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Progress Since Rio and Priorities for Further Action by the Commonwealth
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EXECUTIVE SUMMARY

This paper suggests that there are a number of priority areas where Commonwealth action at international and national levels can help advance the implementation of Agenda 21 as well as agreements which were concluded after Rio; accelerate the integration of economic and environmental policies; and mobilise resources to finance sustainable development. In summary, the priority areas for Commonwealth action, suggested for the Group's consideration, are:

(A) IMPLEMENTATION OF CONVENTIONS/AGREEMENTS

- **Climate Change and Sea-level Rise:** promote consensus on reduction of greenhouse gas emissions, protect vulnerable countries against sea-level rise, and implement policy reforms which foster sustainable energy consumption patterns.
- **Biodiversity:** strengthen capacities and financing for biodiversity conservation, assist countries to negotiate arrangements with the private sector for biodiversity prospecting and development of biotechnologies, and protect and reward indigenous knowledge, especially in the context of the Iwokrama Programme (see Forests, below).
- **Forests:** broaden the base of financial support for the Iwokrama Programme, including partnerships with the private sector; promote consensus on an effective intergovernmental consensus to follow-up the work and recommendations of the Intergovernmental Panel on Forests; and strengthen capacities and financing for sustainable forest management.
- **Freshwater:** review water pricing policies and create incentives for conservation and sustainable use of water, strengthen capacities to monitor water quality and increase access to safe water and sanitation, and adopt integrated approaches to water resources management.
- **Desertification and Drought, Land Resources:** swift ratification and effective implementation of the 1994 Convention on Desertification, urgent implementation of the commitments made at the 1996 World Food Summit, and strengthen capacities to promote sustainable agriculture and implement comprehensive rural development policies.
- **Fisheries:** urgent implementation of existing agreements, strengthening capacities for surveillance and monitoring of EEZs and protection of fisheries (possibly through a Commonwealth fisheries protection agreement), removal of subsidies and use of economic instruments to control fishing, increase scientific knowledge, and integrate fisheries in coastal zone management.
- **Sustainable Development of Small States:** promote consensus on measures to reduce vulnerability, assistance in re-building infrastructure damaged by natural

disasters and access to insurance cover, and accelerate full implementation of the Barbados Programme, including the SIDSNET and SIDSTAP initiatives.

(B) INTEGRATION OF ECONOMIC AND ENVIRONMENTAL POLICIES:

- Assess economic policies for their environmental impacts, phase out environmentally harmful subsidies and ensure that prices reflect environmental and social costs, make greater use of market-based economic instruments, and strengthen capacities for economic and environmental policy integration.

(C) FINANCING ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT:

- Promote consensus on strengthening of IDA and reversing the decline of ODA, support swift implementation of the HIPC Debt Initiative and a satisfactory replenishment of the GEF, and explore the scope for private-public partnerships to mobilise foreign capital for investment in environmental projects.

INTRODUCTION

Since 1992, a number of significant steps have been taken to accelerate the transition to environmentally sustainable development within the framework of the Rio agreements, as well as other international agreements concluded after Rio. However the pace of implementation has been slower than expected, while environmental degradation continues to pose major threats in several member countries.

This paper focuses on some critical aspects of the "unfinished agenda" and is intended to assist the discussions on item 3 of the provisional Agenda. The paper does not attempt a comprehensive assessment of all the components of Agenda 21, but seeks to flag major issues and priorities in three key areas which are inter-related: (A) Implementation of international conventions/agreements; (B) Integration of economic and environmental policies; and (C) Financing environmentally sustainable development.

(A) IMPLEMENTATION OF INTERNATIONAL CONVENTIONS/AGREEMENTS

(i) Climate Change and Sea-Level Rise

The UN Framework Convention on Climate Change which was signed in Rio was a response to one of the most serious global environmental threats confronting humanity. By January 1997, 164 countries had ratified the Convention (which entered into force in March 1994), of which 47 are Commonwealth members. While many industrialised countries (Annex 1 parties) have developed action plans on climate change, emissions of carbon dioxide have increased over the past four years and very few countries are likely to meet the Convention's initial objective of stabilising greenhouse gas (GHG) emissions at 1990 levels by the year 2000. Major reasons for this are the slow progress in initiating policy changes to alter energy consumption patterns, especially through more efficient and environmentally-sensitive pricing of energy; and the lack of substantial new investments in renewable energy.

Through the work of the Intergovernmental Panel on Climate Change, there is growing scientific evidence that human activities are having a discernible influence on the global climate. Global mean temperature is projected to increase by about 2 degrees Centigrade (the uncertainty range of this projection is 1 to 3.5 degrees Centigrade), and sea-level rise to range from 15 to 95 centimetres by the year 2100. These projections have underscored the importance of implementing existing commitments of industrialised countries under the Climate Convention and reducing GHG emissions beyond the year 2000. The Ad Hoc Group on the Berlin Mandate, which is responsible for negotiating a protocol or another legal instrument for this purpose, for adoption by the third meeting of the Conference of Parties to the Convention (COP-3) in Japan later this year, has been unable to reach consensus on a way forward. Varying approaches in respect to emission reduction targets

and time-frames for achieving them, which have been proposed by different countries/country groups, need to be reconciled.

Priorities

Climate change poses major threats to agriculture, biodiversity, forests, fisheries and human health. Several Commonwealth small islands and low-lying states are particularly vulnerable to sea-level rise, as well as tropical cyclones and hurricanes whose intensity and frequency may increase as a consequence of global warming. Major priorities for action might include:

- Building consensus on an effective and equitable agreement to reduce greenhouse gas emissions, for adoption by the COP-3 in Japan.
- Improving scientific knowledge about climate change, especially its likely impacts at regional and country-levels. This is crucial in order to plan appropriate policy responses.
- Assisting countries at risk to protect themselves against sea-level rise. A major concern here is that while mechanisms like the Global Environment Facility provide funding to meet incremental costs of projects in developing countries which help to reduce global warming, there is no comparable mechanism to fund projects (e.g. construction of sea defences) to protect countries from its consequences.
- Implementing policy reforms which foster more sustainable energy consumption patterns, including more efficient energy pricing and removal of subsidies which encourage profligate energy consumption.

(ii) **Biodiversity**

The Convention on Biological Diversity which was signed in Rio broke new ground in promoting measures to conserve biodiversity, as well as to ensure that the owners of biological resources are compensated for conserving them, and that the benefits arising from the use of biodiversity and biotechnology are shared equitably. By February 1997, the Convention (which entered into force in December 1993) had been ratified by 165 countries, of which 47 are Commonwealth members. A Subsidiary Body on Scientific, Technical and Technological Advice has been established and a pilot clearing-house mechanism is supporting implementation of the Convention at national levels. Several countries, including Commonwealth members, have embarked on the process of preparing national strategies or programmes for the conservation and sustainable use of biodiversity. The Conference of Parties has approved a multi-year programme of work on agricultural biodiversity, as well as a framework for global action to conserve marine and coastal biological diversity. Negotiations to develop a protocol on biosafety have begun.

Despite these positive developments, the 1995 Global Biodiversity Assessment by the UN Environment Programme revealed that biological diversity is being destroyed worldwide by human activities at unprecedented rates, while scientific knowledge of biodiversity remains very limited. As long as biological diversity is not valued properly, and in the absence of

mechanisms to capture or appropriate its value, it will continue to be under threat in many countries. Since about half of the world's terrestrial biodiversity is in forests, policies which affect forests adversely inevitably have an impact on biodiversity.

Experience in conserving biodiversity in protected areas is increasingly demonstrating the importance of ensuring the participation of local communities in ways that respect their cultural identity, thus making use of local knowledge and skills (particularly of women), and enabling communities closest to protected areas to benefit from the economic spin-offs of conservation. The protection of intellectual property rights and traditional knowledge; the fair and equitable sharing of the benefits arising from the use of genetic resources; and modalities for facilitating the transfer of technologies, including biotechnology, to developing countries, are other important issues which need greater attention.

Priorities

Several Commonwealth countries are custodians of important terrestrial, coastal and marine biodiversity. In some small islands, species endemism is very high but the capacity for biodiversity conservation is limited. Priorities in this area might include:

- Strengthening capacities for biodiversity monitoring and assessment, particularly in small islands; improving scientific knowledge of biodiversity and promoting exchange of information and experience in biodiversity conservation.
- The proper valuation of biodiversity and adequate financing for its conservation. A key issue here is how the owners of biological resources can form partnerships with the private sector for biodiversity prospecting and biotechnology development. Several developing countries need assistance in negotiating agreements, on fair and mutually beneficial terms, with the private sector (e.g. pharmaceutical firms).
- Increasing the participation of local communities in biodiversity management and developing effective mechanisms for protecting intellectual property rights and the traditional knowledge of indigenous communities. While much conceptual work in this area has been undertaken, the implementation of practical policies to protect and reward traditional knowledge has been slow.
- Expediting the completion of a protocol on biosafety (under the Convention on Biological Diversity).

(iii) **Forests**

Since Rio, significant progress has been made, within the framework of the Forest Principles, in improving forest management at national levels and strengthening international co-operation on forest issues. Several Commonwealth countries have developed/strengthened national forest programmes. The International Tropical Timber Agreement was renegotiated and its successor entered into force early this year. The proposals for action by the UN Intergovernmental Panel on Forests (IPF), which were endorsed by the fifth session of the Commission on Sustainable Development (CSD), represent a broadening of consensus on a wide range of forest issues, including basic principles and operational guidelines for national

forest programmes, forest assessment, and criteria and indicators for sustainable forest management. A parallel assessment of global forests by the independent World Commission on Forests and Sustainable Development, to be completed later this year, is also identifying major areas where action is needed at national, regional and global levels.

Certain issues arising from the IPF's work need further clarification and a key question is how the momentum generated by the IPF process will be maintained and its recommendations followed-up. The fifth session of the CSD was unable to achieve consensus on this subject. One approach advocated by some countries is the establishment, under the authority of the UN General Assembly, of an intergovernmental committee to negotiate a legally binding instrument covering all types of forests. An alternative approach proposed by others is the establishment of an ad-hoc, open-ended intergovernmental Forum on Forests (under the aegis of the CSD) to follow-up the work of the IPF and report on the implementation of its proposals, as well as build the necessary consensus for a decision to negotiate and elaborate possible elements of a legally binding instrument on forests. A third approach which has been proposed, also envisages the establishment of an open-ended intergovernmental Forum on Forests with similar tasks, but leaves it to the Forum to consider the need for new arrangements/mechanisms or a legally binding instrument. Early agreement on a way forward is needed to build on the IPF's work and further strengthen global co-operation on forests.

Priorities

The 1995 meeting of the CCGE agreed that the Commonwealth was well placed to make a distinctive contribution on forestry issues, particularly through the Iwokrama International Rain Forest Programme in Guyana, which could form the node of a network of Commonwealth forestry institutions working collectively to promote sustainable forest management. The Group also felt that the Commonwealth could help to promote consensus and strengthen international co-operation on forests, given the diversity of forestry interests represented in the association. Important priorities for action might include:

- Promoting consensus on the establishment of an effective intergovernmental process to follow-up the IPF's work, implement its recommendations, and deal with outstanding issues include international co-operation in financial assistance and technology transfer, and trade and environment issues in relation to forest products and services.
- Broadening the base of Commonwealth, and wider international, support for the Iwokrama Programme, whose research priorities and operational objectives respond to many of the proposals for action made by the IPF (see the paper CCGE(97)2).
- Strengthening capacity and financing for sustainable forest management in countries which face institutional, human and other resource constraints.
- Developing partnerships with the private sector to improve forest management; such partnerships could include private financing of research which can applied by the forest industry.

(iv) **Freshwater**

The recently completed Comprehensive Assessment of the Freshwater Resources of the World has revealed that in many developing countries, water scarcity, aggravated by growing pollution from industry, agriculture and human settlements, is perhaps the most significant threat to socio-economic development and human health. At the start of the 1990s, some two dozen countries (with a combined population of 200 million) were considered "water-scarce" (i.e. with less than 1,000 cubic metres per person). It is estimated that within a generation, another dozen will join this category.

While some progress has been made since Rio in developing integrated approaches to water management and in improving capacities for monitoring water quality, urgent action is needed in several areas. More than one billion people still do not have access to safe drinking water and two billion have no access to adequate sanitation. In many countries, water-related infrastructure remains inadequate; responsibilities and mandates for water resources management at the national level are fragmented; and the high economic and social costs associated with poor water quality and inequitable access to water resources have not been addressed fully in decision-making.

Policy-makers face major challenges in reconciling the need to treat water as an economic good (and hence, price it at a level which reflects its scarcity as well as environmental and social costs) with the need to satisfy basic human needs for adequate and safe water. As the pace of urbanisation and industrialisation increases, competition for water among different sectors is increasing in many developing countries.

Priorities

These might include:

- Active Commonwealth participation in the intergovernmental dialogue which is to be initiated, under the aegis of the CSD, in order to build consensus on a strategic approach to deal with all aspects of the sustainable management and use of freshwater.
- Reviewing water pricing policies, where necessary, with a view to creating incentives for the conservation and environmentally sustainable use of freshwater, and ensuring that the poor have adequate access to water. A major issue, in this regard, is the need to remove water subsidies which favour higher-income groups.
- Strengthening capacities to monitor water quality and increasing investment in projects (designed with the participation of local communities, and women in particular), to increase access to safe water and sanitation.
- Adopting integrated approaches to water resources management and implementing water policies which follow a watershed basin or river basin approach to the protection of freshwater supplies.

(v) **Desertification and Drought, Land Resources**

The United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, was completed in 1994 and entered into force in December 1996. To date, 70 countries have ratified the Convention including 14 Commonwealth members. Progress has been made in developing a framework for improved scientific and technical co-operation on desertification, and in the African region, several countries have developed and are implementing national action plans. However, disagreements on its nature and role have delayed the establishment of the "Global Mechanism", which is to mobilise financial resources for the implementation of the Convention worldwide.

As competition for land resources continues to increase in several Commonwealth countries, trade-offs between alternative uses have become more critical in economic and environmental planning. The need for integrated approaches to land-use management has become more widely recognised. Some progress has been made in integrating agricultural and environmental policies, but the implementation of comprehensive rural policies that combine production, environmental and rural welfare objectives needs to be accelerated. The threats posed to long-term food security by land degradation and soil loss were emphasised by the 1996 World Food Summit, which called for increased food production, within the framework of sustainable management of land and other natural resources, so that the number of undernourished people in the world can at least be reduced by half by 2015.

Priorities

The challenges of husbanding land resources wisely, promoting sustainable agriculture and food security, reducing poverty, and combating desertification/drought, remain daunting in several Commonwealth countries. Priorities for action might include:

- Swift ratification and effective implementation of the Convention on Desertification, especially the operationalisation of its Global Mechanism; active Commonwealth participation in the first Conference of Parties, to be held in Rome in September 1997, is also important, in this context.
- Urgent implementation of the commitments of the 1996 Rome Declaration on World Food Security and the World Food Summit's Plan of Action, especially in relation to the target of at least halving the number of undernourished people in the world by the year 2015.
- Strengthening the capacities of countries, which lack the necessary means, to promote environmentally sustainable agriculture and implement comprehensive rural development policies which improve access to land and credit (especially for women), increase food security and reduce rural unemployment; particular attention should also be given to integrating gender-related considerations in food security policies.

(vi) **Fisheries**

Since Rio, several developments and initiatives have helped to improve the prospects for better management of fisheries and the reduction of marine pollution. These include the entry into force of the UN Convention on the Law of the Sea (UNCLOS) in 1994, the 1995 UN Agreement on the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, the 1995 FAO voluntary Code of Conduct for Responsible Fisheries; and the 1995 Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities. The swift and effective implementation of these agreements is vital in order to reduce overfishing and marine pollution. Many of the most important fish stocks are overfished and there continues to be massive overcapacity - sustained primarily by subsidies - in the fishing sector.

The 1996 CCGE meeting underscored the urgency of addressing several issues: (i) The difficulties many countries, and small islands in particular, face in managing their Exclusive Economic Zones (EEZs) and protecting their fisheries from illegal poaching and overfishing by distant water fishing nations. (ii) The problems of overfishing and overcapacity in fishing industries, as well as contamination of fisheries due to pollution from land-based sources. (iii) The lack of scientific information on fisheries and other marine resources. (iv) The difficulties of controlling fishing by setting regulatory quotas in some countries; in others, although maximum sustainable yield levels for fisheries have been identified, it has been difficult to ensure that they are observed in practice.

Priorities

The range of experience in fisheries management and development encompassed by the Commonwealth can facilitate co-operation in priority areas. These might include:

- Improving capacities for surveillance and monitoring of EEZs, especially in small islands, and exchange of information on the activities of distant water fishing fleets judged to be harmful to fisheries; further work on the scope for a possible Commonwealth fisheries protection agreement, including the feasibility of having a Commonwealth register of information, and the scope for replicating successful regional arrangements for protection of fisheries (e.g. those in the South Pacific region) in other parts of the Commonwealth.
- The removal of subsidies which are sustaining overcapacity in fishing industries and the use of economic instruments such as tradeable fishing quotas to control fishing; exchange of experience in the application of such instruments would be helpful.
- Strengthening networks to gather, share and disseminate scientific information on fisheries and other marine resources, in order to develop appropriate policy responses to conserve these resources.
- Improving capacities for implementing effective coastal zone management policies, with particular attention paid to integrating fisheries management in coastal zone management.

(vii) **Sustainable Development of Small States**

More than half of the Commonwealth's members are small states, the majority of which are small island developing states (SIDS). Many of them are particularly vulnerable to certain environmental threats and external economic shocks, and face special constraints in trying to achieve environmentally sustainable development. The Commonwealth played an active part in shaping the 1994 Barbados Programme of Action, which recommended several national, regional and international measures to mitigate these constraints. A comprehensive review of the implementation of the Barbados Programme is to be undertaken in 1999.

While some progress has been made in implementing the Barbados Programme (this subject has been under review by the Commonwealth Ministerial and Consultative Groups on Small States), the domestic efforts SIDS are making would be more effective if supplemented by greater support from the international community. There is also a need to accelerate implementation of two major initiatives agreed in Barbados: the Small Island Developing States Information Network (SIDSNET), and the Small Island Developing States Technical Assistance Programme (SIDSTAP).

Pursuant to a mandate from the Ministerial Group on Small States (MGSS), a high-level Advisory Group is updating the 1985 Commonwealth Report on the Vulnerability of Small States. The new report, which will be presented to the MGSS at the Edinburgh Heads of Government Meeting in October this year, will examine all aspects of vulnerability (security, economic, environmental, social) in an integrated manner. Work is also being undertaken on a Vulnerability Index for small states.

Priorities

Priorities for action to assist the sustainable development of small islands and other small states might include:

- Promoting consensus on ways in which the Commonwealth and the wider international community can assist small states in reducing their vulnerability and mitigating the constraints to their sustainable development. In addition to climate change and sea-level rise (which was discussed earlier), three areas of particular concern are: obtaining concessional financing to re-build costly infrastructure damaged by natural disasters (while aid for humanitarian relief is available, support for infrastructure is much harder to obtain); the provision of insurance cover for personal as well as commercial property damaged by natural disasters (the lack of well developed markets for insurance in many small countries is a complicating factor); and the implications of the Uruguay Round agreements for small states as well as the negotiation of a successor agreement to Lome IV.
- Hastening the full implementation of the Barbados Programme with effective financial support from the international community and helping to ensure its effective review in 1999.

- Continued support for capacity building in SIDS and other small states, in order to strengthen their environmental policies and integrate these with economic policies.

(B) INTEGRATION OF ECONOMIC AND ENVIRONMENTAL POLICIES

In recent years, as the inter-linkages between the economy and the environment have become better understood, there has been greater acceptance of the need to harmonise economic and environmental policies, in order to make economic development environmentally sustainable. However, there is still a considerable way to go at the level of policy implementation. Since environmental degradation imposes very high costs on the economy, environmental considerations need to be integrated "upstream" in the policy-making process. This requires policy-makers to address several complex issues, including:

- how the environment should be valued;
- how the depreciation of environmental capital (e.g. forests, biodiversity, soils, water) can be taken into account in estimating national wealth and savings; and
- how to value environmental impacts which occur only in the distant future.

In many instances, environmental degradation is being caused by market failures and policy distortions, exacerbated by poverty in poorer countries. Government interventions of the wrong type (e.g. subsidies), which encourage high pollution and over-exploitation of resources by lowering the 'price' of pollution and resource consumption, threaten sustainability. Prices of goods and services need to reflect both the true private costs and external costs of production, thereby creating the incentives for resources such as fossil fuels, forests, freshwater, land and fisheries, to be used in a more sustainable way. A recent study commissioned by the Earth Council estimates that subsidies (in the water, agriculture, energy, and road transport sectors) worldwide are as high as \$707-887 billion (\$ 490-615 billion in OECD countries and \$217-272 billion in non-OECD countries). A significant proportion of these subsidies is contributing to environmental degradation.

As an increasing number of countries have embarked on the path of economic liberalisation, there is greater scope for the use of market-based economic instruments such as pollution taxes, user charges and refundable deposits, to promote environmental objectives by changing the economic incentives faced by producers and consumers. Evidence is mounting that such instruments are often a more cost-effective way of achieving environmental goals than are traditional 'command and control' regulatory approaches. These instruments can also generate revenues which can be invested in environmental improvements.

Priorities

Since it cuts across all environmental sectors, the need to integrate economic and environmental policies and ensure that resource use and economic growth are guided by prices which incorporate environmental values, cannot be over-emphasised. Priorities in this area might include:

- Assessing economic policies for their environmental impacts at both macro- and sectoral levels.
- Phasing out environmentally harmful subsidies and ensuring that prices reflect environmental and social costs.
- Making greater use of well designed market-based instruments with due consideration given to efficiency, cost-effectiveness and equity in their application.
- Strengthening capacities for economic and environmental policy integration in countries which lack the necessary institutional and human resources; an important issue here, is improving co-ordination between agencies responsible for economic planning, finance, natural resource management and environmental monitoring and protection.

(C) FINANCING ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT

At Rio it was agreed that for developing countries, particularly the least developed ones, Official Development Assistance (ODA) was a main source of external funding, and substantial new and additional funding for sustainable development and the implementation of Agenda 21 would be required. It was also agreed that funding for Agenda 21 and other outcomes of the Conference, should be provided in a way that maximised the availability of new and additional resources and used all available funding sources and mechanisms.

When viewed against these expectations, the trends in financing sustainable development have been disappointing, constituting a major constraint to the implementation of the Rio agreements. While the environmental obligations and responsibilities of developing countries have increased greatly, and the number of claimants for grant and concessional funding has swollen, ODA has continued to shrink as support for development co-operation has been eroded. In 1995, total ODA from the Development Assistance Committee of the OECD was just 0.27 per cent of combined GNP, the lowest ratio since the UN adopted the target of 0.7 per cent in 1970.

Total ODA in 1996 was three per cent lower (in real terms) than in 1995. Despite its tenth and eleventh replenishments, the long-term role and future of the International Development Association (IDA) remain uncertain. Following its replenishment and restructuring after Rio, the Global Environment Facility (GEF) has emerged as the leading multilateral funding mechanism for global environmental protection. However, its resources are modest in relation to needs and its decision-making processes on project approval and disbursements have tended to be complex and cumbersome, inhibiting countries from seeking access to its resources.

In contrast to ODA, the volume of private financial flows to developing countries has expanded rapidly, with total Foreign Direct Investment (FDI) increasing from \$39 billion in 1993 to \$60 billion in 1995. However, private flows remain highly volatile and concentrated on a small group of developing countries. It is also difficult to assess the extent to which these flows are contributing to environmentally sustainable development in the countries receiving them. In the area of debt, the joint World Bank/International

Monetary Fund Heavily Indebted Poor Countries (HIPC) Debt Initiative on the multilateral debt problem is a major development. To the extent that it helps to release resources for investment in environmental improvements, it may give impetus to environmentally sustainable development in poor countries. While efforts are being made to identify innovative forms of financing sustainable development (e.g. environmental trust funds), it is not clear whether these can provide significant new and additional funding for sustainable development.

Priorities

In 1993, Commonwealth Heads of Government emphasised the need for enhanced transfer of resources to developing countries to assist their implementation of Agenda 21. While greater efforts must be made to mobilise additional domestic resources for sustainable development (e.g. by removing economically inefficient and environmentally harmful subsidies and investing the resultant savings in environmental projects), a high priority must continue to be given to enhancing external resource flows to support sustainable development. Priorities in this area might include:

- Promoting consensus to revive development co-operation and strengthen IDA (including full implementation of commitments under IDA-11), reverse the decline in ODA, and ensure that ODA is targeted more effectively and used more efficiently to support environmentally sustainable development.
- Supporting the swift implementation of the HIPC Debt Initiative.
- Supporting a satisfactory replenishment of the GEF by the end of 1997 and streamlining its decision-making procedures in regard to project approvals and disbursement of funds.
- Promoting FDI flows to a greater number of countries in ways which support environmentally sustainable development; the scope for establishing private sector-public sector partnerships to mobilise foreign capital for investment in environmental projects in Commonwealth developing countries could be explored.