with a draft reply.

I am copying this letter and enclosure to Roger Bright (Department of the Environment), Neil Thornton (Department of Trade and Industry), Stephen Haddrill (Department of Energy), Myles Wickstead (Overseas Development Administration) and to Trevor Woolley (Cabinet Office).

CHARLES POWELL

R. N. Peirce, Esq., Foreign and Commonwealth Office (~

· SURTECT CE MASTE PRIME MINISTER PERSONAL MESSAGE THE PRIME MINISTER SERIAL No. TAZA 89 Env. Affairs: World Commission Development 0510, 24 February 1989

July 1988.

Dean Prime 17 mitten, REGIONAL CONFERENCE ON THE FOLLOW-UP TO THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT (WCED) IN THE ECE REGION, BERGEN, NORWAY 8 - 16 MAY, 1990. As you may know, at its annual session in April 1988, the Economic Commission for Europe (ECE) welcomed the Norwegian Government's initiative to organize and host a regional conference in Norway on the follow-up to the WCED report in the ECE region. The Conference will be organized in cooperation with the ECE and in consultation with UNEP. It will take place in Bergen, from 8 to 16 May 1990. The Norwegian Government greatly appreciates the interest that your Government has shown in this Conference and the productive consultations that already have taken place as regards the scope and purpose of the Conference. On behalf of the Norwegian Government, I now have the honour and pleasure of formally inviting your Government to be represented at this Conference. Four main topics which are particularly relevant to the ECE region have been selected for the Conference: 1. "The Economics of Sustainability" 2. "Energy"
3. "Industry" 4. "Awareness Raising and Public Participation" I am most grateful that your government has generously offered to host one of the preparatory expert meetings on these four topics this autumn. The Right Honourable Margaret Thatcher Prime Minister of the United Kingdom of Great Britain and Northern Ireland London

Details concerning the various expert meetings will be communicated to you later in separate invitations.

In our view, the Bergen Conference represents an opportunity to promote high-level, cross-sectoral cooperation on environment and development issues confronting our region and which reflect our responsibilities towards other parts of the world. We attach great importance to the

at the Conference, to reflect this.

The Norwegian Government is planning to establish a national committee to widen our delegation's base of information and advice in the preparatory phase leading up to the Conference Such committees could consist of representatives of different sectors of government, industry, science and the non-governmental organizations.

cross-sectoral nature of the Conference and invite national delegations, and in particular the Ministerial participation

I would also like to invite your Government to consider the possibility of forming such a national preparatory committee as part of the preparations for the Conference.

To facilitate communication and international preparations for the Conference, I would appreciate it if you would designate one Minister which will act as a focal point.

A major task of both the expert meetings and the Conference will be to assess the progress made in the ECE region. I should like to invite your Government to prepare a national report on measures already taken, planned or proposed within the four areas mentioned above, according to the enclosed Guidelines elaborated in cooperation with the ECE Secretariat. The ECE has agreed to prepare a regional synthesis, based on these reports, and will present the results to the Conference.

More details about the preparations of the Conference are provided in the enclosed Outline. The Conference Secretariat will remain in close communication with your Government and will forward more information as it becomes available.

In concluding, I would like to assure you that the Norwegian Government will do its utmost to make the 1990 Conference a successful, productive event. Your Government's participation in and contribution to the Conference will be essential.

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Yours sincerely,

Gro Harlem Brundtland

World Commission on Environment and Development.

Regional follow-up Conference organized by the Government of Norway in Cooperation with the Economic Commission for Europe.

1990 Conference Secretariat



1990CS/N/4 31/01/1989

#### OUTLINE

#### I PURPOSE

In April 1988, the member countries of the Economic Commission for Europe (ECE) welcomed the initiative of the Government of Norway to organise a regional conference in May 1990 with the dual purpose of

 reviewing progress in the follow-up of selected aspects of the WCED report; and

- identifying initiatives for further measures of relevance to the ECE region.

The 1990 Conference is being organised in response to the United Nations General Assembly resolution 42/187 on the WCED report, which states, inter alia, that sustainable development "should become a central guiding principle of the United Nations, Governments and private institutions, organisations and enterprises". The resolution also welcomed follow-up activities, such as national, regional and global conferences.

The challenge for the ECE region is to translate the concept of sustainable development into a plan of action in the regional context. In April 1988, ECE governments adopted the Regional Strategy for Environmental Protection and Rational Use of Natural Resources. One of the key long-term concepts of the Strategy is sustainable development. In the description of the Strategy's scope and approach it is anticipated that "the Strategy will be evaluated and adjusted as appropriate by ECE Governments taking into account global perspectives presented by the World Commission on Environment and Development and UNEP" (para.8). The 1990 Conference will provide an opportunity to make progress in this respect.

#### II MAIN TOPICS

The issues raised in the WCED report are manifold and complex. For the purpose of the 1990 Conference, four topics of particular relevance to the ECE region have been singled out. These fall within two separate categories (not listed in order of priority):

(1) Necessary Conditions for Sustainable Development Chapters 3 and 12 of the WCED report outline changes needed in the economic system and structural framework within which we operate in order to make the transition to sustainable development. With this in mind, the following two topics have been identified for the 1990 Conference: (a) "The Economics of Sustainability" The Conference should define a response to the World Commission's call for a change in the nature of growth. To integrate environmental objectives in social and economic planning and policies, measures that need to be considered include: - institutional changes to make government agencies accountable for the environmental impact of their policies and decisions; - extended use of financial incentives and disincentives; - further development and use of economic indicators that reflect environmental impact of production and consumption; - extended use of resource accounts supplementing traditional national accounts as a planning instrument; - extended application of the Polluter Pays Principle in a transboundary context; - agreement on principles for sharing the costs of preventing overexploitation and environmental degradation of resources of global interest, such as tropical rain forests. (b) "Awareness Raising and Public Participation" The Conference should define a response to the World Commission's call for a change in human attitudes through "a vast campaign of education, debate and public participation". To this end, measures that need to be considered include: - increased dissemination of information about environment and development issues; - extended use of mass media, formal and informal education programmes, and other means of communication to raise awareness among the general public and decision-makers in the public and private sector; - institutional and legal changes to ensure greater access to information about and influence on major decisions taken by Government and industry affecting health and the environment; - strengthening of the public's right to legal remedies and redress when the environment has been or may be seriously affected: - increased cooperation with and financial resources to non-governmental organisations. (2) Key Policy Areas Under the heading "Common Challenges" the WCED report focuses on six areas where policy changes are needed: Population, Food Security, Species and Ecosystems, Energy, Industry, and

# (2) Ministerial Declaration

A Ministerial Declaration taking due note of the Agenda for Action is expected to be adopted at the end of the Ministerial Session (see below). It should reflect the commitment and the political willingness of ECE governments to undertake specific action (preferably within a given time frame) at both the national and international level, in order to move towards sustainable policies in the policy areas discussed at the Conference.

#### IV PARTICIPATION

(see below) .

It is expected that national delegations to the Conference will reflect the cross-sectoral nature of the agenda, as well as of the WCED report itself. ECE governments are thus invited to include representatives from industry, labour, youth, and other non-governmental organisations in their official delegations in accordance with the spirit of the WCED report. ECE governments may wish to designate a particular Minister as "focal point" for the 1990 Conference.

For the first part of the Conference, scheduled to take place from 8 to 11 May 1990, high-level government representatives are expected to attend, as well as representatives from relevant intergovernmental and non-governmental organisations and the scientific community. A limited number of representatives from these sectors may also be invited to the Ministerial Session.

All ECE governments are invited to be represented at Ministerial level for the last part of the Conference, scheduled to take place from 14 to 16 May.

The international NGO community has been invited to select a "focal point" for the coordination of the NGOs' preparations for and participation in the Conference. A grant from the Norwegian government has helped initiate this process. The Conference Secretariat is working to encourage a similar body to assume responsibility for industry's input to and participation in the Conference.

#### V STRUCTURE OF THE CONFERENCE

The Conference will be organised in two parts:

The expert meetings will be planned and organised jointly by the governments concerned and the Government of Norway, and in consultation with the ECE. The meetings are expected to assemble experts drawn from all sectors represented at the Conference, and are expected to last from two to four days. The report of the meetings should reflect the "state of the art" and contain recommendations for further action.

#### (3) National Reports

As part of the preparations for the Conference, ECE countries are invited to produce a national report focussing on the four main topics for the Conference. The report should be based on Guidelines elaborated in cooperation with the ECE Secretariat. It should feature a review of measures already taken, as well as future-oriented proposals for further action, both at the national and regional level. It is important that the report be informative but succinct. To save time, the Guidelines have only been produced in English. However, governments are invited to submit the report in English, French or Russian.

The report should be returned to the 1990 Conference Secretariat, Ministry of Environment, P.O. Box 8013 Dep., 0030 Oslo 1, Norway with a copy addressed to the Executive Secretary of the ECE, Mr. Gerald Hinteregger, PLEASE RESPECT THE DEADLINE OF 1 JUNE 1989.

In cooperation with the ECE Secretariat a regional synthesis paper will be produced in July-August on the basis of the national reports. The synthesis will serve as an input to the meetings of experts, as well as an official Conference Document.

## (4) International Reports

Several international organisations will be invited to participate at the Conference and contribute with papers/reports for consideration by the meetings of experts and by the Conference itself.

# VII RELATED ACTIVITIES IN BERGEN

The Norwegian Research Council for Science and Humanities (NAVF) will organise an international meeting of scientists on the follow-up to the WCED in Bergen at the same time as the 1990 Conference. Other planned activities in Bergen during the period 8-16 May include an international youth meeting and a trade and technology fair focussing on environmentally sound technology. Other activities may be added to the list as the planning for the Conference proceeds.

1990 Conference Secretariat



1990CS/N/5 01/02/1989

GUIDELINES FOR NATIONAL REPORTS ON ISSUES RELATING TO SUSTAINABLE ECONOMIC DEVELOPMENT

The Report of the World Commission on Environment and Development entitled "Our Common Future" has appeared at a time when considerable problems have become apparent inherent in the lack of compatibility between the ideal of sustainable economic development and the reality of current economic activity. It is now generally accepted that there is a close interrelationship between economic development, the use of natural resources and changes in the environment. Sustainable economic development calls for a rational use of resources in economic activity and respect for the ability of the biosphere to absorb the effects of human activity. If the needs of the present are to be met without compromising the ability of future generations to meet their own needs, the planning and management of economic activity as a whole must take into account environmental considerations.

The following list of issues relating to the four main topics selected for the Bergen Conference are designed to assist Governments in reporting on present and planned measures to promote sustainable economic development.

# 1. Economics of sustainability

To what extent, and through which procedures, has the concept of sustainable development been integrated in your country into economic and social planning and policies, such as:

- (i) production, consumption, investment plans and policies, such as transport, agriculture and others (incentives, disincentives, supply/demand, etc.)
- (ii) fiscal policies (budget allocations/taxation/subsidies)
- (iii) overall and sectoral employment policies
- (iv) foreign policies (e.g. trade)

To what extent, and through which procedures, have the following tools been applied to ensure that sustainability is taken into account in the economic and social planning and policy making in your country:

(iii) If not, what additional policies, including research and development, are contemplated in your country to reach these goals?

### 3. Sustainable industrial activity

What measures have been taken in your country to reduce pollution of industrial activities?

What measures have been taken, or planned, in your country to ensure that prices of input to industry and of products reflect environmental costs?

Have joint advisory councils or other fora for sustainable economic development between government and industry been established in your country?

What legal and institutional measures have been taken or planned to promote sustainability in industry?

What kind of test procedures or impact assessments are carried out in your country before new products are introduced in the market? Are the same criteria used for export products as for domestic products?

What has been done or planned in your country to register industrial activity that constitutes a potential threat to the environment (location, type of threat, etc.)?

What measures have been taken or planned in your country to promote the development of alternative, resource saving and clean technologies which:

- reduce harmful pollutants to the air, water and soil in the field of production, consumption and disposal of industrial goods
- (ii) require less energy
- (iii) require less raw materials
- (iv) generate less waste (low- and non-waste technologies)?

What kind of programmes have been developed or planned to encourage recycling in order to save raw materials (tyres, car batteries, spent oils, etc.)?

What kind of programmes have been developed or are planned to promote technological transfer to other less developed countries?

Do you estimate the above mentioned measures and programmes are sufficient to promote resource savings and clean technologies?

If not, what additional policies are contemplated in your country to promote these technologies?

Does your country have any suggestions for regional action in support of a more sustainable industrial activity in the future?

### 4. Awareness Raising and public participation

What has been done or planned in your country to integrate the concept of sustainable development into social and demographic policies (consumption patterns, values and attitudes)?

What has been done or planned in your country to increase public awareness of sustainable social-economic development such as education, public relations, advertising, etc.?

To what extent do government agencies co-operate with nongovernmental organizations (NGOs) in your country on questions relating to sustainable economic development?

What is the status of NGOs in your country with respect to:

- (i) access to information
- (ii) consultation and participation in decision making, development planning anbd project implementation
- (iii) legal remedies and redress
- (iv) financial contributions from governmental sources

Does your country have any proposal for regional action to promote increased awareness of environment and development issues in the region?

A SUMMARY OF THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT

KEY CONCEPTS

Critical objectives (pg 47)

Reviving growth.

Changing the quality of growth.

Meeting essential needs for jobs, food, energy, water and sanitation.

Ensuring a sustainable level of population.

Conserving and enhancing the resource base.

Reorienting technology and managing risk.

Merging environment and economics in decision making.

Basic Conditions (pg 65)

A political system that serves effective citizen participation in decision making.

An economic system that is able to generate surplus and technical knowledge on a self reliant and sustained basis.

A social system that provides for solutions for the tensions arising from disharmonious development.

A production system that respects the obligations to preserve the ecological base for development.

A technological system that can search continuously for new solutions.

An international system that fosters sustainable patterns of trade and finance.

An administrative system that is flexible and has the capacity for self-correction.

Priority areas for change (pgs 20,21 and Chapter 12) Getting at the sources. 1. Governments must make the key national economic and sectoral agencies directly responsible and accountable for ensuring economically and ecological sustainable develop-International regional bodies must be strengthened to deal with transboundary issues. The Secretary General of the UN should constitute a UN Board for Sustainable Development to coordinate UN agencies. 2. Dealing with the effects. Governments should reinforce the roles and capacities of environmental protection and resource management agencies. UNEP should be strengthened as the principal source of environmental data, assessment and reporting and as the principal advocate and agent for change and cooperation on critical environment and natural resource protection issues. UNEPs Environment Fund should if possible be substantially increased and refocussed on fewer activities. 3. Assessing global risks. The capacity to identify, assess and report on risks of irreversible damage must be reinforced and extended. UNEPs Earthwatch programme should be the centre of leadership in the UN system on risk assessment. An independent capacity is also required based largely on NGOs scientific bodies and industry groups to monitor the official system. Making informed choices. 4. The rights roles and participation of an informed public and of NGOs, the scientific community and industry in development planning, decision making and project implementation should be expanded. 5. Providing the legal means. Governments need to fill major gaps in existing national and international law related to the environment, to find ways to recognise and protect the rights of present and future generations to an environment adequate for their health and well-being.

There should be a UN Declaration on environmental protection and sustainable development and a subsequent Convention. Procedures for avoiding and resolving disputes on environmental issues should be strengthened. 6. Investing in our future. Investment in halting pollution is cost effective. The costs of not investing in environmental protection are escalating. Major financial inputs are required from the multilateral finance institutions, and bilateral aid agencies. Proposals for securing additional revenues from the use of the international commons should be seriously considered.

SUSTAINABLE DEVELOPMENT

Meets the needs of the present

Meets the needs of the present without compromising the ability of future generations to meet their own needs. (pg 8)

#### GROWTH

### Defining Growth

Economic development must take full account in its measurement of growth of the improvement or deterioration in the stock of natural resources. (pg 52)

### Growth everywhere?

There are hints that growth should be concentrated in developing countries, even though the industrial countries are recognised as the engine of the world economy eg

"must speed up world growth while respecting the environmental constraints....industrial countries consume most of the world's non-renewable resources.... for (developing countries) to emerge from dependence a general acceleration of global economic growth is not enough.... It must be ensured that the economies of developing countries grow fast enough to outpace their growing internal problems.

#### POVERTY ALLEVIATION

The Commission believes that widespread poverty is no longer inevitable. Poverty is not only an evil in itself, but sustainable development requires meeting the basic needs of all and extending to all the opportunity to fulfil their aspirations for a better life. A world in which poverty is endemic will always be prone to ecological and other catastrophes. (pg 8)

INSTITUTIONAL DEVELOPMENT

#### National

Sustainable development objectives should be incorporated in the TORs of those cabinet and legislative committees dealing with national economic policy and planning as well as those dealing with key sectoral and international policies. As an extension of this, the major central economic and sectoral agencies of governments should now be made directly responsible and fully accountable for ensuring that their policies, programmes and budgets support development that is ecologically as well as economically sustainable. (pg 314)

### Regional

Governments, directly and through the UN Environment Programme (UNEP) and the IUCN should support the development of regional and subregional use of transboundary ecological systems with joint action programmes to combat common problems such as desertification and acidification. (pg 316)

The existing regional and subregional organisations within and outside the UN system need to be strengthened and made responsible and accountable for ensuring that their programmes and budgets encourage and support sustainable development policies and practices.

(pg 315)

### International

All major international bodies and agencies of the UN system should be made responsible and accountable for ensuring that their programmes and budgets encourage and support development practices that are sustainable. (pg 317)

The UN Secretary-General should constitute under his chairmanship a special Board for Sustainable Development. Principal function .... to deal effectively .... issues that cut across agency and national boundaries. (pg 319)

Quantity/Quality

A mere increase in flows of capital .... will not necessarily contribute to development. Domestic efforts are of paramount importance. More external funding is also required but it must come in ways that are sensitive to the environmental impacts.

# World Bank and the MDBs

Vitally important for development that there should be a substantial increase in resources available to World Bank and IDA.

(pg 77)

(pg 69)

The major priority is for sustainability considerations to be diffused throughout the work of the international financial institutions. The roles of the World Bank and the IMF are particularly crucial because their lending conditions are being used as benchmarks for parallel lending by other institutions.

(pg 78)

To support investments in conservation projects and national conservation strategies ... serious consideration should be given to the development of a special international banking programme or facility linked to the World Bank ... for the development and protection of critical habitats and ecosystems. (pg 338)

### Bilateral Donors

Bilateral development assistance has declined as a % of GNP in many industrial countries, falling even further below the targets proposed in the early 1970s ... Yet sustainable development creates the need for even greater international aid and cooperation.

(pg 313)

## Bilaterals should implement:-

new measures to ensure that all projects support sustainable development.

Special programmes to help restore, protect and improve the ecological basis for development.

Special programmes for strengthening the institutional and professional capacity needed. (pg 339)

# Environmental Conditionality for aid

We urge all bilateral aid agencies to implement [the DECD recommendations on environmental assessment policy] as quickly as possible. It is essential, of course, that this should not reduce aid flows in the aggregate or slow disbursements or represent a new form of aid conditionality. (pg 340)

Governments' responsibility for multilateral accountability Government should ensure that the environmental impacts of project proposed for approval have been assessed and adequately taken into account not only with regard to the World Bank but also in the (pg 338) Regional Banks and other institutions. Environmental units in all donor agencies There should be a high level office in each agency with the authority and resources to ensure that all policies profits and loan conditions support sustainable development and to prepare and publish annual assessments and reports on progress made and needed. (pg 338) Development appraisal methodologies Development agencies and the World Bank in particular should develop easily usable methodology to augment their own appraisal techniques and to assist developing countries to improve their capacity for environment assessment. (pg 78) Environmental Assessment in Developing Countries Many developing countries,... have adopted systems for environmental impact assessment. But the lack of institutional capacity and skilled personnel meant that these are often conducted by outside consultants without quality checks. In some cases government authorities would benefit from a second opinion on the environmental documentation they receive. Interested governments should create an independent international assessment body to help developing countries, upon request, evaluate the environmental impact and sustainability of planned development projects. (pg 222) Research The technological capabilities of developing countries should be built up by establishing cooperative research projects along the lines of the International Agricultural Research Centres ... in such cases as dryland agriculture, tropical forestry, pollution control in small enterprises, and low cost housing. (pg 88) Africa The international community must see to it that more capital flows into poorer nations than out ... and must recognise that Africa cannot pull itself out of the planet's most serious economic and ecological crisis without much more long term assistance than is currently envisioned. In addition greatly increased external financing for development must be accompanied by policy changes that recognise the need to avoid environmental degradation.

INTERNATIONAL ECONOMIC ISSUES Non aid sources of revenue for sustainable development (NIEO?) Given the limitations on increasing present flows of international aid, proposals for securing additional revenue from the use of the international commons and natural resources should now be seriously considered by governments (pg 22) and UNGA (pg 342). Proposals on revenue (pg 341 and 342) include: The Commons - revenue from ocean fishing and transportation, from seabed mining, from Antartic resources, or from parking charges for geostationary communications satellites. Trade - General trade tax, taxes on specific commodities, on invisible exports, on trade surpluses or consumption tax on luxury goods. International Finance - a link between special drawing rights and development finance on IMF gold reserves and sales. Debt Debt is an acute problem for many countries of Africa. But. because of the magnitudes of the debt involved, it has had its most visible impact ... in Latin America. Measures under discussion [for Latin America] include additional new lending, forgiveness of part of the debt, longer-term rescheduling and conversion to softer terms. But a necessary sense of urgency is lacking. Any such measures must incorporate the legitimate interests of creditors and debtors and represent a fair sharing of the burden of resolving the debt crisis. (pg 75) Increased commercial bank lending is also necessary for major debtors. (pg 77) Protectionism It is imperative that (developing countries) enjoy access to industrial country markets for non-traditional exports where they enjoy a comparative advantage. (pg B3) Trade Institutions Change the mandates of multilateral trade organisations (GATT and UNCTAD) to include sustainable development. (pg 84) Commodities Commodity agreements have not been easy to negotiate and regulation of commodity trade has been notoriously controversial and difficult. Current arrangements could be improved (by)

- larger sums for compensatory financing to even out economic shocks (which) would encourage producers to take a longer term view more assistance for diversification programmes (pg 81-82) Non-renewable resources Governments should ensure that:lesseholder undertakes exploration aimed at adding to proven reserves at least the amount extracted the rate of production to proven reserves remains below a prespecified limit the funds guaranteed by royalties are simed in a way that compensates for the declining income when the resources deposit is exhausted the leaseholder is responsible for land restoration and other environmental control measures relevant multinational organisations ... could develop further (pg 82-83) their work on model contracts and guidelines. Pollution-intensive goods It is in developing countries' own long-term interests that more of the environmental and resource costs associated with production be reflected in prices. Such changes must come from the developing (pg 84) countries themselves. Transnational corporations Codes of conduct ... formulated by the OECD and currently under discussion in the Un should be expanded to include environmental matters and the objective of sustainable development. (pg 86)

POPULATION AND HUMAN RESOURCES POPULATION Population Growth Rates and Size In many parts of the world, the population is growing at rates that cannot be sustained by available environment resources, at rates that are outstripping any reasonable expectations of improvements The critical issues are the balance between population size and the population, not just for today but for generations. (pg 105)

in housing, health care, food security, or energy supplies.

available resources and the rate of population growth in relation to the capacity of the economy to provide for the basic needs of

# Population Policies

Population policies must have a broader focus than controlling numbers. Measures to improve the quality of human resources in terms of health education and social development are as important. (pg 105)

Policies meant to lower fertility rates, ... should essentially promote womens rights.

Family planning services ... must be integrated with other efforts to improve access to health care and education. (pg 106)

## Ethics of family planning

Giving people the means to choose the size of their families is not just a method of keeping population in balance with resources; it is a way of assuring - especially for women - the basic human right of self determination. (pg 96)

# Aid for population programmes

Regrettably, some donor countries have cut back on their assistance for multilateral population programmes and so weakened them; this must be reversed. (pg 107)

# Health Policy

cannot be conceived of purely in terms of curative or preventative medicine, or even in terms of greater attention to public health. Integrated approaches are needed that reflect key objectives in areas such as food production, water supply and sanitation, industrial policy, particularly with regard to safety and pollution, and the planning of human settlements.

The World Health Organisation's "Health for All" strategy should be broadened far beyond the provision of medical workers and clinics to cover health-related interventions in all development activities. (pg 110)

Health Research More research is urgently needed on the environmentally related tropical diseases that are major health problems in the Third World. This research should focus not merely on new medicines but on public health measures to control these diseases. Existing arrangement for international collaboration on tropical disease research should be greatly strengthened. Aids Governments should overcome any lingering shyness and rapidly educate their people about this syndrome ... International co-operation on research and the handling of the disease is essential. (pg 110) EDUCATION Policy Education must be improved in quality and in relevance to local conditions ... It should impart knowledge relevant for the proper management of local resources. Environmental education should be included in and should run throughout the other disciplines of the formal education curriculum at all levels. (pg 113) TRADITIONAL (TRIBAL) GROUPS Rights The starting point for a just and human policy for such groups is the recognition and protection of their traditional rights to land and other resources that sustain their way of life ... And this recognition must also give local communities a decisive voice in the decisions about resource use in their area. (pg 116)

FOOD SECURITY: SUSTAINING THE POTENTIAL FOOD ISSUES More Food Over the next few decades, the global food system must be managed to increase food production by 3 to 4 per cent yearly. (pg 128) Access to food Global food security depends on ensuring that all people, even the poorest of the poor, can get food ... Inequitable distribution of production assets unemployment, and under-employment are at the heart of the problem of hunger in many countries. (pg 129) International distribution of food production and international trade Strengthening global food security - requires reducing incentives that force overproduction and non-competitive production in the developed market economics and enhancing those that encourage food (pg 132) production in developing countries. Shifting food production towards food-deficit countries will require a major shift in trading patterns. Countries must recognise that all parties lose through protectionist barriers. (pg 132) Food Aid Donor and receiving countries should be responsible for the impacts

of (non-emergency food) aid and use it for long terms objectives. It can be beneficially used in projects to restore degraded lands, build up rural infrastructure, and raise the nutritional level of (pg 133) vulnerable groups.

Emergency food aid is a precarious basis for food security; developing countries should build up national stocks ... they will need an effective system of measures facilitating the purchase, transporatation and distribution of food ... and to put purchasing power in the hands of disaster-struck households, through emergency (pg 144) public works programme.

AGRICULTURAL POLICIES Basic Strategy Developing country governments basic approach should be:-(intervention) criteria should discourage environmentally unsound farm practices and encourage farmers to maintain and improve their soils, forests and waters. policies (should) vary from region to region to reflect different regional needs, encouraging farmers to adopt practices that are ecologically sustainable in their own areas. to turn the terms of trade in favour of farmers through pricing policy and government expenditure reallocation. (pg 131) FAD The goal of ecological security should be embedded firmly in the mandates of FAO, other UN organisations that deal with agriculture, and all other appropriate international agencies. (144) Women in Agriculture Women should be given the same educational opportunities as men. There should be more female extension workers, and women should participate in field visits. Women should be given more power to take decisions regarding agricultural and forestry programmes. (pq 140) Land Reform A universal approach to land reform is impossible. Each country should work out its own programme of land reform to assist the land-poor and to provide a base for coordinated resource conservation. The redistribution of land is particularly important where large estates and vast numbers of the land-poor co-exist. Crucial components include the reform of tenancy arrangements, security of tenure and the clear recording of land rights. In agrarian reforms the productivity of the land and, in forest areas, the protection of forests should be a major concern ... Women, especially those heading households, should be given land rights. (pg 141) Subsistence farmers and Pastoralists The traditional rights of subsistence farmers, particularly shifting cultivators, pastoralists and nomads, must therefore be protected from encroschments ... When their traditional practices threaten the resource base, their rights may have to be curtailed, but only when alternatives have been provided. (pg 142)

Land Use Land should be delineated into 3 categories:- enhancement areas, which are capable of sustaining intensive cropping and higher population and consumption levels: - prevention areas, which by common consent should not be developed for intensive agriculture or, where developed, should be converted to other uses; and restoration areas, where land stripped of vegetative cover has either totally lost its productivity or had it drastically reduced. ... Selection of land for each category ... must be public in character ... Land identified as prevention areas should be denied supports and subsidies that would encourage their development for (pq 133) intensive agriculture. Irrigation Projects Must be designed with the abilities and aims of the participating farmers in mind, and then involve them in management. (pg 134) Agricultural chemicals Government must encourage the use of more organic plant nutrients to complement chemicals ... Legislative and institutional frameworks for controlling agro-chemicals must be greatly strengthened everywhere. Industrialised countries must tighten controls on pesticide exports. Developing countries must possess the basic legislative and institutional instruments to manage the use of agricultural chemicals within their countries. And they will need financial and technical assistance to do so. (pg 135) Forestry The extension of agriculture into forest areas must be based on scientific classification of land capacities. Programmes to preserve forest resources must start with the local people who are both victims and agents of destruction, and who will bear the burden of any new management scheme ... Prices for forest products need to reflect the true resource value of the goods. (pg 137) International forestry research organisations should work in various tropical countries in various ecosystems along the lines now followed by CGIAR. Aquaculture The expansion of aquaculture should be given high priority in (pg 138) developing and developed countries. Agricultural Research Providing sustainable livelihoods for resource-poor farmers presents a special challenge for agricultural research ...

Research has to be less centralised and more sensitive to farmers conditions and priorities ... More adaptive research should be (pg 139) done right on the farm. Commercial enterprises help develop and diffuse technology, but public institutions must provide the essential framework for agricultural research and extension ... Research and extension efforts must be greatly expanded especially in areas where climate, (pg 139) soils and terrain pose special problems. Private companies increasingly seek proprietary rights to improve seed varieties, often without recognising the rights of the countries from which plant matter was obtained ... a clear understanding on the sharing of gains is vital in critical areas of agricultural technology, such as the development of new seed (pg 140) varieties. Desertification The Un Plan of Action to Combat Desertification, which is already in place, requires more support, particularly financial.

ENEGY (Developing Country Issues)

fuelwood

Rural woodfuel supplies appear to be steadily collapsing in many developing countries, especially in sub-Saharan Africa ... To cope with this, many developing country governments have no option but to immediately organise their agriculture to produce large quantities of wood and other plant fuels.

... The fuelwood crisis and deforestation - although related - are not the same problems. (pg 189-190)

Social aspects of the fuelwood problem

In most rural areas, simply growing more trees does not necessarily solve the problem. ... local issues mean that governments and aid and development organisations that want to help the fuelwood

situation in developing countries will have to work harder to understand the role fuelwood plays in rural areas, and the social

relations governing its production and use.

Energy saving

Fuel efficient stoves, as well as aluminium cooking pots and pressure cookers that also use much less fuel, should be made more widely available in urban areas ... Deforestation rates around cities could be greatly reduced if more efficient charcoal-making techniques, such as brick or metal kilns were introduced.

(pq 190)

(pg 192)

A key issue is how developing countries can rapidly improve the fuel economy of their vehicles. Licensing and import agreements should be reviewed to ensure access to the best available fuelefficient designs and production processes. Another important fuel-saving strategy especially in the growing cities of developing countries is the organising of carefully planned public transport systems.

THE URBAN CHALLENGE National Urban Strategies The lessons for getting balanced growth in several urban centres rather than explosive growth of one mega city are: Nothing much short of coercion will prevent the growth of the major city in the early stages of development. The key to successful intervention is timing, to encourage deconcentration only when the advantages of concentration are diminishing. Avoid policy interventions that increase the attractiveness of the major city, particularly subsidies on food and energy, overly generous provision of urban infrastructure and other services, and excessive concentration of administrative power in the capital. The best way to encourage the growth of secondary centres is to build on the natural economic advantages of their regions, especially in resource processing and marketing, and the decentralised provision of government services. Rural and urban development strategies and approaches should be complementary rather than contradictory. A national urban strategy could provide an explicit set of goals and priorities for the development of a nation's urban system and the large, intermediate and small centres within it. Such a strategy must go beyond physical or spatial planning. It requires that governments take a much broader view of urban policy than has been traditional. The formulation of such a strategy is clearly a central government responsibility. Beyond this, however the role of central governments should be primarily to strengthen the capacity of local (pg 246-7) governments. Role of local government Although technical help from central agencies may be needed, only a strong local government can ensure that the needs, customs, urban forms, social priorities, and environmental conditions of the local area are reflected in local plans for urban development ... To become key agents of development, city governments need enhanced political, institutional and financial capability, notably access (pg 247-8) to more of the wealth generated in the city. Assistance to the informal sector Governments should give more support to the informal sector, recognising its vital functions in urban development. (pg 249) Housing for the poor Government intervention must be reoriented so that limited resources are put to maximum effect in improving housing conditions for the poor ... governments should be guided by these 7 priorities

provide legal tenure to those living in "illegal" settlements, with secure titles and basic services provided by public authorities; ensure that the land end other resources people need to build or improve their houses are available; supply existing and new housing areas with infrastructure and services; set up neighbourhood offices to provide advice and technical assistance on how housing can be built better and cheaper, and on how health and hygiene can be improved; plan and guide the city's physical expansion to anticipate and encompass needed land for new housing, agricultural land, parks and children's play areas; consider how public intervention could improve conditions for tenants and those living in cheap rooming or boarding-houses; change housing finance systems to make cheap loans available to (pg 251) lower income and community groups. South-South Cooperation Developing countries can do a great deal together to develop the policy concepts, programmes and institutions needed to tackle the (pg 255) urban crisis they share. International Support A greater flow of international resources is required to support the efforts of developing countries to tackle the unfolding urban crisis. ... development assistance agencies should increase aid and

technical assistance in three areas:

- to set up infrastructure funds for local governments;
- to undertake tasks such as reorganising local tax assessments and collection, preparing or updating maps of property ownership, and setting up technical teams to advise households and community groups on improving housing;
- for in-country training courses and on-the-job training for local officials.

Part of the increased aid should go directly to community groups, using intermediaries such as national or international ngos ...
International cooperation can also contribute to developing low cost technologies for urban needs and studying ways of meeting the housing needs of women.

(pg 256)

# The role of the UN

Habitat can strengthen international cooperation at the global level, as in the UN International Year of Shelter for the homeless. The capacity of the UN System to provide leadership on human settlements issues through Habitat needs to be strengthened.

(pg 257)

PRIVATE OFFICE



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With the compliments of

#### THE UNITED KINGDOM PERMANENT REPRESENTATIVE

GRATEFUL IF YOU COULD PASS THE ENCLOSED COPY TO MR POWELL AT No. 10.

Ren 1-3 A Sad. Pea 4 Welly Letty! Pack 9/2

THE UNITED KINGDOM MISSION 37-39 RUE DE VERMONT 1202 GENEVA

UNITED KINGDOM MISSION 37-39 RUE DE VERMONT 1211 GENEVA 20 TELEPHONE 34 38 00 33 23 85 6 FEBRUARY 1989 N P BAYNE ESQ CMG FOREIGN AND COMMONWEALTH OFFICE Dear Nichstan, DAVOS: WORLD ECONOMIC FORUM AMONG THE 1000 PLUS PARTICIPANTS AT DAVOS LAST WEEK WAS JOHN EATWELL, PROFESSOR OF ECONOMICS AT CAMBRIDGE UNIVERSITY, WHO GAVE A TALK ON "INTERNATIONAL CAPITAL FLOWS AND THE STRUCTURAL IMBALANCE OF TRADE". AS EATWELL IS CURRENTLY MR KINNOCK'S ECONOMIC ADVISER, I DECIDED TO ATTEND. EATWELL BEGAN BY EXAMINING THE NATURE OF THE STRUCTURAL IMBALANCES IN DIFFERENT COUNTRIES. THE UNITED STATES HAD A BUDGET DEFICIT AND A TRADE DEFICIT, AND SOME THOUGHT THAT THE TWO DEFICITS NORMALLY WENT HAND-IN-HAND. BUT THIS WAS EVIDENTLY NOT THE CASE - THE UK HAD A TRADE DEFICIT AND A BUDGET SURPLUS, WHILE JAPAN HAD A TRADE SURPLUS AND A BUDGET DEFICIT. AMERICAN ACTION TO REDUCE ITS TRADE DEFICIT WOULD PROBABLY INCREASE THE DEFICITS IN FRANCE AND THE UK AND NOT (AS WOULD BE THE IDEAL) REDUCE THE FRG AND JAPANESE SURPLUSES. EATWELL'S SECOND POINT WAS THAT EXCHANGE RATE MECHANISMS WERE INCAPABLE OF CORRECTING IMBALANCES.
DEVALUATION DID NOT NECESSARILY PROMOTE EXPORTS, AS DESIGN,
QUALITY AND DELIVERY DATES WERE JUST AS IMPORTANT AS PRICE. IN ANY CASE, FOREIGN EXCHANGE TRANSACTIONS WERE NOW LARGELY DIVORCED FROM TRADE - IN 1971, 90% OF SUCH TRANSACTIONS WERE CONNECTED WITH TRADE AND INVESTMENT, WHILE 10% WERE CURRENCY DEALINGS (IE SPECULATION). IN 1988, THE PROPORTIONS WERE REVERSED - 10% GENUINE TRADE OR INVESTMENT, 90% SPECULATION. IN 1971, ELEVEN BANKS ON WALL STREET DEALT IN FOREIGN EXCHANGE; NOW THERE WERE 151. IT WAS CAPITAL MOVEMENTS, NOT TRADE, WHICH NOW DOMINATED EXCHANGE RATES. BRITAIN HAD AN ADVERSE TRADE BALANCE, BUT STERLING WAS STRONG BECAUSE INTEREST RATES HAD BEEN RAISED AND CAPITAL CONTINUED TO ENTER BRITAIN (A GUARDED TRIBUTE TO MR LAWSON'S POLICIES). IF CAPITAL FLOWS WERE THUS SEPARATE FROM TRADE FLOWS, IT WAS CLEARLY NECESSARY TO CORRECT TRADE IMBALANCES BUT SOME MEANS OTHER THAN EXCHANGE RATE MANIPULATION, 14.



4. EATWELL THEREFORE PROPOSED A LICENSING SYSTEM FOR EACH COUNTRY. IF A FIRM EXPORTED GOODS WORTH £100 M., IT WOULD RECEIVE A LICENSE TO IMPORT GOODS WORTH £105 M. THE LICENSES WOULD BE TRANSFERABLE AND MARKETABLE. EXPORTERS WOULD MAXIMISE THEIR EXPORTS TO EARN THE RIGHT TO IMPORT, AND IMPORTS WOULD AUTOMATICALLY BE CUT IF EXPORTS FELL, PREVENTING A LARGE IMBALANCE ARISING.

5. MOST OF US THOUGHT THIS A FAIRLY ZANY SCHEME, BUT SOMEONE FROM TAIWAN SAID A SCHEME ON THESE LINES HAD WORKED FOR THEM SOME YEARS AGO. I SHOULD NOT HAVE TROUBLED TO REPORT IT IF EATWELL HAD NOT BEEN MR KINNOCK'S ADVISER AND THUS LIKELY TO INFLUENCE OPPOSITION THINKING. A FULL EXPOSITION OF THE THEORY IS CONTAINED IN A COLLECTION OF ESSAYS BEING PUBLISHED LATER THIS YEAR IN HONOUR OF J K GALBRAITH.

Jos ever,

J A SANKEY

CC:

C D POWELL ESQ No. 10 DOWNING STREET Kindly forward this P.M. to the Prime Minister of Great Britain and Northern Ireland from the Prime Minister of Norway. With the Compliments
of the
Royal Norwegian Embassy

25 Belgrave Square, London, SW1X SQD Tss, 01-135 7151 ROYAL NORWEGIAN EMBASSY 25 BELGRAVE SQUARE LONDON SWIX 8QD old Jolley - get you will find

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ster Gro Harlem Brundtland will asso TEL. 01-235 7151 Prime Minister Gro Harlem Brundtland will address the World Economic Forum in Davos 26 January on "Vital Issues of the 1990's". In her address the Prime Minister will state that Norway sees the need for a workshop gathering of governmental leaders to exchange views on developments in the oil market and the effects on climate and environment of different scenarios of global consumption of oil and natural gas. We see such a workshop gathering as a follow-up of the recommendation of the World Commission on Environment and Development that new mechanisms for promoting dialogue between oil-producing and oil-consuming countries be explored. Please find enclosed a position paper outlining Norway's views on this matter together with the full text of Prime Minister Brundtland's address. London, 26 January 1989

# GLOBAL ENERGY POLICY INTERRELATIONS

Production and consumption of energy are crucial to global economic development. They are also the source of some of our most serious environmental problems.

The interrelationship between energy, environment and economic development calls for policy approaches that take due account also of the interdependence of nations in each and all of these three fields. Energy efficiency must become the cutting edge of national strategies for sustainable development.

Oil and natural gas will continue to play an important role in satisfying world energy demand in the foreseeable future. Norway is a major supplier of both of these commodities in a long term perspective.

The World Commission on Environment and Development has pointed out how important oil prices are to international energy and environmental policy. It recommends that new mechanisms for promoting dialogue between producers and consumers be explored.

Norway has called for "Global Energy Policy Interrelations", which we see as a process based on greater contact and deeper mutual understanding between oil-exporting and oil-importing countries. Our foreign and energy policy contacts confirm a growing awareness among governments of the need to support such endeavours. Greater stability and predictability in the international oil market are necessary if we are to avoid sharp price fluctuations which not only hurt the economy of individual nations and distort economic relations between countries, but also create a climate of confrontation and mistrust.

Pursuing the concept of Global Energy Policy Interrelations,

Norway sees the need for a gathering of governmental leaders, in the form of a "workshop", where views on the present situation and future developments in the international oil market can be exchanged. We believe that a discussion of the resource situation and market perspectives, as well as the effects on environment and climate of different scenarios of global consumption of oil and natural gas, would strengthen the basis for long-term and more sustainable national energy policy decisions.

A workshop of this kind would focus on those global interests we have in common and help do away with any image of confrontation between oil producers and consumers that would hamper rational behaviour and policy decisions. It could raise the level of awareness of governmental responsibility and illustrate how national considerations and actions influence, and are influenced by, the considerations and actions of others. The interrelationship between energy, environment and economic development on the one hand, and the interdependence of nations on the other, would be brought into focus.

Norway will in bilateral political and energy policy contacts and in multilateral fora pursue these perspectives with a view to clarifying the basis and prerequisites for a constructive energy policy workshop of governmental leaders taking place.

CHECK AGAINST DELIVERY NOT TO BE RELEASED BEFORE 26 JANUARY 1900 HOURS.

Davos

Prime Minister Gro Harlem Brundtland

# The vital issues of the 1990s

The most striking characteristic of our time is the unparalleled speed and scope of the changes we are experiencing today. These changes are probably greater than at any time in human history. We must face them and, most importantly, we must direct them. The consequences of failing to act, or of acting wrongly, may very soon pose a threat to our future.

For the first time in history, millions of people all over the world are not just worried about their own and their children's future: They are deeply anxious about the future of this planet. In 1987, the World Commission on Environment and Development sounded an urget warning about the environment and development crisis. And the awareness is spreading. This year, for the second time in 60 years, Time Magazine dropped its "Man of the Year" theme to emphasize that this is the year of the "endangered earth".

There is no "invisible hand" which by itself guides the vital process ahead of us in the right direction. Determined political action is called for, both at the national and the international level.

The technological change is becoming a superpower in its own right. It often follows its own course, and politics must take care not to fall behind.

For private business, the primary transformer of global resources, the challenge is to respond to the new political, economic and ecological realities. Business can have a leadership role in turning the threats to the future into opportunities for sustainable development.

At a time when traditional concepts are being rethought, particularly in the Soviet Union and Eastern Europe, we in the Western industrialized world who have a powerful armoury of ideas and traditions to build on, must also be ready for new paths and new ideas for solving common problems.

The time for complacency is over. It is time for a global perestroika. We need a broader international consensus on political decisions to address the megachallenges facing us. Social and environmental needs demand a new mix of more effective markets and firm, consistent government guidance.

The challenges we face will remain unresolved unless we are able to generate forceful economic growth. As pointed out by the World Commission, only growth can create the capacity to solve

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environmental problems. Only growth can eliminate poverty.

- In spite of all our technological and scientific triumphs, there have never been so many poor, illiterate or unemployed people in the world. We continue to live in a situation where abundance exists side by side with extreme need, where waste overshadows want, and where our very existence is in danger due to mismanagement and over-exploitation.

- In spite of all the experience of history, 200 years after the French Revolution, millions are still denied their basic human rights, and in many cases, the right to life itself.

Only growth which is more equitably distributed will release the potential of millions of destitute who are, in the words of Robert McNamara, now denied the very potential of the genes with which they are born.

What are our main challenges for the 1990s?

# Firstly, we must create conditions for a global peace economy.

The prevention of war is a prerequisite for further progress.

Although a nuclear holocaust has been avoided, some 130 conflicts have claimed the lives of around 20 million people since World War II.

However, the picture is changing. The cold war is becoming history. We must take advantage of the new opportunities and spare no effort as we work towards progress in disarmament. The borders between East and West are becoming more permeable. There is a new awareness in Europe that we are confronted with problems which cannot be solved within the confines of the nation state, which cannot be solved within the confines of the nation state.

While the assertion that nuclear weapons have helped to preserve peace in our part of the world cannot easily be dismissed, the very existence of nuclear weapons is still our most serious existential problem. A nuclear war cannot be won and must never be fought. The acknowledgement of this now offers the leaders of the world's two most powerful nations the opportunity to take the world's two most powerful nations the opportunity to take bold new steps, with our firm support, towards a lasting peace based on common attitudes towards common problems.

We are encouraged that negotiations are starting with the aim of stabilizing conventional forces in Europe at lower levels.

Still, the world is overarmed. Every year 1 trillion dollars are spent on armaments, and one-fourth of all research and development activities are for military purposes. Our challenge is to reassess our priorities. We must replace the state-of-siege economy by a global peace economy.

We in the West should sensitize ourselves further to the ongoing changes in Eastern Europe. It is a major challenge for us to be supportive of the changes towards more openness. In the light of the extended contacts between East and West, we have a vision of

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a future market, not merely of 320 or 350 million, but of 700 million people in Europe alone.

Secondly, we must create economic stability and equal economic opportunities

We are witnessing an accelerating economic globalization. All viable policy options for the 1990s must presuppose radical changes in international economic cooperation.

In the 1980s, many industrialized countries have applied tight monetary and fiscal policies, and placed emphasis on the supply side. These policies have been fairly successful in diminishing inflation and budget deficits and restoring profitability, although unemployment has remained high in Europe.

However, the reverse side of the coin is that these policies have been unable to redress the most severe economic setback in the developing world since World War II, and this downturn aggravated the debt crisis in which many developing economies found themselves in 1982. Total external debt, as estimated by the IMF, will reach 1280 billion US dollars by the end of 1989.

The Third World seems convinced that international poverty is not a mere aberration of international economic relations which minor adjustments can correct - but the unspoken premise of the present economic order. Developing countries have been told to produce more and sell more in order to earn more. And the amount of coffee, cotton or copper they had to produce to buy a water pump, antibiotics or a lorry kept increasing.

This in turn lead to overtaxation of the environment which has fueled soil erosion and accelerated the cancerous desertification and deforestation, which in turn also threaten the genetic diversity which is the basis for tomorrow's biotechnology, agriculture and food supply.

The 1980s are likely to be remembered as a decade of crisis and lost opportunities for many developing countries. Their crisis is deeper and more sustained than the crisis in Europe and the United States during the Great Depression of the 1930s. This is the picture even though certain developing countries, especially in Asia, have weathered the difficult 1980s remarkably well.

But despite these ominous signs there have been some encouraging developments. The Plaza and Louvre agreements were steps in the right direction. G-7 cooperation was successful in avoiding a recession after the world stock market crash a little over a year ago. This kind of cooperation should be extended to other areas and should not be restricted to the seven.

In the 1990s, economic policies and developments in the OECD area will be of overriding importance to the developing world. Major challenges facing us include reducing payments imbalances between the USA, Japan and the Federal Republic of Germany and mass unemployment in Europe.

The new US administration will have to deal with "twin deficits".

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Lower federal deficits and increased private saving in the USA will not only reduce the US external deficit and thus global payments imbalances, but it could also make the surpluses of payments imbalances, but it could also make the surpluses of Japan, the Federal Republic of Germany and other countries increasingly available to developing countries. From a world development point of view, financial surpluses in OECD countries should increasingly be used for investments in developing countries rather than to finance private consumption in the major industrialized countries.

The combined surplus on the current account balance of Japan and the Federal Republic in 1990 is estimated to be around 120 billion US dollars, approximately three times the total ODA.

Moreover, by 1990 a decline of 1 per cent in the level of dollar interest rates would contribute to debt management as much as 24 billion US dollars worth of new lending.

Consequently, if by means of cooperation and prudent policies, a stronger level of non-inflationary growth can be sustained in the OECD area in the 1990s, this will promote a prosperous future for developed and developing countries alike.

To meet the challenges shead, there is a parallel need both for more market and for less market. If we are honest with ourselves we must admit that the market alone is a most inadequate instrument. Clearly, there are objectives with which market forces are not concerned. Thus, the market does not ensure stability, equality, or justice, nor does it concern itself with long-term ecological consequences.

On the national level all governments, whether social-democratic, liberal or conservative, have supplemented market forces with a wide array of incentives, rules and measures.

On the international level, however, we have seen very little of this. Nonetheless, there are isolated examples showing that governments can - though often belatedly - redirect developments generated by market forces. One example is the concerted action generated by market forces. One example is the concerted action taken in the autumn of 1985 by the Group of 5 to stop the further taken in the value of the dollar - and indeed the measures taken later to hinder its fall:

Trade, finance, energy, and the environment interact with one another. We cannot ignore this fact by dealing with each of them separately. We must establish more systematic cooperation between governments and better links between organizations such as the OECD, the IMF, the World Bank, UNCTAD and GATT.

Our ambition should now be to make the 1990s a decade of more rapid social, economic and environmental cooperation rather than confrontation. The option of confrontation is essentially an option only we in the developed world can live with, and only a short period of time. The option of consensus is the only option open to rich and poor alike.

Protectionism is one such confrontational issue that must be abolished. Protectionism is a no-benefit game. Protectionism costs the developing countries twice the amount of total development assistance. The benefits of free trade both for the

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North and for the South should be obvious. Uruguay Round must succeed.

A broad global economic strategy for the 1990s must comprise:

Policies to promote vigorous non-inflationary economic growth

- and to reduce unemployment;

   Policies to ensure more stable exchange rates and increas access to markets on a global basis;

   Policies that will sustain and improve commodity prices

   Policies to encourage and support diversification of the economies of the developing countries. - Policies to ensure more stable exchange rates and increased

  - Major new efforts to reduce debt;
  - A "Marshall Plan" for the poorer nations in the developing world, notably in Africa;
  - Improved development assistance.

A Global Economic Consensus for Growth in the 1990s should be developed along these lines. It should observe ecological limitations. It should include adjustment measures and sound economic policies within developing countries, and be particularly sensitive to the poorer nations in Asia, Africa and Latin America. It is indeed time to revive the process that stopped halfway in Cancun.

It is time for a global economic summit.

# Thirdly, we must respond to the environmental challenge.

We are living in an historic transitional period in which awareness of the conflict between human activities and environmental constraints is literally exploding.

Already in 1972 Indira Gandhi said that poverty is the biggest polluter. To this day poverty has been a source of environmental degradation in the Third World. In their guest for survival the poor have overused the environment because they had no choice.

In the developed countries we have seen time and time again how technology has backfired as environmental tolerances are exceeded. Most of the great environmental struggles will be played out in the 1990s, and it is imperative that they be won.

I do not intend to deal in detail with the problems of acid rain, hazardous wastes, or industrial accidents. I know we have the capacity, though perhaps not the necessary determination, to solve these problems. What I would like to share with you are two basic, organizational issues which will limit progress if they remain unresolved.

First, environmental thinking must become fully integrated into top-level management and lines of communication in both government and industry. Ideally, environmental concerns should

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be inseparable from all technological, economic and political considerations.

Consumers are gradually becoming aware of the environmental effects of their choices. Industrial corporations, financial institutions and banks should, in pursuing their long-term profitability, make it clear to shareholders, employees and customers that avoidance of conflict with the environment is a customers that avoidance of conflict with the environment is a firm part of company policy. Those who first succeed in this will have the competitive upper hand tomorrow.

Secondly, we need to replace the "react-and-cure" approach with an "anticipate-and-prevent" strategy. Mankind seems to need to observe a problem before taking active steps to cure it. However, if we are successful in taking preventive action - perhaps even costly and politically demanding action - we may never even have to face the problem.

Pourth, we must act immediately to address the threats to the global climate.

Today we are faced with an overwhelmingly complex, vital environmental issue: the global climate -, the greenhouse effect or the "heat trap".

The greenhouse effect is not new. We depend on it. Without carbon dioxide in the atmosphere, the global temperature would have been 30° Centigrade lower.

However, the CO, concentration has increased by one-third from preindustrial levels.

The entire climatic picture is sensitive to very small variations in temperature. The impact of a few degree's increase in global average temperature will have disastrous consequences for the whole world. That is why we have no time to lose.

Significant CO, reductions will be achieved by substituting coal with natural gas, which yields only half as much CO2.

However, the truth of the matter is that even if we were to replace all coal used in power generation with gas and improve efficiency by 15%, it would not be enough to maintain CO2 emissions at the 1986 level in 2010.

So what is the answer? Clearly, we need a global climate stabilization strategy. Such a strategy must address both energy efficiency and the mix of energy sources, as well as other issues involving atmospheric gases and massive reforestation.

Energy efficiency improvements are essential. There is vast potential for improvement and the technology is available.

Renewable sources of energy must be developed. What we need is a programme for renewable energy which is similar in scope and scale to the investments in nuclear energy some decades ago.

A strategy for dealing with the other greenhouse gases, in particular CFCs, will have a dual aim: to protect the ozone layer

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and to reduce global warming. Therefore such a strategy should be pursued vigorously by all states.

New technology, the need for renewing the infrastructure and, quite simply, the climate of public opinion may give competitive advantage to the firms that invest in environmental protection. Specific projects to protect the environment should be plentiful in the future. A market is not, however, created by demand in the future. A market is not, however, created by demand alone; effective demand presupposes someone who can pay. The alone; effective demand presupposes someone who can pay. The salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone; effective demand presupposes someone who can pay the salone.

The deforestation issue must be addressed. Forests absorb CO2.

At current rates, 10 trees are felled for every new one that is planted. Therefore, a major global reforestation effort is a key component of a strategy to preserve and expand the world's forest cover and thus improve the CO2 balance.

A global strategy of halving tropical deforestation and planting the equivalent of 130 million hectares of trees in developing countries and 40 million hectares in industrial countries could effectively counter one-fourth of current global CO2 emissions.

Our ability to adopt an offensive strategy for protecting the atmosphere and the global climate will be a test case for the state of our civilization. We now need global agreements and a state of our civilization. We now need global agreements and a strong global authority that can set the standards and verify, support and enforce their implementation.

To redirect world energy trends in the absence of direct market pressures is an unprecedented challenge. Adam Smith's well-known rinvisible hand has been believed to lead private self-interest unwittingly to serve the common good. In our modern world it is unwittingly to serve that an "invisible foot" leads private self-interest to kick the common good to pieces.

Energy uses and climate are closely interrelated. Energy prices are at the core of the greenhouse problem as well. It is now high time that we all recognize the tight links between energy, economy and the environment. They are one and the same issue.

Economic and environmental concerns now call for concerted action to avoid wild fluctuation in oil prices. More stable oil prices would be in the interests of both exporters and importers. Very low prices, although economically beneficial to importing low prices, although economically beneficial to importing countries in the short run, may in the long run lead to insufficient supplies and possible future oil price shocks and insufficient supplies and possible future oil price shocks and increased import dependency.

On the other hand, too high oil prices, while beneficial to exporting countries in the short run, will threaten the economic development of importing countries.

Improved international dialogue in the energy field is vital. The World Commission on Environment and Development recommends that new mechanisms for promoting dialogue between producers and consumers be explored.

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We should do away with the image of confrontation that hampers rational behaviour and policy decisions. We should instead help to bring the relationship between energy, environment and economic development more clearly into focus.

I want to call for greater contacts and deeper mutual understanding between oil-exporting and oil-importing countries. We see a need for a work-shop gathering of governmental leaders to assess the resource situation and market perspectives as well as environmental and climatic effects, and we are prepared to host such a work-shop.

### Finally, we need much stronger international cooperation

In the 1990s the process of internationalization will become, truly global. Most of the individual trends which together, make up today's vastly complicated world community have been visible for quite some time.

The number of different influences and actors on the global scene is increasing all the time. The world community of tomorrow is shaped not only by the major headline decisions taken by the superpowers, by Japan, by the European Community or by other superpowers on the world scene. It is being formed by a myriad major players on the world scene. It is being formed by a myriad of other actors: by the transnational corporations, by other players in the global economic market, and by each and every players in the global economic market, and by each and every individual who decides to have a child or who cuts down or plants individual who decides to have a child or who cuts down or plants a tree. Knowledge and technology are powerful multipliers in this process.

Let me in this forum make a plea for better use of two of the main instruments of international cooperation: multilateral institutions and the rule of international law.

The case for multilateralism is, of course, not a new one. The record period of peace and prosperity in the Western industrialized world is largely due to cooperation within NATO, the OECD, the EC, EFTA, GATT and other organizations.

The UN system has been through a steep uphill struggle in recent years. One of the most positive aspects of world events in 1987-88 was the remarkable successes of the UN peace-keeping operations, for which they were awarded the Nobel Peace Prize for 1988.

As with the aerodynamics of the bumblebee, there are few objective reasons why the system should work, dependent as it is on the veto system of the Security Council. Yet it does work, and supporting the blue berets, not least financially, is good not only good for peace, but for economic stability as well.

We now need to move forward. We also need a stronger sense of collective global responsibility in the way we organize and finance international cooperation. The UN system is still too weak and fragmented. Important as they are, GATT and the Bretton woods institutions do not lend themselves to the kind of interdisciplinary approach which is now called for.

We should move to make the international bodies which we have created more effective. Stronger mandates for making binding decisions should be contemplated. The time has come to seek more

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innovative structures for cooperation than those we have available at present. As a long-term goal, we could also use the UN Security Council as a model in other areas, such as ecological issues.

There can be little doubt that the concept of national sovereignty is becoming less and less relevant as a basis for intergovernmental and international cooperation. The 12 members of the EC have taken the consequences of this development in their approach to the challenges of the 1990s, and President Delors last week reached out to the six EFTA countries.

The time may not yet be fully ripe to propose similar action at the global level. But the time is fast approaching when we have to start considering more effective forms of cooperation than those we have today.

The undermining of respect for international obligations was one of the many negative trends in international politics during the late 1970s and early 1980s, a trend we now see changing.

Immanuel Kant said that the civilized state had been achieved within nations, but between nations the natural state still prevailed. There would be no end to the tragedies of history until the civilized state, the rule of law, was also established between nations.

We have made considerable progress since Kant. The promotion of an international community based on the rule of law and agreed codes of behaviour is a concept which has become more deeply embedded in our own form of civilization. Still we have a long embedded in our own form of civilization. Still we have a long way to go. We must now lay the foundation so that we can look back to the nineties and say with confidence that we met their challenges!

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#### THE PRIME MINISTER

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Oslo, 5 September 1988

Dear Prime Minister,

Thank you for your letter of 25 July in which you sent me the British Government's considered views on the report of the World Commission on Environment and Development "Our Common Future". This perspective, and your forward to it, represent an important contribution. They will add impetus to the preparations for the Ministerial Conference to be held in Norway in 1990.

I was also pleased to note the particular emphasis placed on the importance of and link between environment and development which resulted from the Toronto summit this June.

Yours sincerely,

Gro Harlem Brundtland

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The Rt Hon Margaret Thatcher, Prime Minister of Great Britain and Northern Irland

ENU. AFFAICS: ENLUCREENT and DEVELOPMENT July 88 MINISTER'S SERIAL NO. LIESA T. THE PRIME MINISTER

... SUBJECT CE OPS MASTER PERSONAL MESSAGO DOWNING STREET SERIAL NO. TOWN SWIA 2AA THE PRIME MINISTER 25 July 1988 Vea Primi Minister. You will, I am sure, be pleased to receive this copy of the British Government's considered views on "Our Common Future". I hope that you and your Commissioners will be heartened by the strength of support which my Government has been able to give to your important Report. As you will see from the Foreword which I was happy to write, we see our Perspective as a contribution to the Ministerial Conference which your Government will be holding in 1990. With warn regards. Louis minerely Dagant Thatte Her Excellency Mrs. Gro Harlem Brundtland



Paul Gray Esq Private Secretary to The Prime Minister 10 Downing Street LONDON SWIA 2AA

2 MARSHAM STREET LONDON SWIP 3EB 01-212 3434

My ref:

Your ref

22 July 1988

Dear Paul,

The UK's Response to the Brundtland Report, "Our Common Future", was published and laid before Parliament today.

We think it would be a useful gesture if the Prime Minister were to send a personal copy to Mrs Bruntland and a draft covering letter is attached, together with a copy of our published document.

DEBORAH LAMB

Private Secretary

# ENTROPICATION ENTROPERSON NEWS RELEASE

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22 JULY 1988

#### UK GOVERNMENT RESPONDS TO THE BRUNDTLAND REPORT

The Secretary of State for the Environment, Nicholas Ridley, today announced the publication of the response by the UK Government to the 'Brundtland Report', the Report of the World Commission on Environment and Development.

This Report, published in London in April 1987 with the title "Our Common Future", set out proposals for long-term environmental strategies and ways in which they could be achieved. It was prepared under the Chairmanship of Mrs Gro Harlem Brundtland, the Prime Minister of Norway.

The UK Government's Response is a detailed examination of the Report's recommendations from a UK perspective. It contains a foreword from the UK's Prime Minister, Mrs Margaret Thatcher.

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2 MARSHAM STREET · LONDON SW1P 3EB · TELEPHONE 01-276 3000

Publication of the Response was announced today by Nicholas Ridley in an answer to a Parliamentary Question from David Heathcoat-Amery MP, (Wells).

Mr Ridley said:

"We gave an immediate and warm response to the World Commission's Report, 'Our Common Future', when it was launched in London in April 1987. Since then we have offered consistent support, particularly in the United Nations General Assembly Debate last October, to the Report's call for sustainable development.

Minister and her Summit colleagues formally endorsed this message. We have now prepared and published today a more detailed examination of the Report's recommendations in what we are calling a United Kingdom Perspective. This Perspective, produced by my Department in full co-operation with other interested Departments of State, represents this Government's views on the many, complex environmental issues analysed in the Report.

In the foreword the Prime Minister writes:

'It is intended to inform interested organisations and individuals at home, and to stimulate further international consideration of the Report, notably within the OECD and the United Nations. I see it also as a contribution to the

Ministerial conference which the Norwegian Government will hold in 1990 to examine what progress we have all made to safeguard 'Our Common future'.'

"Copies of the Perspective have been placed in the Libraries of both Houses."

#### NOTES TO EDITORS

The World Commission on Environment and Development (WCED) was set up by the United Nations General Assembly in December 1983 as an independent body with a mandate to propose long-term environmental strategies and ways in which they could be achieved in practice.

The WCED's Chairman, Mrs Gro Harlem Brundtland, Prime Minister of Norway, was supported by twenty-two other Commissioners representing all regions of the globe and a wide range of experience and interests. Their consensus report, "Our Common Future" was launched in London in April 1987 (published by Oxford University Press, price £6).

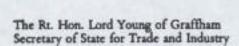
The Report was immediately hailed as a major contribution to analysing the interrelationship between people, resources, environment and development. Its message that continued economic growth is essential to achieve sustainable development contrasts strongly with the "limits to growth" environmental philosophy of the 1970s.

Copies of the Government's "Perspective" can be obtained from Department of the Environment, A 305, Romney House, 43 Marsham Street, London SWIP 3PY.

Press Enquiries: 01 276-0920 (Out of Hours: 01 276-4120 Public Enquiries: 01 276-3000 (Ask for Public Enquiries Unit)



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The Rt Hon Nicholas Ridley MP
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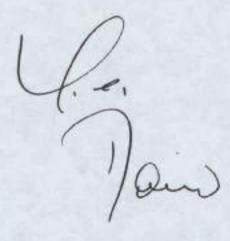
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The V. Chola,

UK RESPONSE TO THE BRUNDTLAND REPORT

Thank you for copying to me your letter of 5 July to the Prime Minister. I am content with the text of the proposed response to Brundtland. I agree that it is important for the UK to pick up this sort of opportunity to combat our unfortunate environmental image internationally. Where we have a good environmental record, then we should let the rest of the world know about it.

I am copying this letter to the Prime Minister and other recipients of yours.





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#### SECRETARY OF STATE FOR THE ENVIRONMENT

#### UK Response to the Brundtland Report

- Thank you for sending both Chris Patten and me a copy
  of your minute of 5 July to the Prime Minister.
- 2. I am glad that we have been able to take such a positive position over the Brundtland Report, and that the Prime Minister has agreed to sign the Foreword to the UK response. I know that your officials have kept in close touch with both wings of the FCO during the preparation of this excellent document. Both Chris Patten and I are delighted that we are going to publicise the good story we have to tell on sustainable development, and we are entirely happy with what is proposed.
- I am copying this minute to all Cabinet colleagues, to Chris Patten and Sir Robin Butler.

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(GEOFFREY HOWE)

Foreign and Commonwealth Office 13 July 1988 ENV AFFAIRS. GRULORMANT
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ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH 01-934 9000

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The Rt Hon Nicholas Ridley MP Secretary of State for the Environment 2 Marsham Street LONDON SW1P 3EB

In Mid

12 July 1988

UNITED KINGDOM RESPONSE TO THE 'BRUNDTLAND' REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT

Thank you for sending me a copy of the draft UK response to the Brundtland Report. I am content with the text.

I am copying this to all Cabinet colleagues, to Chris Patten and Sir Robin Butler.

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#### Treasury Chambers, Parliament Street, SWIP 3AG 01-270 3000

12 July 1988

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Rt Hon Nicholas Ridley MP Secretary of State for the Environment Marsham Street LONDON

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THE UNITED KINGDOM RESPONSE TO THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT

minute of 5 July to copying Thank you for me your Prime Minister.

I am generally happy with the terms in which the response is written. However, I think that the middle of paragraph 5.2 might be slightly expanded, as indicated in the attachment to this letter, to reflect our current concerns with agricultural reform. Also, I would like to suggest an amendment to paragraph 6.7 relating to the International Tropical Timber Organisation. As you will have seen, I have written to David Young expressing some concern about the excessive stress put on the conservation objective in this Agreement and I would prefer to see the response reflecting those comments. The attachment provides a suggested redraft of that paragraph.

I am copying this letter to Cabinet colleagues, to Chris Patten and Sir Robin Butler.

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Append by the Chanceller and signed in his absence)

- 5.2 Amend to read after "budgetary costs.": "Substantial reform is needed in the European Community and through the GATT negotiations. The UK has long been arguing that the way forward must be to achieve a better balance of supply and demand, by allowing market forces to play a much greater role, in the EC... (as drafted)"
- The UK works closely with international environmental 6. 7 agencies. It is a state member of the International Union for Conservation of Nature and Natural Resources (whose Conservation Monitoring Centre, recognised in the report for its work on data collection of species and their ecosystems, is based in Cambridge). The UK fully accepts the objectives and activities of the UN Food and Agricultural Organisation's Tropical Forest Action Plan as a response to the crucial problems of deforestation. The UK shares the world-wide concern over this globally-significant issue and was an early signatory to the International Tropical Timber Agreement (ITTA), an essentially trade related agreement which includes an objective of encouraging an ecologically sustainable approach to tropical timber management. The UK is giving active support to the International Tropical Timber Organisation (ITTO) and will continue in its efforts to encourage the ITTO to pursue its conservation objective in a manner which is consistent with its wider objectives and which complements the Tropical Forest Action Plan.

ENVARRAMENT WOID Commit



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From the Minister

#### MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITEHALL PLACE, LONDON SWIA 2HH

The Rt Hon Nicholas Ridley AMICE MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SWIP 328 anjula

12 July 1988

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UNITED KINGDOM RESPONSE TO THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT

Thank you for sending me a copy of your minute of 5 July to the Prime Minister enclosing the proposed text of the response to the Brundtland Report.

My officials have been in touch with yours about the drafting of the paragraph on the Polluter Pays Principle which did not fully reflect the form of words which they had proposed. I understand that an amendment has been agreed which should help to avoid any misunderstanding about the Government's position. Subject to that change being reflected in the final text I am content with the terms of the Government's response.

I am copying this letter to all Cabinet colleagues, Chris Patten and to Sir Robin Butler.

JOHN MacGREGOR

ENU AFFAIRS: WORD COMMISSION TULY 88

LONDON SWIA 2AA

#### 10 DOWNING STREET

From the Private Secretary

6 July 1988

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UNITED KINGDOM RESPONSE TO THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT

Your Secretary of State minuted the Prime Minister on 5 July about the proposed United Kingdom response to the Brundtland report and asked whether she would be prepared to sign the foreword.

Subject to the views of Cabinet colleagues, the Prime Minister is content with the proposed response. She has also agreed to sign the foreword, but has asked for the foreword to be somewhat amended. I enclose a signed version.

I am copying this letter and enclosure to the Private Secretaries to members of the Cabinet, Myles Wickstead (Overseas Development Administration) and to Trevor Woolley (Cabinet Office).

(C. D. POWELL)

Roger Bright, Esq., Department of the Environment.



## 10 DOWNING STREET LONDON SWIA 2AA

THE PRIME MINISTER

#### FOREWORD

At the Toronto Summit last month I joined with my fellow Heads of State of Government in endorsing the concept of sustainable development, the central message of the Report of the World Commission on Environment and Development - "Our Common Future".

Since its launch in London in April 1987 this major and historic report has been examined with keen interest by the Government of the United Kingdom. The message from the Toronto Summit echoed the Report's call for environmental considerations to be taken into account in all areas of economic policymaking. In the United Kingdom we have already put this process in hand by inviting all relevant departments of state to examine their policies in the light of this and the other recommendations of the Report. This process has contributed to a deepening understanding of how our institutions can adapt to meet the challenges highlighted by the Report.

Our "perspective" describes where we stand in the United Kingdom. It is intended to inform interested organisations and individuals at home, and to stimulate further international consideration of the Report, notably within the OECD and the United Nations. I see it also as a contribution to the Ministerial Conference which the Norwegian Government will hold in 1990 to examine what progress we have all made to safeguard "Our Common Future".

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in hima letters forward. Howe so that I am writing to ask if you would be prepared to sign the foreword for a UK response to the Report of the World Commission on Environment and Development, more familiarly known as the

Brundtland report.

I am accordingly enclosing a suggested text together with the draft text of the response itself which has been cleared by senior officials in the various interested departments. By means of this minute I am now seeking formal clearance of Cabinet colleagues to the text.

When this wide-ranging report was launched in London in April 1987, Ministers here gave it an immediate welcome for its comprehensive and balanced assessment of the formidable · environmental problems facing the world. In particular we supported its basic message of the need for economic growth as a prerequisite for sustainable development and for the integration of environment and development, an important shift away from the "Limits to Growth" philosophy of the early 1970s.

Because this favourable reaction was generally shared by other departments, we were able to make a very positive statement when the WCED report was debated in the UN general assembly last October. The UK statement, by Sir Crispin Tickell, has earned us considerable credit internationally, not least with the Norwegians, with whom as you know we have a difficult time on some other environmental issues. More recently, you yourself were able to join in the Toronto summit's endorsement of the central theme of the Report.

At the time of the UN debate both Simon Glenarthur and Chris Patten suggested that my department might produce a commentary on the report, perhaps along the lines of our response to the world conservation strategy in 1986, for which you also signed the

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foreword. The attached draft text is the result. In fact it is a rather more substantive statement of how far our policies already meet the WCED recommendations as well as why we have reservations about some recommendations and how we can further promote the concept of sustainable development in the UK. Our intention is that the document will be helpful to us in our preparations for the follow up Ministerial conference which Norway, in co-operation with the UN (ECE) and in consultation with UNEP, will host in 1990 to review progress. We have recently seconded an official from my department to the Nowegian government for 6 months to help them with the preparations for the conference.

In publishing a response, our target audience will primarily be foreign governments (especially the Nordics), international organisations, NGOs and the environmental press. It would be particularly appropriate, if you agree, to send a personal copy of the Response to Mrs Brundtland as a goodwill gesture and a further signal of our good intentions.

We are proposing to issue the Response as a modest but attractive and unpriced publication. There will be no illustrations but the text will be printed on quality paper in an attractive and easy to read A5 format. The cover will be in full colour, probably based on the cover design of the original report.

We are anxious to create maximum impact by publishing the Response before Parliament rises for the Summer. We are among the very front runners in the international community in taking the step of publishing a document of this kind and we stand to gain considerable credit for what we are doing. In any case, although as the Response candidly recognises, we do not pretend to have all the answers, we do nevertheless have a pretty good story to tell.

As time is pressing, I shall be glad to know by 12 July if you are content to sign the foreword and with the draft text. I should also be grateful if other copyees could let me know within the

same timecale whether they are content with the text of the response. I am copying this to all Cabinet colleagues, to Chris Patten and Sir Robin Butler. 5 July 1988



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