International Leadership

TASK FORCE

The purpose of the International task force is to advise the President on policies that foster U.S. leadership in sustainable development internationally. Specifically, it shall promote the creation and continuation of national sustainable development councils around the world, advise the President on the promotion of sustainable development in international fora, and shall recommend policies that encourage foreign investment by the U.S. Government, businesses, investors, and, as appropriate, multi-lateral institutions that are consistent with the principles of sustainable development.

CO-CHAIRS:

Dianne Dillon-Ridgley, Executive Director, Women's Environment and Development Organization William Daley, Secretary, US Department of Commerce Kenneth L. Lay, Chairman and CEO, Enron Corporation

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MEMBERS:

The International Task Force is made up of representatives from government, business, academia, and non-governmental organizations.

OVERVIEW:

The International Task Force has focused its efforts on three primary topics:

- Multilateral Agreement on Investment (MAI)
- Interaction with other National Councils on Sustainable Development
- Sustainability in international capital flows by looking at the <u>Clean Development Mechanism</u> as a case study.

The Multilateral Agreement on Investment

The task force held a forum on the MAI on February 10, 1998. The purpose of the meeting was to bring together various views on the prospective agreement being negotiated in the OECD. At face value, the MAI seeks to protect investors by ensuring that their investments abroad will be treated no differently than investments made by nationals of that country. Such protections would increase international investment by reducing risks and costs. However, many are concerned that national sovereignty would be threatened, and that broader effects on the environment, labor, and social justice could result.

Forum presenters included: Amb. Al Larsen, State Department; John Audley, National Wildlife Federation; Steve Canner, US Council on International Business; Antonio Parr, World Bank; David Schorr, World Wildlife Fund.

There was general agreement that the dialogue was helpful, as views on both the value and pitfalls of the MAI were expressed. Since February 10, the governments negotiating the MAI have suspended negotiations until at least this fall because many differences could not be overcome by the initial spring deadline. The task force feels it has made a valuable contribution to the dialogue and will move on to the other two agenda items. General issues that emerge in the MAI forum will be explored in the rest of the task force's work as it considers international capital flows and sustainable development.

Interaction with other National Councils on Sustainable Development at the National Town Meeting

A Roundtable discussion entitled "The Role of National Councils in Advancing Sustainable Development: An International Discussion" was held at COBO Center on Tuesday 4 May 1999. The objective of the learning session was to discuss the role of National Councils on Sustainable Development in advancing sustainable development in their own countries and to explore aspects of international cooperation that would help advance sustainability. Participants shared their Councils' experience and offered recommendations on what they saw was needed to advance sustainable development via National Councils to President Clinton.

Panelists:

Dr. Hiroyuki Ishi, Co-chair, Japan Council for Sustainable Development and Professor of the Graduate School of Frontier Science, University of Tokyo

Mr. Eugene Nyberg, Corporate Secretary and Director of Operations, National Round Table on the Environment and the Economy (NRTEE) - Canada

Mr. Hugi Olafsson, Head of Ad-Hoc Review Committee for Iceland's Agenda 21

Mr. Mario Rietti, Coordinator and Presidential Delegate, Honduran Council on Sustainable Development

Moderators:

Jonathan Lash, Co-chair, President's Council on Sustainable Development and President, World Resources Institute

Dianne Dillon-Ridgley, International Co-chair, President's Council on Sustainable Development and Interim Executive Director, Women's Environment and Development Organization

SUMMARY:

Canada: The National Round Table on the Environment and the Economy (NRTEE) was legislated by an Act of Parliament in 1994 and is an independent agency of the Federal government. Members are appointed by Order-in-Council and represent a broad range of regions and sectors - including business, labor, academe, environmental organizations, and First Nations. They began by coming up with a broad vision of sustainable development for Canada but found that over time it was difficult to keep members' participation and interest.

Their most recent success is their work on climate change. They convened a subset of the Canadian population which was representative of the range of views on climate change (pro and con taking action, consumers, producers, scientists, etc.). They issued a declaration on climate change which included the pronouncement that pre-emptive action on climate change was necessary, and emphasized the importance of science in the process. They also studied emissions trading.

The biggest challenge they faced was sustaining the energy and engagement of senior members, as well as continuing to strive for consensus recommendations. The NRTEE is now finding it useful to analyze the "state of the debate" - to identify areas of agreement and disagreement, without the pressure to find consensus.

Iceland: Their national plan for sustainable development ("Action Plan") was developed by the Environmental Ministry in 1996. The closest to a National Council that Iceland has is the Ad-Hoc committee which reviewed the Action Plan, the state of action on each provision, and offered suggestions for further follow-up on the Action Plan. This committee advocates the creation of a NCSD, or similar body to continually review progress with regards to the Action Plan and sustainable development in general.

Some successes in the implementation of the Action Plan noted by the committee include:

- Local Agenda 21 program has been launched in cooperation between the Ministry for the Environment and the Federation of Local Authorities;
- Sustainable development features in curricula guidelines for public schools;
- An Environmental Education Board has been established and has set up an interactive Environment Web linking over 120 environmental web sites;
- Research projects on sustainable fisheries have been strengthened and an action plan on ocean pollution has been adopted; and
- Recycling has greatly increased and a comprehensive system to deal with hazardous waste has been instituted using a fee system to ensure the implementation of the "polluter pays" principle.

A challenge is to ensure widespread education about sustainability issues and solutions which they are trying to meet. They are convening an Environmental Assembly in the fall and Mr. Olafsson appreciated the opportunity to attend this "first trade show for sustainable development" to get ideas for their conference.

Honduras: The Honduran Council, CONADES, was created through Executive Decree in 1994 and reformed in 1997. It is composed of 22 members from government, civil society, and private enterprise and coordinates follow-up activities of implementing Agenda 21 and the Central American Alliance for Sustainable Development commitments. Honduras lists "7 E's" as important in its pursuit of sustainable development: Economic growth, Equity and justice, Environmental protection, Emphasis on transparency, Education, Energy, and Employment opportunities for all.

A recent success is organizing an Executive Commission for Sustainable Development which unites municipal councils and departmental development commissions to promote sustainable development locally, including courses and seminars. In the Fall of 1998 a workshop on National Integrity was held with the support of the Central American Bank of Economic Integration, the World Bank, and Transparency International. Over 200 representatives from a wide variety of organizations participated. This resulted in a "Pledge of Integrity" which emphasizes dialogue between different sectors to promote civic, ethical, moral, environmental values in a transparent manner.

The biggest challenge is to move the *theory* of sustainable development into *practice*.

Japan: The Japanese Council (JCSD) was the first dialogue between high level government and non-governmental entities, established in June 1996. Members come from the national government, industry, non-profit organizations (including academia), and local government. It has taken awhile for the group to build trust, but the increased communication is well worth it. Its major activities have been: preparation of

National Consultation Report for the Rio +5 Forum; preparation for the Third Conference of the Parties (COP 3) in Kyoto by convening monthly meetings in the 8 months prior to the conference; and creating a vision.

The JCSD presents the following three results as its most successful contributions:

- The establishment of this unique, unprecedented, multi-stakeholder mechanism which has helped develop civil society in a constructive, rather than confrontational, way.
- Providing opportunities to exchange different views on timely issues. This was especially useful in the lead-up to Kyoto, and in the commitment of all three sectors to communicate and make the negotiations a success.
- Sharing experiences with Asia-Pacific countries. JCSD realizes the importance of regional sustainable economic development and the value that the multistakeholder JCSD gives. They are supporting the creation of other national councils in neighboring countries.

The JCSD worked together to prepare for this year's UN Commission on Sustainable Development and is particularly interested in exploring the issue of sustainable consumption in advanced economies. They are interested in taking some concrete actions in cooperation with other National Councils at next year's G8 Environmental Future Forum in Japan. The biggest challenge was for all sectors to come to the table on equal terms to work together, and then alleviating lask of understanding and apprehension on the part of the government and business sector toward civil groups and NGOs and the distrust of NGOs toward government and business.

Recommendations to President Clinton: Send a signal of support for high-level multistakeholder councils, by example in the United States and in discussion with other heads of state. Commit to implementing recommendations for sustainable development and to exploring how to reconcile developed society's wants with the need to leave an opportunity for a high quality of life for future generations.

The International Leadership Task Force's final recommendations can be found in PCSD's final report.