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# Advancing Sustainable Development at the Summit of the Americas

**VOLUME 3:**

**NRTEE Discussion Paper and  
Summit Declaration of Principles  
and Plan of Action**

Edited by

**Sarah Richardson**

Foreign Policy Advisor

**National Round Table on the Environment and the Economy**

National Round Table  
on the Environment  
and the Economy



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et l'économie

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**January, 1995**



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# **I NRTEE Discussion Paper**

This paper has been adapted from a background paper prepared by the National Round Table on the Environment and the Economy's Task Force on Foreign Policy and Sustainability, which was used to guide the discussion at two international workshops held in Washington and in Mexico during 1994. The original workshop proceedings have been reproduced in volumes I and II of the NRTEE's Report Series on "Advancing Sustainable Development at the Summit of the Americas."

# Introduction

The Western Hemisphere should command a place at the centre of Canadian foreign policy in the 1990s, not only as a result of the economic power and potential of the region but, even more importantly, for its global ecological importance.

The countries of the Western Hemisphere, with only 13% of the world's population, together contain about 40% of the world's natural forest cover and renewable water, 36% of its coastlines, and account for almost 30% of its CO<sub>2</sub> emissions, energy production, and land area. More than any other single major region, the hemisphere is a global ecological treasurehouse. It thus has a critical role in implementing and extending the principles and practices of sustainable development articulated by the Brundtland Commission Report, and adopted by the United Nations Conference on Environment and Development (UNCED) at Rio in 1992. Indeed, the Summit of the Americas presents a unique and timely opportunity to provide important follow-up to Agenda 21 and other Rio documents at a regional level.

Within the region itself, economic and environmental interdependencies are growing rapidly. Economically, the hemisphere, which provides over one third of the world's gross national product (GNP, 1989), represents the first frontier for the prospective expansion of the *North American Free*

*Trade Agreement (NAFTA)* regimes and institutions, and offers a growing and modernizing market. This growth, with its accompanying natural resource demands, pollution, and impact on transportation networks throughout the region, threatens to cause significant ecological and, ultimately, economic damage unless pursued in sustainable ways.

Yet, in sharp contrast to other global regions, apart from the fledgling trilateral NAFTA community, the hemisphere, and particularly the Inter-American family of institutions, lags in the incorporation of fundamental aspects of sustainable development — the need to integrate economic and environmental concerns in a way that promotes equity, social accountability, and inclusive, multistakeholder decision making. Unlike the newer institutions governing the post cold-war world and serving as the primary instruments of Canadian foreign policy (the G-7, NAFTA, the Asia-Pacific Economic Cooperation forum (APEC), and even in part the Francophonie, Commonwealth and OECD) hemispheric institutions lack regular forums for ensuring collective direction by heads of government, or by economic, natural resource, and environment ministers. The hemisphere thus has been slow to recognize the regional interdependence and global

importance of the hemisphere's ecology, the need to integrate economic and environmental considerations in its management, and to address this agenda according to, or as a follow-up to, the 1992 Rio regime.

As demonstrated on a global scale at Rio, and at APEC from November 1993 onward, Canada has the capacity to lead. Among the countries of the hemisphere, it ranks first in coastlines and land area, and second in forest cover, freshwater, CO<sub>2</sub> emissions and energy production. It is thus in a position to pioneer bargains within the hemisphere that can

address and forestall emerging regional problems and serve as a nucleus for building stronger global regimes. Canada has a strong interest, through a framework of multilateralism, in expanding its markets for trade as well as promoting international consensus for environmental protection and enhancement. In order to take advantage of its position, and to advance sustainable development, Canada should pursue an action program based on the following recommendations at the forthcoming Summit of the Americas.

# Economic and Trade Issues



The recent renewal of policy interest in the hemisphere as an integrated region and potential community, flows primarily from dramatic developments in the economic sphere. Over the last decade, the trade and investment links in the Western Hemisphere have grown as significant progress has been made in trade liberalization and concomitant measures of structural adjustment, privatization of state enterprises, and other market-oriented economic reforms in Latin America and the Caribbean. Tariffs have replaced licences as the principal measure of import control and are undergoing scheduled reductions in many countries. All major Latin American countries are now members of and are subject to the disciplines of GATT. Many have signed and ratified the new World Trade Organization (WTO).<sup>1</sup>

At the outset of 1994, Canada, the US, and Mexico successfully put NAFTA into force. The trade agreement was accompanied by two further, far-reaching agreements and institutions to address the related environmental and social challenges which might arise in North America as a result of the new regime of liberalized trade. In the past year, the three NAFTA governments have moved rapidly towards exploring the advantages of broadening the trilateral

community into the full hemispheric domain and beyond, through intensified discussions about the accession to NAFTA of such partners as Chile.

In the last ten years, the economic recovery in Latin America has been encouraging. As a region, in 1992 Latin America and the Caribbean's economic expansion exceeded their population growth. Preliminary figures indicate the region's 1992 gross domestic product (GDP) increased by 2.4%, a slightly slower pace than the 3.5% registered in 1991. Although more and more countries in the region have progressed in consolidating their adjustment processes, 1992 was marked by widening variances in the performances of many of their economies. Apart from Brazil, regional output for the economies of Latin America and the Caribbean increased in 1992 by 4.3% (compared to 5% in 1991).

Inflation figures continued to drop. Only five countries experienced significant increases when compared to 1991. Only Brazil posted inflation over three digits. Fiscal austerity is being pursued as government budget surpluses are realized. Brazil remains the exception but Argentina, which experienced inflation of some 50000% in 1989, brought its rate down to 7.4% in 1993. Chile has also experienced

<sup>1</sup> See Appendix A for a list of major international agreements, conventions and organizations and the countries of the hemisphere that belong to them.

rapid growth in the early 1990s. In 1992, its GDP expanded by 10.3% and industrial production was up by 15%.

The countries of the hemisphere, with large populations and rapid economic growth, continue to present favourable opportunities for trade and investment. The process of trade, and the economic activity associated with it, is not only expanding. It is also becoming hemispheric. The unprecedented proliferation of sub-regional free trade agreements and the expansion of the trading relationships in the hemisphere, combined with changes to encourage reciprocal market access and the opening up of markets all over Central and South America, has led to tremendous increases in the volumes of goods traded and economic activity. This should not be surprising as the hemisphere provides a market of 500 million people. Brazil alone contains over 150 million potential consumers and boasts a highly diversified economy with a GDP of US\$447 billion (compared to Canada's GNP of C\$740 billion in 1994).

Adherents of sustainable development should welcome this increased activity but be aware that it is having, and could continue to have, serious ecological and social implications. Environmental policies, laws, and regulations, particularly with respect to natural resource degradation, remain relatively weak in Latin America and the Caribbean, as do the resources and mechanisms for monitoring and enforcement. Intensifying economic

growth presents a significant threat to the ecology of the hemisphere if pursued without concern for environmental and social protection. At the same time, increasing interdependence presents opportunities to undertake the increased economic activity in more sustainable ways.

In the process of expanding trade liberalization and NAFTA membership itself in the hemisphere, it is important, at a minimum, not to erode the environmental and social achievements of the existing NAFTA trilogy of institutions. Indeed, supporters of sustainable development should welcome the prospect of NAFTA expansion because it extends the highly developed NAFTA environmental and social regimes to the hemisphere, rather than having new entrants rely solely on the GATT or on existing regional agreements or agreements that they would otherwise have concluded without the same degree of environmental or social safeguards.

## **Expanding Trading Relationships in the Hemisphere**

The trading relationships in the hemisphere are expanding on both bilateral and plurilateral bases. In North America, the Canada-US-Mexico North American Free Trade Agreement of 1993 has linked the three countries of the continent and has superseded the pre-existing Canada-US Free Trade

Agreement. The NAFTA has created a market of 360 million people with a total purchasing power of US\$6.2 trillion. Even as it is being implemented, other countries in the hemisphere, such as Chile and Colombia, have already shown signs of eagerness to join it.

In Central and South America intraregional trade is growing. In 1986-90, intraregional exports represented 10% of global exports. In 1991, they were 14%; in 1993, 17%; and in 1993, they were as much as 20% of total exports. There are four major subregional integration agreements which have now been concluded: the Central American Common Market (CACM), the Cartagena Agreement, the Caribbean Community (CARICOM) and the Southern Common Market (MERCOSUR).

CARICOM is one of the older integration bodies within the broader region of Latin America and the Caribbean, tracing its origins as a trade body from 1968. It comprises 13 member countries which are among the smallest countries of Latin America and the Caribbean and often the most trade dependent countries.

MERCOSUR, expected to be established by January 1, 1995, will be the largest trading bloc in South America, uniting the countries of the Southern Cone — Brazil, Uruguay, Paraguay and Argentina — in a common market. The agreement is intended to result in the substantial reduction in tariffs and non-tariff

barriers to trade among its member countries. Even as MERCOSUR is being set up, other countries in South America are seeking to join.

Intra-MERCOSUR trade, which was US\$4.1 billion in 1990, was over US\$10 billion in 1993. The environment is not considered a priority within MERCOSUR and is not an issue considered among the 11 working groups set up under the agreement.

A second major plurilateral agreement in South America is the Cartagena Agreement, also known as the ANDEAN GROUP. Its members comprise Venezuela, Colombia, Ecuador, Bolivia and Peru. The ANDEAN GROUP is now 25 years old and is in the process of defining for itself a new Andean agenda. This agenda will work towards a stronger free trade zone and customs union, a framework agreement for trade in services and, tackling issues on the international economic agenda which could include sustainable development and human development. Intraregional trade in the ANDEAN GROUP rose some 30% in 1993 climbing to a record US\$2.9 billion from US\$1.33 billion in 1990.

Finally, Mexico, Venezuela, and Colombia have recently finalized an agreement known as the Group of Three Agreement (G-3). This agreement is not confined to trade. It also includes other basic areas of the economy like services, investments, industrial and intellectual property.

In the last ten years, over 20 bilateral agreements have also been signed — all with the aim of offering concessional treatment in the form of lower duties through preferential tariffs on targeted goods. Mexico has concluded a free trade agreement with Chile. Chile has concluded a bilateral agreement with Argentina. Venezuela has concluded a bilateral agreement with Colombia, which Ecuador would like to join.

Most recently, in April 1994, Mexico concluded a free trade agreement with Costa Rica that will take effect on January 1, 1995. This treaty is the most complete ever negotiated in Latin America and includes a set of rules that will lend transparency and security to the business sectors while fostering trade in goods and services.

Within the Latin American Integration Association (ALADI), which provides the overall framework for 11 countries in South America and Mexico to negotiate regional integration and regional trade, there are 120 existing trade agreements. Mexico is a party to 36 of these. The ALADI was established in 1980 by the Montevideo Treaty which was one subject of a recent OAS Special Committee on Trade meeting. The Treaty might be in need of amendment and expansion to respond to structural and institutional, as well as economic realities and growth.

As the numbers of trading arrangements and free trade

agreements increase, so too does the volume of trade among countries of the hemisphere. This increasing volume necessitates safeguards for the environment and other social imperatives more than ever. At present the newer trade agreements in the hemisphere, apart from NAFTA, do not contain adequate environmental or social safeguards.

If natural resources such as forests, land, water and fisheries are traded freely without well defined and secure property rights, trade liberalization might lead to expanded use or exports of natural resource-based commodities and agricultural and livestock products, at the expense of the resource base and long-term sustainability. For example, if there are no regulating mechanisms and economic instruments in place for internalization of environmental costs, increased exports of energy following trade liberalization could lead to increased air and water pollution, particularly if the product is subsidized.

From the perspective of prosperity, a recent report published by the Economic Commission for Latin America and the Caribbean (ECLAC), warns of the danger in the proliferation of bilateral agreements and other agreements with very limited geographical coverage, if these do not lead to broader, less discriminatory arrangements.<sup>2</sup> Bilateral relationships that are increasingly concentrated pose the risk that small countries will

<sup>2</sup> Economic Commission for Latin America and the Caribbean (ECLAC); *Open Regionalism in Latin America and the Caribbean - Economic Integration as a Contribution to Changing Production Patterns with Social Equity*. (Santiago, Chile: United Nations, ECLAC, 1994).

adjust their production structures to the conditions prevailing on the market of their main trading partner and thereby render themselves unable to adapt to more competitive conditions. It also warns of the increased concentration of investment in the regional "hubs" created by a number of bilateral relationships. The study suggests that Latin America and the Caribbean should advance, through a process of increasing economic interdependence among the countries of the region, towards an economic climate of "open regionalism".

## **Advancing Sustainable Development**

Sustainable development can be promoted through increased economic integration to the extent that broadening existing trade liberalization agreements does not represent a *de facto* weakening of the achievements won for the environment and the social agenda in NAFTA. It is thus critical that the countries acceding to NAFTA be prepared to accept the environmental and social framework that was negotiated to accompany it, albeit with phase in and assistance provisions reflecting their particular circumstances. The importance of the environmental and labour agreements for sustainable development notwithstanding, it is unlikely that the NAFTA partners will open up the agreements for renegotiation if countries from the hemisphere approach them one by one.

Some countries of the hemisphere may not aspire to accede to NAFTA. For others it might be a longer-term goal, especially for countries either unable or unwilling to enter into the commitments contained in the agreement. This could be particularly true if they are already a member of one of the major free trade zones in South America and a member of the GATT. It thus becomes critical to examine closely the other plurilateral and bilateral agreements in the hemisphere to ascertain that they are concluded with an appropriate degree of attention to the environment and a concern for social equity.

Indeed, any future increase in economic activity generated by any free trade zones in the hemisphere should be carefully evaluated for potential negative or positive impacts on the environment and affected social groups. The task is even more pressing because the effort to formalize environmental protection within trade relations is not well advanced on a global level. Good environmental policies can help to improve gains from trade and avert trade conflicts. Moreover, trade liberalization can help to better environmental quality if conducted with adequate safeguards.

The recent study by ECLAC recommends broad trade liberalization. It suggests flexible, effective accession by countries to existing agreements, thereby facilitating a gradual extension of preferences, and reducing intra-regional discrimination.

Promoting effective accession has the two advantages of lessening the overlapping of areas caused by a multiplicity of bilateral integration agreements with different provisions, and of spurring the formation of groups of countries that act as promoters of renewed processes of broader regional integration.

Sectoral integration is identified as a second option for advancing economic interdependence in the region. Flexible sectoral arrangements would help enterprises to reap the potential benefits of integration and could result in coordination that would promote and facilitate technological transfers and the creation of information networks and other channels.

Along with economic integration, social integration is crucial. The institutions in charge of implementing economic integration processes should encourage and facilitate greater participation by organizations representing various social interests, in accordance with the democratic spirit pervading the region. Social accountability remains a critical guarantor of responsible environmental stewardship.

***The leaders at the Summit should commit to expanding trade in the hemisphere with the social and environmental protection afforded by the NAFTA trilogy of agreements and institutions. They should include a commitment to the socially and environmentally responsible accession to NAFTA. The leaders,***

***however, should not assume that all countries in the hemisphere will accede to NAFTA and they should agree to consider and conduct a review of the environmental and social implications of all trade agreements in the region. This could include research in the first instance which might be carried out by a joint Trade and Environment Committee at the OAS, or an ad hoc working party established by the leaders at Miami.***

***The "market integration" "basket" at the Summit of the Americas should consider issues of both trade and environment/sustainable development. Of primary importance is having a meeting of hemispheric trade ministers at which environmental questions are given full attention, to ensure that the integration of economic and environmental considerations can be better realized. Among the issues that could be discussed are the importance of building and maintaining capacity to ensure that countries are able to join other countries in free trade in ways which can promote sustainable development by ensuring that environmental and social standards are strengthened.***

Trade ministers should consider the rapid phase-out of tariffs on environmental technologies and traditional technologies for pollution control in the hemisphere.

The leaders at Miami should agree to work toward the upward harmonization

of environmental standards in the Americas, focusing on the strengthening of legal frameworks; the enhancement of environmental compliance and enforcement capacity; institution strengthening through technical cooperation, training and education; the possibilities for the development of eco-labelling and regional mutual recognition programs for eco-labelling; and the development of strategies for effective public participation in environmental policy making accession.

The OAS Special Trade Committee was created at the June, 1993 Managua OAS General Assembly meeting. It held its first meeting May 16-18, 1994 in Washington. It replaces the previous OAS forum for trade (SECON, a body that some say focused its efforts on criticizing the United States). The new body, launched with American and Canadian support, was conceived as a forward-looking, effective organ, able to deal with the new trade liberalization issues in the hemisphere.

***The new Trade Committee of the OAS should be invited to join with the recently established Environment Committee to initiate a joint work program. This program could begin with a comparative review of existing trade-environment regimes and provisions within the 25 hemispheric sub-regional trade agreements that now exist. It could then assess the applicability of the most modern to a hemisphere-wide liberalization process or agreement.***

Development of sustainability indicators should also be a subject for hemispheric cooperation, especially in light of prospects of economic integration. There is a pressing need to reform national accounting standards (GNP, GDP) to include information on social and environmental indicators which can record the depletion or accumulation of natural, human and man-made resources.

The leaders should support, in the context of the hemisphere, the future work of the North American Commission on Environmental Cooperation on sustainability indicators.

## **Building and Maintaining Capacity**

### ***A Hemispheric Standardization Forum***

The approach of NAFTA led the private and non-profit consensus-oriented standards community in Canada, the United States and Mexico to create, in 1990, the Trilateral Standardization Forum. In the Spring of 1993, at Canadian initiative, an Environmental Standards Working Group was created within the Forum, to exchange information about existing and anticipated environmental regulations and standards, and standards setting and conformity assessment processes within the three countries, to catalyze strengthened environmental standards and managements systems and more

effective compliance in the three countries, and to support the NAFTA institutions in their mandated standards activities. Such processes serve as a cost-effective supplement to, and substitute for, mandated government regulation and enforcement. By securing the support of industry and other operating institutions from the outset, they often generate greater environmental performance than even the most well-policed government enforcement regimes can ensure. With the expansion of NAFTA to other countries in the hemisphere now in prospect, it is timely to initiate, through the Standards Council of Canada and its partner bodies, a similar forum for information-sharing, cooperation and environmental standards-setting and strengthening on a hemispheric basis (well beyond the limited accomplishments of the OAS' Environment and Juridical Committee's work on environmental legislation). Through such a forum, Canada could mobilize regional support for its leadership in the multilateral ISO TC 207 process on devising environmental management systems to accompany the ISO 9000 quality managements systems.

Following the North American Trilateral Standardization Forum's Environmental Standards Working Group among the United States, Canada and Mexico, a hemispheric forum should be created to exchange information about existing and anticipated environmental regulations and standards. Such a forum could

also exchange information on the standards setting and conformity assessment processes within the countries of the hemisphere, and lead to strengthened environmental standards and managements systems and more effective compliance.

***The leaders should support and take into account the work of the North American Commission on Environmental Cooperation on North American standards.***

## **Environmental Technology Cooperation in Trade in Goods and Services**

Resources from bilateral and multilateral institutions will be needed to enable local government to invest in environmental technologies. Local authorities in developing countries often lack the legislation to guarantee fair remuneration of patent rights, as well as the necessary infrastructure to permit the transfer and absorption of technologies.

Serious consideration should be given to joint ventures between North-South partnerships involving the private and the public sectors, as well as the reallocation of public funds.

The leaders should initiate a hemispheric program of environmental technology cooperation. From a trade perspective, this could take the form of enabling incentives, such as accelerated tariff reduction on goods and services that would curb environmental degradation, with

current trading partners, and also from prospective partners who would commit to lower trade barriers on these goods and services. Items that should be targeted include technology necessary to clean up existing industry, as well as new technology and services including environmental accounting, reporting, auditing and associated management systems.

## **Investment**

A current estimate of Canadian investment in the other countries of the hemisphere is approximately \$6 billion. Indeed, direct and portfolio investment flows to the five major Latin American markets of Argentina, Brazil, Chile, Mexico and Venezuela, more than doubled in 1991. Indeed, Brazil, at US\$2.4 billion, is the third largest recipient of Canadian investment abroad, after the UK and the US. Similar increases are being

experienced by other countries of the hemisphere. In Chile, for example, between 1992 and 1993, total foreign direct investment grew 10% to \$3.3 billion. Of this, US investment accounts for \$2.4 billion. New opportunities resulting from the privatization programs of the Salinas administration in Mexico, have resulted in the sale of over 1,000 state enterprises and are expected to attract increased capital to Mexico. For Canada, the most likely sectors of concentration will be mining, agro-industry, food, transportation, the environment and tourism development.

The principle articulated in NAFTA's Article 1114, which prevents parties from weakening environmental laws in order to attract investment, should be endorsed by the leaders of the hemisphere, as applicable to their own countries.

# 2

## Environmental Linkages

**A**s a result of increased interdependence on a hemispheric scale, we can anticipate some larger sustainable development challenges to emerge. We should seize this opportunity to enhance the environmental performance of the hemisphere as an organized community of interests and values, beyond those tentative moves that existing organizations such as the OAS have already taken.

The hemisphere can and should take a lead in those areas where it controls a strong plurality of the globe's environmental assets, where hemispheric performance lags behind that of other regions, and especially where the intensifying interdependence among hemispheric countries makes collective action urgent or present.<sup>3</sup> Three such ecological issues that have immediate hemispheric implications are: climate change and energy, forests, and biodiversity. These issues are all interrelated. Forests are necessary to protect biodiversity — they provide the habitat for 10 to 80 million forms of life, ranging from species including the trees themselves as well as other plants, but also mammals, birds, fish, insects, bacteria, fungi, algae, and other micro-organisms. Tropical forests contain by far the most examples of biological diversity. But

even outside of the tropics, forests are often extremely important habitat areas for the majority of species. In Canada, for example, 200,000 of the estimated 300,000 species of plants, animals and micro-organisms reside in forests.

Thus, the loss of biological diversity on the planet and the fate of biological resources are closely tied to the fate of forests. Conservative estimates indicate that at current rates of global deforestation, at least 2-7% of all species will become extinct over the next 25 years.

Forests also help to protect the global climate against greenhouse warming. They filter the air and act as sinks for carbon which, when released into the atmosphere, is the major greenhouse gas. In order to reduce CO<sub>2</sub> emissions to 1990 levels by the year 2000, it is critical to address issues in the energy sector such as the inefficient use of fossil fuels and the reduction of emissions and the sources of CO<sub>2</sub>, but also sinks, found in the forests of the hemisphere. While, increases in CO<sub>2</sub> emissions are primarily (75%) due to the escalating combustion of fossil fuels, it is estimated that 25% are due to the destruction of global forests. Deforestation contributes to increasing concentrations of atmospheric CO<sub>2</sub>, partly through the reduction in

<sup>3</sup> Appendix B illustrates some environmental issues that are legitimately hemispheric including fish, forests, biodiversity, climate change, and migratory species. Appendix C includes some indicators of the environmental performance of selected countries of the hemisphere on these issues, compared to each other and to other regions of the world.

photosynthetic activity, and partly through the release of the carbon stored in the forest biomass and soils.

Similarly, global warming, caused by current energy practices in the hemisphere, will have a negative effect on biodiversity both on land and in the oceans. Biological diversity will be effected by changes in climate.

Projected temperature changes and sea level changes will have an impact on regional vitality, especially in low lying islands and coastal areas. In some cases, a species' ability to survive will depend upon its ability to adapt to altered habitats and relationships with other species.

Plants, which are directly affected by temperature and rainfall, cannot move if conditions become hostile.

Many analysts project an eventual sea level rise of 0.5 to 1 metre as a consequence of CO<sub>2</sub> doubling.

Because Canada has the longest coastline of any country in the world, a 0.5 to 1 metre rise in sea level would be very costly for a number of Canadian communities resulting in, for example, significant losses of coastal wetlands, which often provide a home for migratory birds. Similarly, the large number of small, low-lying islands in the hemisphere would be critically affected.

All of these issues are intricately linked to the economies of the countries of the hemisphere. These countries often rely upon their natural resource base or their climate for agriculture, or the biodiversity in their forests to sustain them. Given the environmental

linkages among the countries of the hemisphere through the air, the sea, and over land, as well as the respective capabilities for the countries to address the issues in isolation (all countries in the Western Hemisphere except for Canada and the US are classified by the OECD as Developing Countries) it is necessary to approach solutions as a hemisphere. Indeed, addressing these issues on a regional basis is called for in recent international Conventions and Principles. Both the Biodiversity Convention and the UN Authoritative Statement of Forest Principles, recommend the strengthening of national, regional and international capacities. Indeed, Chapter 38 of Agenda 21 calls for the promotion of regional and sub-regional cooperation in building and maintaining capacity, and promoting the integration of environmental concerns in regional and sub-regional development policies. Regional cooperation is also needed to share experiences or alternative approaches toward establishing ownership security or responsible stewardship over natural resources.

## Forests

Among them, the countries of the Western Hemisphere account for 42.9% of the world's natural closed forest cover (tropical and temperate). Indeed, Canada, the US, and Brazil together account for 30.5% of the global total. The hemisphere contains over half (52.3%) of the world's tropical

forest and 36.3% of the world's temperate forest.

Moreover, the Western Hemisphere is over-exploiting its forest reserves. The region leads the world in total tropical forest area lost each year. In general, between 1968 and 1990, the total forest cover of the hemisphere dropped by 4%. This represents a rate of deforestation twice that of Africa and Asia which, as regions, both experienced rates of deforestation of 2% over the same period. In the Western Hemisphere, Mexico and Brazil stand out with rates of deforestation of 5% over the 22 year period. At the same time, the hemisphere experienced a 3% increase in area of pasture and a 2% increase in area of cropland.

Such rapid rates of deforestation contribute importantly to increased land degradation. The hemisphere, taken as a whole, includes 22% of the total percentage of the world's degraded land. While this degradation is not as extreme as in Africa, it is more extreme than that in Asia. The extent of degradation is worse in South America (14% of the total vegetated land) than it is in North and Central America (8%). Similarly, the causes of degradation are different in the North and the South. In South America, approximately half of the degradation is the result of rapid deforestation. In North and Central America, two thirds of the degradation is caused by agricultural mismanagement.

Of particular concern in the hemisphere are tropical forests, which originally covered 16 million km<sup>2</sup> of the land surface. However, areas of this forest have been cleared for cultivation, agriculture, commercial timber and fuelwood. By the mid-1970s, coverage had been reduced to about 10 million km<sup>2</sup> of intact primary forest. Between 1981 and 1985, 4.4 million ha. per year of closed tropical forest were logged. Between 1981 and 1990, the hemisphere as a whole averaged a deforestation rate of its tropical forests of -.7%, a rate identical to Africa. Some countries such as Mexico, at -1.2%, exceeded this rate. Tropical forests, due to their unique climatic and geographical conditions, are among the world's richest habitats and contain a large proportion of the world's biological diversity.

Acknowledging the importance of the environment in providing sources and sinks for greenhouse gases, the majority of countries in the hemisphere were concerned that any agreement at Rio recognize the needs of developing countries to benefit from their natural resources in an environmentally sustainable way. Some countries throughout the region have taken some steps to conserve forest biodiversity through, *inter alia*, the establishment of nationally protected areas. These actions can form a basis for international initiatives, to learn from each others' domestic experience and, possibly, promote the conclusion of a global or regional forestry convention.

One means for learning through others' experience, pioneered by Canada, is the establishment of "model forests." A network of ten model forests now exists across Canada. In June 1992, Canada announced, and is now participating financially in the establishment of, an international network of model forests in Mexico, Malaysia and Russia. There are two such forests in Mexico, a tropical one in the state of Campeche, and a temperate forest in Chihuahua. In the process of establishing a model forest, the various groups that have interests at stake in it form a partnership committee and reach agreement on a set of research projects by which aspects of sustainable development can be demonstrated and developed. These are then refined, approved, and jointly executed. It is believed that this interaction among stakeholders makes an important contribution towards reconciling forest objectives. Although still in its infancy, this program promises to provide a good track record and secure broad acceptance and success.

In the US, President Bill Clinton announced a Forest Plan for a sustainable economy and a sustainable environment on July 1, 1993. Following the "Oregon Summit" of leading stakeholders early in 1994, the Plan was designed to provide guidelines for logging on public lands, to meet environmental requirements, to assist economic adjustment in the Pacific North-West, and to clarify the roles of different federal agencies. The

Plan used watersheds as the fundamental building block, and designated reserve areas based on watersheds and old growth forests, within which only very limited activities would be permitted. Ten Adaptive Management areas were set aside to allow for "intensive ecological experimentation and social innovation to develop and demonstrate new ways to integrate ecological and economic objectives and to allow for local involvement in defining the future." The total timber output in board feet foreseen from the President's Plan, 1.2 billion, was about one third the average output attained from 1980 to 1992. Cutting had been deadlocked by court actions under the *Endangered Species Act*, and the Plan was designed with the requirements of that Act in mind. Among aspects of the plan of possible wider interest, are its gestation at a Conference of stakeholders, and its orientation on watersheds.

Discussion of a possible global forest convention took place at Rio and elsewhere, but encountered the main tropical forest countries' determined opposition to binding engagements. In view of this, the Intergovernmental Working Group on Global Forests, recently formed at the initiative of Canada and Malaysia, disclaims any intention of aiming at a convention. Nevertheless, the substance of its work has certain similarities to that which might go into a convention.

A document entitled "America's Forest Program" appeared in June 1994, the product of work by Ecuador and

Argentina, and an Ecuadorian NGO, the Fundacion NATURA. The Program called for the establishment of a continental convention to integrate forest ecosystems on a hemispheric basis by either converting the Rio Forest Principles into a convention, or by amending the *1940 Convention for the Protection of the Flora, Fauna and Natural Landscapes of the Countries of the Americas* (the Western Hemisphere Convention). The initiative would involve designing and developing a Forest Evaluation System, strengthening forestry institutions, promoting training, encouraging demonstration regions, and favouring the creation of an America's Forest Fund to finance these activities. The program would be administered by a committee formed of government forest authority representatives and a representative of a designated NGO from each participating country.

Another alternative form of agreement is the *Central American Forestry Convention* signed by the Foreign Ministers of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama in October 1993. This Convention reaffirmed the signatories' sovereign rights to develop their own forests as a function of: their need for development; conservation and sustainable development; ensuring against environmental damage in other countries; strengthened application of each state's Forestry Action Plan. It contains a commitment for a system of protected wildlands, integration of agricultural programs,

and rehabilitation of degraded lands. The Central American Commission on Environment and Development is instructed to create a Central American Council on Forests to follow up the Convention, and mandated to request support from friendly governments and international organizations. In substance, this convention is a form of general cooperation agreement.

***Deforestation incentives and regulations should be reviewed to ensure that incentives for deforestation are phased out in the hemisphere. The leaders should explore incentives for maintaining and expanding existing forests. Existing work should be supported and further work encouraged on the criteria and indicators for sustainable development in the forestry sector.***

The countries of the hemisphere should continue to explore methods for sustainable forest management. They should be encouraged to take up the issue of forests and to organize the region to move ahead of the Rio consensus (the Forestry Principles). This initiative might usefully be taken up by the OAS as a major agenda item in its new workplan.

It would be useful if the leaders at the Miami Summit recognized the sensitivities between the North and the South on the forests issues in their deliberations. Should it happen that no model of a convention succeeds in attracting a consensus, there exist a range of other means for improving

international forestry cooperation, building on the plans that already have the support of the developing countries in the hemisphere. Recognizing that this is a difficult issue, and in light of Canada's abundant forest resources, the Canadian government should consider taking a lead on this issue.

## **Biodiversity**

The Western Hemisphere is a treasurehouse of biological diversity. Brazil alone contained 1,573 of the world's known bird species in 1992. Indeed, Amazonia holds 20% of the world's bird species and thousands of species of butterflies and other insects.

From a global perspective, the 1988 list of the IUCN Red List of Threatened Animals contained 4,589 entries. The US Global 2000 report projected a loss of 15-20% of all species by the year 2000. A conservative estimate by IUCN's Threatened Plants Unit projects that, by the year 2050, up to 60,000 plant species will become extinct.

Within the hemisphere, of the OAS's known mammal and bird species, 6.9% of the mammals and 4.4% of the birds are threatened with extinction. More specifically, in 1992, Mexico contained 439 of the world's known mammal species, with 5.7% of those species threatened or in danger of extinction. In Brazil, the figure is almost double that at 10.2% of mammal species under threat. Moreover, 7.8% of the bird species in Brazil are threatened.

One reason for the extent of the diversity of species in the hemisphere is the presence, among those areas which contain exceptionally high biological diversity, of tropical forests. These forests, due to their unique climatic and/or geographical conditions, are among the world's richest habitats. They contain a large proportion of the world's biological diversity. The Western Hemisphere contains over half (52%) of the world's tropical forests. Thus, the loss of biodiversity is closely related to the rates of deforestation of tropical forests.

Tropical forests also have significant present and prospective economic and social value. One-half of all drugs and medicines dispensed have their immediate origins in wild plants and animals. Since tropical rainforests alone may contain 50-90% of all species, they are vast reservoirs of potential pharmaceuticals. As well, many industrial products such as oils, resins, gums, dyes, waxes and tannins are derived from wild plants and animals.

## **The UN Biodiversity Convention and other Existing International Agreements**

One means of protecting biological diversity is by acceding to and enforcing various international conventions on biodiversity and related matters. These include CITES, RAMSAR, the Biodiversity Convention 1992, the Western Hemisphere

Convention, 1940, and conventions which protect migratory species.

Not all the countries in the hemisphere are party to this range of conventions. If they are parties, many have not implemented them. For example, while all the countries in the hemisphere have signed the Biodiversity Convention, 1992 (The Convention on Biological Diversity entered into force on December 29, 1993), only five have fully ratified it. Even agreements such as CITES (Convention on International Trade in Endangered Species of Wild Flora and Fauna), which has been ratified by virtually 100% of the countries of the hemisphere, are sometimes not effectively implemented. For example, in 1990 the US, Brazil, Chile and Argentina were among a number of countries that consistently did not meet the CITES reporting requirements.

Under the Biodiversity Convention there is a provision requiring countries to produce national strategies. Canada has completed a first draft of this strategy. It is expected to be in final form by November 1994. Within Canada's national strategy there are a number of elements that support international action: international cooperation, the transfer of technology, the development of integrated programs, and the development of standards for products that are sensitive to biodiversity concerns.

Agreements which do not command all of the signatures of the hemispheric countries include the *Convention on*

*Wetlands of International Importance especially as Waterfowl Habitats* (RAMSAR), the *Western Hemisphere Convention* of 1940, and the Western Hemisphere Shorebird Reserve Network (WHSRN). The WHSRN was an initiative spearheaded by the Canadian Wildlife Service and has since been ratified by the governments of Canada, the US, Mexico, Suriname, Argentina, Brazil, and Peru. Ratification by Panama and Chile is pending. WHSRN recognizes the importance of temperate and tropical wetlands for migratory shorebirds which breed primarily in arctic Canada and spend the boreal winter in South America. WHSRN is a program of Wetlands for the Americas, working with governments, multilateral banks, local and international NGOs, as well as research institutions throughout the Americas, in an effort to promote wetland conservation.

The leaders at Miami should consider whether the Convention on Biological Diversity has been well implemented in the hemisphere, whether it needs strengthening in ways the hemisphere could pioneer, and whether their countries have in place national biodiversity strategies.

The leaders of the hemisphere at Miami should commit themselves to join, ratify, and properly implement agreements such as CITES and RAMSAR, and the Western Hemisphere Convention of 1940.

The countries of the hemisphere should create a Hemispheric Biodiversity Inventory as part of an

effort to monitor carefully the extent of, and the loss of, biodiversity in the hemisphere. This Inventory could be developed in conjunction with the US, where a high priority has been given to creating a National Biodiversity Inventory. Alternatively, countries of the hemisphere should create their own national inventories which could feed into a hemispheric data base to assist in monitoring and in developing research agendas, conservation plans, and resource management schemes.

## **Migratory and Transboundary Species**

In many cases, the species in the hemisphere are the joint responsibility of all of the countries, because the Western Hemisphere, as a region, provides the habitat for a number of species that migrate from one jurisdiction to another or where species' habitats are transboundary. In Canada, 24% of species migrate across international boundaries, while a full 81% of species span, or straddle, international boundaries.

There are 354 species of birds that migrate from Canada to the US and Central and South America. About the same number of bird species migrate from the US to Central and South America. As well, there are a number of species of birds that migrate within Central and South America. About half of the 20 species of bats in Canada are migratory, moving to the US to avoid harsh winters.

A number of marine mammals migrate throughout the hemisphere as well.

For example, two species of marine turtles migrate from Canadian waters to South American waters to feed and breed. Nine of the eleven species of great whales are found in Canadian waters. Of these, at least five species migrate to the equatorial waters of South America and the Caribbean to avoid ice and to breed. There are even a number of insects that migrate from North America to Central America and South America to avoid the harsh winters. For example, the Monarch Butterfly migrates from north-eastern and north-western North America to a few mountain valleys in Mexico and California, and the Milkweed bug migrates from Canada to the southern US.

12% of Canadian species are currently protected under international conventions or agreements such as CITES or the Migratory Birds Convention.

The Biodiversity Convention is explicit in its application to the national jurisdictions of its signatories. However, under Article 5, the Contracting Parties are encouraged to "cooperate with other Contracting Parties directly or, where appropriate, through competent international organizations, in respect of areas beyond national jurisdiction and on other matters of mutual interest, for the conservation and sustainable use of biological diversity". The Parties to the Convention are required to develop national strategies, plans or programmes for the conservation and sustainable use of biological diversity. (Article 6) Under the Biodiversity

Convention, 1992, the signatory countries are encouraged to "[d]evelop or maintain necessary legislation and/or other regulatory provisions for the protection of threatened species and populations" (Article 8(k)).

In 1979 an international convention, the *Migratory Species Act, 1979* (Bonn Convention), was signed in Bonn to protect migratory species that are endangered. Only five countries in the hemisphere have signed the Migratory Species Act, 1979. They are Chile, Jamaica, Panama, Surinam and Uruguay. Of these, Jamaica still has not ratified the agreement. Parties to the Convention are required to take steps to conserve endangered, migratory species, and their habitats. The Bonn Convention is directly aimed at migratory species. In preserving their habitats, it could indirectly preserve the habitats of other non-migratory species. However, it leaves all plants, micro-organisms and most invertebrates outside its application.

*The Migratory Birds Convention Act* between Canada and the US (1917) is in the process of being extended to cover Mexico. Mexico is ratifying it as it has been added to the list of environmental agreements that will take precedence over the provisions of the North American Free Trade Agreement.

The countries of the hemisphere should initiate joint research, data collection, monitoring and protection of migratory species. International

institutions should enable collaborative research and development.

***The countries of the hemisphere should sign and implement the Bonn Convention to ensure, at a minimum, that threatened migratory species and their habitats are protected.***

## **Building and Maintaining Capacity**

Some countries lack the means to finance the protection of biodiversity, including resources for hiring personnel, as well as equipment to monitor the state of biodiversity.

***The leaders of the hemisphere should agree to examine government subsidies and tax policies with a view to identifying all those subsidies that contribute to environmental degradation or inhibit sustainable development in any way. They should also study the design and implementation of economic instruments for the conservation of biological diversity.***

***The leaders of the hemisphere could also begin the process of determining the value of ecological resources, including biodiversity, so that its value can be internalized in its calculations of national accounts.***

## **Energy Production, Consumption and Climate Change**

The countries of the Western Hemisphere are major producers and

consumers of energy. Taken together, in 1990 the countries of the Western Hemisphere produced 29.4% of global primary energy. This is more than any other single region in the world. It represented an increase of 11.5% from the energy production in the hemisphere over the ten years from 1980 to 1990.

The countries of the Western Hemisphere also rely heavily on energy produced by solid fuel (coal). This reliance has grown dramatically in the last 20 years. In 1991, the percentage of the hemisphere's energy produced by solid fuel (coal) was 24%. In North America, this figure is up 85% from 1971. In South America, the increase in the 20 years between 1971 and 1991, at 395%, is the highest of any region in the world.

Consumption of energy has also increased over the last decade, if not as rapidly as in other regions of the world. The countries of the hemisphere consumed 31.7% of the world's energy in 1990 - more than any other single region in the world. Although this was up 7.4% from 1980, the increase in consumption in the hemisphere is one quarter that of any other region (except for Africa, which experienced a decline of 13% in energy consumption in the same period).

Per capita, both North and South America experienced a decline in energy consumption between 1980 and 1990. Canada consumes only 2.6% of the world's energy but the consumption of Canadians per capita

is greater than any other country in the hemisphere, due in part to climate and distance.

Given the significant quantities of energy produced in the Western Hemisphere from solid fuels such as coal, the hemisphere is responsible for a considerable amount of the world's CO<sub>2</sub> emissions. Indeed, in 1991, the Western Hemisphere as a region was responsible for a full 28% of the world's CO<sub>2</sub> emissions. As a region, this is second only to Asia at 29.4%. Per capita, North Americans emit over six times the CO<sub>2</sub> of South Americans, and close to 6 times that of other regions (with the exception of the former Soviet Union, where per capita emissions are only slightly less than they are in North America).

However, since 1980 the emission figures in North America have been falling. In Canada, there has been a 0.5% decrease in CO<sub>2</sub> emissions between 1980 and 1990. In the US, the rise was only 4.1%. In South America, on the other hand, emissions have been rising rapidly since 1980. For example, Mexico's are up 25.9%, Brazil's 8.4% and Chile's up 26.5%.

## **The UN Framework Convention on Climate Change**

In 1992 at Rio, all of the countries of the hemisphere signed the United Nations Framework Convention on Climate Change (the Climate Change Convention). The Climate Change Convention entered into force on March 21, 1994, after the fiftieth

instrument of ratification was deposited with the UN Secretary-General on December 21, 1993.

The Convention sets out general obligations for all parties and additional obligations for "Annex 1 Parties", i.e., the member states of the OECD (not including Mexico which was not an OECD state when the Convention was negotiated) and the states of Central and Eastern Europe with economies in transition. The most noteworthy obligation of Annex 1 Parties is to implement policies and measures to mitigate climate change by limiting anthropogenic emissions of greenhouse gases (GHG), and by protecting and enhancing sinks, such as forests. The Convention has, as one of its main goals, the return of levels of greenhouse gas emission to 1990 levels by the year 2000.

Developing countries are under the obligation to commit to a national plan for the reduction of greenhouse gases, but are not bound by any specific targets. OECD countries must provide financial assistance to pay the full agreed incremental costs incurred by developing countries of implementing measures to meet their Convention obligations, as well as their full agreed costs in preparing national reports.

Among the signatory countries in the hemisphere, both Canada and the US have ratified the Climate Change Convention. Indeed, in October 1993, US President Bill Clinton announced a detailed global warming strategy, the Climate Change Action Plan, which is intended to meet the goals of the

Convention to reduce greenhouse gas emission to 1990 levels. The plan also seeks to expand markets for US technologies, create jobs, and reduce the deficit. The basis of the plan is a package of public-private partnerships with key industries to reduce all types of greenhouse gases without resort to regulation.

There is some concern that falling oil prices and increased economic activity will offset some of the gains that the Clinton plan relies on and that there is thus a shortfall of 70 million metric tons of carbon in the projected requirement - a major shortfall given that the original Climate Plan was designed to reduce emissions by around 106 million metric tons.

The Canadian government has committed itself to reducing Canadian emissions of greenhouse gases by 20% from 1988 levels by 2005. It has not yet announced a strategy for achieving those targets. Its National Report (as required by the Convention) shows that unless additional measures are taken, Canadian GHG emissions in the year 2000 will be 10.6% higher than 1990 emissions. Through a Climate Change Task Group, the federal and provincial governments, along with environmental and business stakeholders, are developing a Climate Change National Action Program which will set out options for achieving the stabilization goal and sustainable options for further reductions beyond the year 2000.

***The leaders of the hemisphere should reaffirm their support for the Climate Change Convention and the science that underlies it.***

***The countries of the hemisphere should commit themselves to ratifying and implementing the Climate Change Convention, and rapidly producing the national plans it requires.***

## **Joint Implementation (JI)**

Article 4.2(a) of the UN Climate Change Convention introduced the concept of Joint Implementation, although it is not defined or elaborated.

Article 4.2(a): "The developed country Parties and other Parties included in Annex 1 commit themselves specifically as provided for in the following:

- a) Each of these Parties shall adopt policies and take corresponding measures on the mitigation of climate change, by limiting its anthropogenic emissions of greenhouse gases and protecting and enhancing its greenhouse gas sinks and reservoirs. These policies and measures will demonstrate that developed countries are taking the lead in modifying longer-term trends in anthropogenic emissions consistent with the objective of the Convention, recognizing that the return by the end of the present decade to earlier levels of anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol

would contribute to such modification, and taking into account the differences in these Parties' starting points and approaches, economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances, as well as the need for equitable and appropriate contributions by each of these Parties to the global effort regarding that objective. These Parties may implement such policies and measures jointly with other Parties and may assist other Parties in contributing to the achievement of the objective of the Convention, and, in particular, that of this subparagraph;" (emphasis added)

There are a number of problems that arise as a matter of interpretation of the joint implementation provision in the Climate Change Convention. Industry could see various scenarios under joint implementation which could include tradeable emissions, carbon sequestrations and offsets, technology transfer and cooperation in the sharing of information and technology. Carbon sequestration could include planting trees in developing countries to earn credits that could be offset against emissions at home.

Many environmentalists, on the other hand, are opposed to carbon sequestration projects (at least for now) and interpret the commitments in the Climate Change Convention as committing governments in the North to meet their own 20% targets before

they can use credits earned in developing countries. As well, the task of quantifying and monitoring carbon sequestration projects is considered to be very difficult.

The developing countries in the hemisphere face difficulty with access to funds for training, research, technology and information to assist in implementing the provisions of the Climate Change Convention. As well, there are political obstacles for joint implementation with the perception that the North will attempt to deal with its own commitments by engaging in offsets in the developing world, i.e., trying to solve our problems on the backs of the developing countries who will remain unable to help themselves.

The controversy over joint implementation raises the need to develop a framework to guide the conduct of pilot joint implementation projects. The legitimate concerns over the use of JI offsets need to be evaluated so that this issue can be dealt with in the most economic and environmentally sound way. The best option is to reduce emissions at the source through, inter alia, aggressive energy management programs. But, even with these efforts, it will not be feasible to eliminate emissions completely and it may be less costly in the interim to offset emissions through JI projects. Suggested criteria for JI projects have been developed by Canada, the United States, the INC Secretariat and others. The framework for pilot JI projects should include criteria on:

- host country acceptance;
- measuring, tracking and verifying actual versus predicted net costs and benefits (emission reductions and sequestration);
- identification of other environmental, social and economic benefits, including any associated non-greenhouse gas environmental impacts and/or benefits;
- eligibility of participants;
- project conformance with prevailing standards of environmental protection;
- permanence of the offsets (long-term sustainability);
- potential for the project to induce changes in greenhouse gases elsewhere.

## **Energy Efficiency and Renewable Energy Sources**

Sustainable development requires the promotion of policies and the designing of instruments for the efficient use and sustainable development of energy resources. This includes the use of renewable and "cleaner" energy sources. The use of renewable energy sources and natural gas — thereby reducing the carbon content of the energy supply — will assist in reducing the emission of greenhouse gases and the environmental degradation associated with the development of conventional energy supplies.

Joint partnerships can promote interaction and partnerships between utility professionals to increase the capacity of utilities for technology transfer and information exchange to assist in implementing energy-efficiency measures.

How much do Canada and the countries of the hemisphere subsidize hydrocarbon and fossil fuel mega project enterprises, which are inherently unsustainable?

The leaders at Miami should consider whether it is advisable, and what steps can be taken domestically, to reduce the subsidies to fossil fuel industries in the hemisphere, and determine how can those funds best be reallocated.

## Building and Maintaining Capacity

There is a serious infrastructure deficit in Latin America and a continued failure to invest in infrastructure. In 1990, Latin American investment in construction was less than three quarters of what it was in 1980. One of the biggest infrastructure deficits in the industrializing parts of Latin America is in the electricity sector.

Between 1989 and 1999, the energy needs of Latin America and the Caribbean countries are expected to grow by 60%. In many of these countries (including Brazil, Columbia, Guatemala, Argentina, Ecuador and many Central American countries) the

percentage of the population presently without electricity exceeds 80%.<sup>4</sup>

These statistics confirm the fact that Latin America will soon require significant assistance in developing programs to supply and manage energy effectively. Assistance could include sharing of technology, information and expertise. It could build on the 1993 Renewable Energy in the Americas Initiative which promotes present and future reliance on renewable energy sources.

The leaders at the Summit should suggest that the countries of the hemisphere establish a Continental Collaborative of Stakeholders to examine how to deal with the issues of climate change on a hemispheric basis. Among the issues that the Collaborative could look at are:

- Alternative funding arrangements or mechanisms involving the traditional money lending agencies, as well as different kinds of partnerships, public-private partnerships, energy efficiency technologies, more traditional pollution control technologies, training and education at all levels. This could include an examination of how the countries of the hemisphere can encourage non-polluting, renewable, and energy efficient forms of production.
- The use of market instruments in reaching climate change targets, including the possibility of emission trading.

<sup>4</sup> Figures taken from Gustavo Alanis Ortega: "A Latin American Perspective on the Summit of the Americas", a paper presented at a workshop on "Advancing Sustainable Development at the Summit of the Americas" hosted by the National Round Table on the Environment and the Economy, the National Audubon Society and the National Wildlife Federation, July 11, 1994, Washington, DC.

- *A serious investigation into the advisability of implementing CO2 reduction strategies jointly throughout the hemisphere to reduce CO2 emissions as a region. The Collaborative could address some of the difficult questions of interpretation in a North-South context, and present its findings at the Conference of the Parties in Berlin in March 1995, at which point, criteria for a Joint Implementation Pilot Phase are to be approved.*
- How the countries of the hemisphere can best encourage non-polluting, renewable, and energy efficient forms of production.

*The leaders should also propose the creation of a pilot project for a public-private partnership in the electricity sector. It is an industry which is well-developed in both North America and South America and it is an industry which is a major contributor, among the industrial sectors, to CO2 emissions and to global warming. It is also an industry rife with inefficiencies in both the North and the South. The partnership could be designed to promote energy efficiency, to building and maintaining capacity, technology transfer, information sharing, cooperation on research agendas and other programs, including such items as demand management.*

## Toxics

The countries of the Americas use 26.7% of the world's pesticides. This is the highest level of any region in the

world, although Europe is a very close second with 26.6%.

## Transboundary Pollution

Human activities in the hemisphere and around the world emit millions of tonnes of polluting material into the atmosphere. Gases such as nitrogen oxides, carbon monoxide and carbon dioxide - mostly from burning fossil fuels - account for a large part of this material. Dust and soot, as well as vapours and aerosols from chemical use, are other significant contributors to air pollution.

Not all toxic chemicals are a transboundary concern. Many highly toxic chemicals rapidly degrade or undergo chemical reactions to form other compounds under environmental conditions. The substances of concern from a transboundary or long range transport perspective are generally grouped into three categories:

- a) persistent organic pollutants (POPs), including industrial chemicals (e.g., PCBs), incineration by-products or contaminants (e.g., dioxins and furans), and pesticides (e.g., DDT)
- b) man-made emissions of various forms of metals (e.g., lead, mercury and cadmium)
- c) radionuclides (e.g., radon)

The transboundary movement of air pollutants results from the release of these substances in the form of gases, water droplets and dust particles to

the environment, where they may persist for long periods, meaning that a substance released in one area will almost inevitably be deposited somewhere else.

There is strong evidence to suggest that these persistent toxic substances can be carried long distances by air and water currents, and have the ability to undergo many successive cycles as warm, southern winds lift these substances into the air, and then redeposit them when the winds hit cool northern temperatures. This gradual cycling from warmer to cooler climates leads to their accumulation in regions far from their initial release point, and eventually to the remote northern regions of Canada. Many of these substances have also demonstrated the ability to "biomagnify" in the food chain, i.e., to build up to many thousands of times higher concentrations going from lower organisms — to fish — to the higher level species like whales, polar bears and humans. Indeed, the concentrations of these substances amongst the inhabitants of the Canadian Arctic, whose food intake comes primarily from fish and wildlife, are as high or higher than those found anywhere in the world.

As well as the atmospheric movement of toxics across national boundaries, the countries of the hemisphere can be linked in a transboundary sense through transport processes, such as rainwater and runoff, which can add to the toxic burden of waters throughout the hemisphere, as the oceans and other large bodies of water are

becoming a huge reservoir of these substances. Pesticides and chemicals that have been deposited on the ground are commonly washed into rivers and lakes. In addition, a substantial amount of toxic material can enter water bodies, especially those with large surface areas, directly from the air. More than 90% of the PCBs, DDT and lead in Lake Superior, for example, is believed to come from atmospheric deposition.

Serious contamination can also occur as a result of toxic chemicals leaking into the water table from hazardous waste that has been buried in dumps and landfills. For example, an estimated 315 kg of toxic chemicals enters the Niagara River daily from several large US sites located within 5 km of the River.

The deposit of emissions raises a number of questions. Often, in the case of long-range transboundary pollution, it is not clear where a pollutant originated, or, once deposited, where it will travel and what its effects will be. One concrete effect of human emissions of sulphur and nitrogen dioxides has been to cause acid precipitation, which has had an adverse impact on hundreds of lakes and rivers in Europe and North America. However, long range transboundary air pollutants can also adversely affect human health, primarily respiratory systems, with sulphur dioxide, nitrogen dioxide, ozone and particulate matter being the most common irritants. A number of persistent toxic substances have also been shown to have adverse effects

on human health, causing cancer and reproductive system problems, and recently many of these substances have been suspected of acting as synthetic versions of the hormone estrogen, upsetting the normal hormone balance. Plants, both domesticated and wild, show a variety of effects in polluted air, including a slower rate of photosynthesis, changes in enzyme activity, loss of foliage, and reductions in growth and seed production.

Toxics are an issue that must be dealt with jointly by the countries in the Americas. National and sometimes even regional bans on the use of specific chemicals cannot be completely effective in reducing contamination if the substances remain in use in other parts of the region.

The three NAFTA partners have already recognized their joint responsibility to deal with trans-boundary environmental issues. These could include atmospheric movement of toxics, notable assessment, notification, and mitigation.

***The leaders at the Summit should advocate strongly the creation of a Hemisphere Toxic Release Inventory, building on the inventories that already exist in Canada and the US, and supporting the work of the North American Commission on Environmental Cooperation.***

***There should be support for efforts for increased cooperation in research, data collection, and monitoring, to identify where the toxics that are released into the atmosphere travel and, the impact on regional populations and ecosystems. This information should be made widely available and accessible to the general public and other interested groups.***

## **Movement of Hazardous Waste**

The Lomé Convention bans all radioactive and hazardous waste shipments from the European Union (EU) to other signatories, and the signatories agree not to import any wastes from any other non-EU country. The Basel Convention sets global rules of procedure for the international waste trade. While many of the countries of the hemisphere are parties to the Basel Convention, only countries of the Caribbean have signed the Lomé Convention which, in effect, is a ban on waste exports from industrialized EU to less industrialized countries.

***The countries of the hemisphere should be encouraged to sign and implement the Basel Convention, to ensure that common procedures are in place to regulate the transboundary shipment of waste.***

# Some Issues of Equity and Social Justice

# 3

**T**he third pillar of sustainable development along with economic prosperity and environmental enhancement is social justice and inter-generational equity. Poverty plays a critical role in shaping issues of social justice, equity and quality of life. This is particularly true in some developing countries where the majority of the population lives in poverty and where there are inequities in the distribution of the wealth generated by increased economic activity. As noted above, in the hemisphere, with the exception of Canada and the US, all of the countries are classified by the OECD as developing countries.

There has been considerable progress in the hemisphere towards the democratization of many governments. As one of the "baskets" for consideration by the leaders at the Miami Summit, democratic governance is critical in advancing issues of social justice. Indeed, social equity is contingent upon a broad, active, and democratic participation by the general population in a decentralized and participatory government, which has a basic respect for minority and individual human rights.

The issues involved in a consideration of social equity will influence importantly both the environment and

the economy. A reduction of poverty, macroeconomic growth and price stability, brought about by political stability, the adequate allocation of resources and land (including well-defined and secure property rights), and investment in people in the form of education, training, and employment, will all promote economic stability and alleviate some of the environmental degradation brought about by poverty and inequities. This, in turn, will help to ensure the long-term and sustainable management of forests, land, biodiversity and water.

***Sustainable development should be identified as the major focal point for the revitalization of the economies in the region and a basic theme around which to build new economic programs, as well as to address other social and environmental issues.***

## Poverty

Nearly one-half of the hemisphere's population lives in poverty. The number of Latin American households classified by the UN as "poor," rose 4% between 1980 and 1990 to a level that was only 1% lower than it had been in 1970. In 1990, 34% of Latin American urban households were classified as "poor," up 8% from 1970.<sup>5</sup>

Poverty has significant economic, political, environmental and social costs. For many developing countries, poverty is linked to the lack of productive resources, overpopulation, environmental degradation, poor governance and other development challenges.

From an economic perspective, natural resources provide a livelihood for billions of people in developing countries around the world. Natural resources also provide the raw materials for the economies of a number of countries in the hemisphere. The rapid loss of natural resources threatens to undermine the very structures and export capabilities on which many of these economies depend to sustain their economic growth: Growth which is, at present, spurred on by increasing trade and investment throughout the hemisphere.

From a political perspective, the recent progress in many developing countries towards democratic forms of government is put at risk by the persistence of widespread poverty. Democratic institutions will not be long sustained if large numbers of the population are marginalized due to poverty, disease, and lack of education. Poverty can lead to large scale migration, social division, violent confrontation, and political instability. This, in turn, can affect levels of foreign investment and, thereby, injure the overall economic well-being of a country.

From an environmental perspective, about 80% of Latin America's poor live in areas where environmental degradation threatens agricultural yields. They tend to live in ecologically fragile rural locations or on the peripheries of cities with low productive potential. They are becoming concentrated in resource-poor rural environments or on the margins of urban or peri-urban centres. The relationship between this lack of resilience and the demands made on natural resources by the poor, is critical. The increasing pressure on marginal lands, causing deforestation of tropical rainforests and land degradation, impacts on all the populations of the world through increases in greenhouse gases and loss of biological diversity. These areas are not resilient to stress or shocks, such as climactic variations, agricultural intensifications or population pressures. Fuelwood is still the primary energy source for the majority of people in developing nations. This has an impact on rates of deforestation. And the burning of wood allows for its accumulated carbon to be released into the atmosphere in a relatively short time.

The poor are too busy satisfying the urgent needs of the present to plan for the future. They are thus unable to protect the resources they will be needing, and this failure leads to further environmental degradation.

From a social perspective, domestic policies regarding land tenure, titling

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<sup>5</sup> Figures taken from Gustavo Alanis Ortega, *supra* note 4.

and ownership, often act as a critical barrier to the rural poor's access to land. Institutional barriers prevent access to credit, training, land, water or other inputs, and work against fostering or promoting people's participation at the grassroots level.

The environmental degradation

brought about by poverty can have devastating effects on local communities.

Those sectors that are likely to remain excluded from the full benefits of development, unless specific policy measures are taken, are the poor, women, and indigenous populations — the UN Decade of the World's Indigenous People begins on December 10, 1994. Deforestation, in particular, threatens the well-being of indigenous populations in the hemisphere. While forests directly support many subsistence cultures by providing a direct source of game and other food, the connection between the identity, culture, and rights of indigenous peoples, often forest dwellers, is well known. Indeed, the human rights/environmental situation in Amazonia was among the earliest to come to international attention.

## **Building and Maintaining Capacity through Trade**

In an effort to improve employment opportunities and the economic well-being of some of the poorer countries in the hemisphere, the

Northern members could look at trade flows and trade policies at home.

Countries in the North continue to keep in place subsidies to protect domestic production of crops, many of which would indeed be better grown elsewhere. For example, in the US, domestic price supports, linked to a tariff-quota system, keep US sugar prices two to three times the world level, and have reduced imports, mainly from developing countries, by 75% since 1970. This has crippled the sugar industries in the Caribbean and other low-income countries, and has resulted in the loss of some 400,000 jobs in Caribbean countries alone. The sugar protection program is a highly inefficient and uneconomic means of transferring income to large US growers and processors, from sugar producers in low-income countries and average US consumers.

The effect on biodiversity is also staggering. For example, sugarcane is growing in the Everglades, where nearly one third of the original Everglades has been drained and irrigated. This has changed the plant life in the Everglades, which adapts to new conditions, and the animal and insect life.

*The countries of the hemisphere should identify protectionist measures in place which are causing environmental degradation, such as the destruction of biodiversity and social inequities in the hemisphere.*

## Trade and Indigenous Peoples in Canada

A recent study completed for the United Nations Development Programme and Apikan Indigenous Network found that Indigenous Peoples in Central America unanimously supported sustainable development projects with a trade focus. Fifty-seven indigenous organizations in Belize, Guatemala, Nicaragua, and Panama regard trade as essential to community, economic, social, and cultural development. While development assistance is welcomed in indigenous communities in the third world, these projects are often not fiscally sustainable. Traditional development assistance may help to build badly needed schools, clinics and other infrastructure, but assistance is often short term, leaving indigenous communities without the resources to maintain these services. International trade offers opportunities for indigenous communities not only to generate community wealth and employment, but also to provide financial resources to sustain their own services.

Over the years, aboriginal peoples in Canada have developed expertise and knowledge in all areas of economic and social development. Currently, there are over 10,000 aboriginal non-government organizations (NGOs) in Canada. These NGOs have experience in economic development, including resource development, micro-enterprise development, agriculture, fisheries, forestry,

communication, etc. Partnerships between indigenous peoples in Canada, and Latin America, and the Caribbean offer substantial opportunities for trade and development. For example Unaag, a successful Inuit fisheries corporation, is in the process of developing a joint venture with Miskito Indians in Nicaragua in their inshore fisheries.

Aboriginal peoples also have successful social institutions, in child-care, health, education, social services, and urban institutions. Most indigenous communities in the Americas do not have access to basic services such as health services and education. Social services also present substantial opportunities for indigenous partnerships. Presently, the Winnipeg Indian and Metis Friendship Centre is building a school on the Miskito coast of Nicaragua.

Aboriginal Peoples in Canada believe that they have a competitive advantage in indigenous trade and development. First, they are sensitive to the needs and culture of indigenous peoples, something that still confounds international agencies and NGO's. Second, they know how to integrate cultural factors and values into project design and implementation. Third, they have had considerable success in building institutions which meet community and donor needs. Finally, they have the professional and technical expertise to manage complex projects.

There are numerous opportunities for indigenous trade in the Western

Hemisphere: traditional products, community development, and indigenous joint ventures and partnerships. Aboriginal peoples' trade is appropriate for the transfer of knowledge, project delivery and partnerships in trade and development.

One of the corner stones of the Summit of the Americas is advancing equity. IPAFTA would incorporate all summit "baskets", that is trade, sustainable development and democratization. For indigenous peoples, trade fulfils national and international commitments of states, international agencies and civil society to support the development of indigenous peoples.

***In the general framework of liberalized trade in the Americas, special attention should be given to the development of opportunities for indigenous peoples' trade. One way might be to encourage the creation of an indigenous peoples' Americas Free Trade Agreement (IPAFTA) which would call for a phased-in process of indigenous peoples' trade liberalization in traditional products (based on a schedule that will be drawn up by the members of the IPAFTA).***

***A review of existing agreements, protocols and policies could be undertaken to access the capacity for international, regional and national support for indigenous peoples trade and development.***

***An office of Indigenous Peoples Trade and Development at the United Nations Development***

***Programme, and an Americas Ambassador on Indigenous Free Trade at the Organization of American States could be established.***

***Multilateral mechanisms to support indigenous peoples' trade and development could be established.***

## **Public Participation, Social Accountability and Security**

The absence of participatory processes can lead to political turmoil and unrest. Indeed, equitable and participatory development is a prerequisite of social legitimacy that will allow the necessary policy reforms to encourage sustainable development. This is evident in Latin America where, despite successful economic reforms, the benefits of economic growth have not yet reached the poor or many in the middle-class. The sustainability of improving economic and democratization prospects for the Americas is threatened by public policies that distribute growth benefits inequitably. The southern part of the Americas, which has the highest per capita income in the developing world (about US\$2,000 per year), has the world's worst record of income distribution. Extreme poverty, when combined with inequitable distribution policies, has often led to political instability. It will hinder future investment and economic progress and contribute to the underlying

causes of environmental degradation and poverty.

Redistribution of income, assets, land or wealth is not sufficient. But, it can play a catalytic role in poverty reduction, and can promote equity when the root causes of poverty are associated with the mis-allocation of resources. This type of intervention can work to promote both access and control of assets, such as increasing the security of land tenure through land titling or equitable taxation schemes.

At a minimum, there is a need to empower individuals and groups at the local level in countries of the hemisphere to combat the most deadly forms of unsustainable development, and to pursue their most basic environmental interests. Here, the sustainable development principles of open, multistakeholder, consensus-based decision making mean, at a minimum, the ability to receive and understand reliable and timely information about the health effects of environmentally-altering economic, civilian government, and military activity, and the ability to organize at the local level to obtain such information and pursue shared ecological vocations and concerns. Reducing the burden which the maintenance of large national security establishments places on the process of poverty alleviation, and addressing

the environmental damage which closed military establishments have created is an important part of the move toward democratization in the hemisphere. On a more practical level, those national armed forces within the hemisphere that have done the most to reconfigure their capabilities from a focus on the old internal and international security concerns towards the next generation of ecological security threats (beginning with natural resource predation) should assist their hemispheric counterparts to move in this direction.

***The leaders of the hemisphere should recognize the importance of access to information and of the broad participation of civil society in some of the institutions of government.***

The leaders of the hemisphere should recognize that an important means for securing broad public participation and consensus, is based on access to education, employment, and political representation.

***The countries of the hemisphere should cooperate in establishing and monitoring poverty-reduction projects and their success in helping the poorest of the poor. Progress must be measurable (either qualitatively or quantitatively) for current and future planning.***

# Institutional Arrangements

# 4

There is a need for a plan of action to follow up on any declarations that are made at the Summit. Indeed, the hemisphere could well be used to pioneer global regimes to further the Rio Agenda and advance sustainable development. As an international institutional system which dates from the late 19th century, the existing Organization of American States (OAS) and the array of other Inter-American institutions, have been slow to adapt to the new challenges of sustainable development in the hemisphere as the twenty-first century approaches.

The institutions of the hemisphere have lacked regular guidance from heads of state and government, whose purview uniquely embraces economic, environmental and equity issues, in both their national and international dimensions, and who alone can inject political will and set new directions, priorities and linkages. In sharp contrast to the OECD, APEC or the G-7, where ministers other than those dealing with foreign affairs are regularly involved, hemispheric bodies have weak, institutionalized ministerial oversight, in either separated or integrated settings, from those responsible for economic, environmental or human development issues.

At the official level, bodies to deal with the environment have been of relatively recent origin, and have had a

narrow mandate reflecting the pollution, cleanup, and resources conservation approach of the Stockholm era, rather than the sustainable development philosophy endorsed by UNCED. These institutions have also remained relatively isolated from the work of bodies in the economic and social development realms. Despite the impressive work of bodies such as the Economic Commission for Latin America and the Caribbean (ECLAC) in some fields, the hemispheric system has had little capacity for analytical work on economy-environment interfaces (e.g., ecologically-sensitive national accounts, ecological and resource capital and performance), or for coordinating or supporting relevant scientific research.

Finally, in contrast to bodies such as the OECD and the North American Commission on Environmental Cooperation, the core hemispheric institutions have remained largely closed to participation from the business community, labour, and non-governmental organizations. Nor have they been quick to introduce other forms of accountability to stakeholders in their member countries in the hemisphere.

Thus, serious consideration, aimed at early action, should be given to the following proposals for institutional strengthening and reform:

## Existing Institutions and Miami Follow-Up

It is noteworthy that the Miami Summit, in sharp contrast to the regular OAS General Assembly, has taken up sustainable development as a major component of its agenda. Moreover, the San José Summit of October 1989, and the recent call of the OAS General Assembly itself for a hemispheric heads of state and government gathering, underscore the value of periodic gatherings of the hemisphere's leaders to forge the new linkages and set the new directions that the hemisphere requires. The Ibero-American Summit, the annual G-7 Summit, and the annual APEC leaders meeting (in which Canada, the USA, Mexico and, prospectively, Chile are involved), point in the same direction. Thus, it would be appropriate for the Miami Summit to authorize and to identify a date and location for a subsequent Summit, which would, inter alia, review progress and receive reports from any working groups that Miami established. While the European Council meets at least twice a year, and the Commonwealth and Francophonie every two years, the annual leaders' meeting of the G-7 and APEC could be an appropriate model. One possibility is to attach leaders' meetings to the annual OAS General Assembly, thus following its timing and location. In these subsequent gatherings of heads, the Miami agenda should be taken as a precedent to ensure substantial,

continuing attention to environmental and sustainable development issues.

All of the major, recently-created plurilateral institutions to which Canada belongs, also benefit from both regular collective direction from major portfolio ministers (as well as leaders), and from regular high level forums to deal with the environment and its relationship to economic concerns. At the G-7, environment issues have been a regular topic of discussion by leaders for almost a decade, and G-7 environment ministers have met several times since the spring of 1992 (most recently in Florence in March 1994). In the Asia-Pacific Economic Co-operation forum, at their first meeting in November 1993, and at Canadian initiative, leaders called for an environment ministers meeting, which was held in Vancouver in March 1994. In NAFTA, the parallel environmental agreement and Commission is overseen by the environment ministers of the United States, Canada, and Mexico, who have begun meeting three times a year. Only in the western hemispheric system does the environment remain absent as a regular ministerial level concern.

***In order to help ensure the implementation and elaboration of the Summit's sustainable development agenda, leaders at Miami could agree to meet on an annual or biennial basis and/or ask their ministers responsible for trade, finance, the environment, natural resources, and other relevant portfolio ministers to meet annually.***

Of primary importance is a meeting of hemispheric trade ministers in which environmental questions are given full attention to ensure that the integration of economic and environmental considerations can be better realized.

Recognizing that some countries of the hemisphere do not have environmental ministries, and that environment ministers often do not have responsibility for major ecological resources such as fisheries, forestry, land use or transportation, meetings should involve ministerial colleagues from these areas, appropriate to the particular agenda of the meeting. An environment ministers' forum could, inter alia, encourage countries of the hemisphere to set up domestic governmental bodies to deal with the environment within government, as well as give direction and focus to the work of the OAS and its recently created environment committee and trade committee.

## **The OAS Environment Committee**

The OAS Environment Committee, one of several sectoral committees within the OAS, was established in 1991. Meeting once a week in Washington, it has provided the first, regular policy forum for regional discussion, in a hemisphere where environmental issues are relatively new to many of the members. During its three years of operation, it has strengthened the attention given to environmental matters within the OAS. It has done so, in part, by liaising with other

committees and engaging in joint projects such as Women and Environment (with the Women's Committee), and environmental legislation (with the Judicial Committee). The major items of interest to the Committee, thus far, have been fresh water, land degradation, and waste management. Environmentally-committed countries have been able to use the Committee to good effect. For example, Canada was responsible for two resolutions on high seas overfishing introduced into the Committee in 1992 and 1994, both timed before major conferences (Rio in 1992; the UN Conference on Straddling Stocks in 1994). These resolutions were passed by consensus, and supported the broader multilateral effort to deal with these urgent issues of ecological, economic and social devastation.

Yet, many other central issues of the Rio agenda, notably forests, biodiversity and climate change, have remained absent from the Committee's agenda. Indeed, the Environment Committee is still operating under a 1991 Program of Action that predates Rio, and thus does not reflect the perspective of, and new commitment of hemispheric governments to, sustainable development. Countries such as Canada have been active in trying to get the environment committee to focus its agenda, but progress to-date has been slow. In 1994, some improvement was visible as the Committee dealt with hemispheric technical co-operation on

environmental matters. But, such major issues as trade and environment issues have been only touched on, rather than probed in depth, despite the members' considerable interest in the subject.

In the past year, there has been an emerging view that the OAS should conduct a re-evaluation of its activities in the light of Agenda 21. The Committee is setting its workplan for the next year in the coming months, providing an opportunity to move to the new Rio and post-Rio agenda. The Belem Declaration of June 6, 1994 began this process by noting the importance of environmental management, biodiversity, climatic changes, toxic waste, environmentally-sound technology, additional sources of financing, and ecotourism. But, issues such as forestry, energy and fisheries remain absent.

***The leaders should direct that the OAS Environment Committee take up the Rio agenda, and define ways in which it can set priorities for and pioneer progress on the post-Rio agenda. They could direct that this work be done in ways that reinforce the multilateral work of the UN Commission on Sustainable Development. Promising possibilities for priority action are an expanded effort on environmentally sound technologies, environmental standards and indicators, forests and energy.***

## **The UN Economic Commission for Latin America and the Caribbean (ECLAC)**

The UN's Economic Commission for Latin America and the Caribbean (ECLAC), is broader than the OAS. Its membership includes all countries with territorial possessions in the hemisphere, making Spain, the Netherlands, and France, as well as Canada and the United States, members. ECLAC meets every two years at the ministerial level, passing resolutions which its Secretariat, headquartered in Santiago, Chile, is asked to carry out. As ECLAC is a technical body, the ministers who attend are those for finance, central banks, commerce and planning. More recently, sectoral ministers, such as social affairs and education, have begun to attend when relevant matters are under discussion. In the interim periods, ECLAC is managed by a Committee of the Whole, for which representatives come from the embassies or member governments in Santiago. The Secretariat contains an Environment Division, which is co-financed by UNEP (as the Secretariat's agriculture division is co-financed by FAO).

In the leadup to Rio, the Latin governments asked ECLAC to take on the task of preparing a common LAC position for UNCED. In January 1992, the ministers and representatives of the LAC members of ECLAC, at the Latin American and Caribbean Regional Preparatory Meeting for

UNCED, adopted the "Tlatelolco Platform on Environment and Development" (LC/G.1712).

Most recently, ECLAC has sought to establish some guidelines whereby the UNCED agenda can be incorporated into ECLAC work programs. Flowing from the regional priorities identified in *Sustainable Development: Changing Production Patterns, Social Equity and the Environment*, this effort has focused on trade, technology, decision-making, environmental management, biodiversity, water and hazardous waste. ECLAC has also released a report recently on *Open Regionalism in Latin America and the Caribbean - Economic Integration as a Contribution to Changing Production Patterns with Social Equity*, which advocates the gradual opening up of trade in the hemisphere among all countries, rather than the conclusion of bilateral treaties.

## **Building and Maintaining Capacity**

The leaders at Miami should call for a systematic hemispheric examination of, and approach to, working with and strengthening the capacity of the most useful institutions, and support those existing organizations best placed to support sustainable development.

In order to identify the ways in which increasing hemispheric interdependence in economic, ecological and demographic matters raises problems of sustainable development, and to provide a scientifically sound basis for the

environmentally-related disputes likely to arise, it is important to increase the scientific capacity for monitoring the hemispheric ecosystem as a whole. Such an enterprise could provide detailed assessments of members' ecological performance, and a priority list of areas for intergovernmental action. Such a strengthened scientific capacity could come from improved networks of academic and research institutions, increased dialogue among governments, or by building the scientific capacity of intergovernmental hemispheric institutions. Canada's recent initiative, endorsed by the recent OAS General Assembly, to convene, before March 1995, an experts' meeting focused on environmental technology, provides a practical example of what is required on a far more ambitious scale.

*In advance of, or at Miami, the leaders should consider how and where this strengthened scientific capability should be developed. Items for consideration might usefully include research, data collection, and monitoring of toxics and biodiversity.*

## **National and Hemispheric Multistakeholder Sustainable Development Dialogues**

Despite the impressive recent moves to democratization in the hemisphere, and the establishment of such bodies as the Canadian Round Tables and

the USA's Presidential Commission on Sustainable Development, forums for multistakeholder dialogue on sustainable development issues remain absent at the international level in the hemisphere.

***The leaders at Miami should encourage the development of national multistakeholder consensus seeking bodies to promote sustainable development. The leaders should also announce the creation of a high-level, multistakeholder forum for the regular discussion of key, hemispheric ecological and linked economic issues, and one linked to the work of the OAS itself in these areas. The Canadian initiative at the March 1994 Vancouver meeting of APEC environment ministers, provides one model of how to proceed to build such a regional forum. This initiative could usefully be linked with existing institutions in the hemisphere such as the Earth Council which might serve as a hemispheric focal point for the national bodies.***

## **NGO Participation**

On May 2, 1994 Canada presented a document to the OAS calling for a "Study of the Possible Granting of Status to Non-Governmental Organizations (NGOs) at the OAS." The document was considered by the Permanent Council, which recommended it for further study, thus ensuring it was not dealt with by Ministers at the General Assembly in 1994. It would be important, at a minimum, for the Miami leaders to express their desire that rapid attention be paid to this matter; at a maximum, the leaders should show a willingness to develop appropriate mechanisms to achieve this result. Simultaneously, member states could act on ways to improve the ability of the ENGO community and other interested stakeholders, to participate more meaningfully in the operations of the OAS, IDB and their various committees, with the North American Commission for Environmental Cooperation's Joint Public Advisory Committee serving as an important referent and possible model.

The strengthened capacity of ENGOs and other stakeholders to participate in the preparations for Miami, subsequent summits, and other institutions should form part of this process. The model of the Rio conference provides some useful precedents regarding both the preparatory conference and follow-up phases.

*The leaders might consider the creation of a separate, independent environmental agency to examine hemispheric environmental issues or, in the context of NAFTA accession, building on and expanding the North American Agreement on Environmental Cooperation (NAAEC). The hemisphere could also consider, given its particular interest, the optimum architecture of a prospective new global environmental organization as part of the major effort likely to take place in the coming years to reform international institutions. There is support for public participation, transparency, and access to information as an important part of any institutional reform in the hemisphere.*

## Appendix A

<b>SOME MAJOR INTERNATIONAL AGREEMENTS, CONVENTIONS AND ORGANIZATIONS</b>										
	WTO <sup>1</sup>	Biodiversity 1992 <sup>2</sup>	RAMSAR, 1971	CITES, 1973	Western Hemisphere	Bonn Convention	Climate Change, 1992 <sup>3</sup>	Montreal Protocol	Basel Convention	Lomé Convention
Antigua	S	CP	•	•	•	•	CP	CP	CP	CP
Argentina	S	S	CP	CP	CP	CP	CP	CP	CP	•
Bahamas		CP	•	CP	•	CP	CP	•	CP	CP
Barbados	CP	CP	•	CP	•	•	CP	CP	•	CP
Belize	CP	CP	•	CP	•	•	S	•	•	•
Bolivia	S	S	CP	CP	CP	•	S	•	S	•
Brazil	CP	CP	•	CP	CP	•	CP	CP	CP	•
Canada	S	CP	CP	CP	•	•	CP	CP	CP	•
Chile	S	S	CP	CP	CP	CP	S	CP	CP	•
Colombia	S	S	•	CP	CP	•	S	•	S	•
Costa Rica	S	S	CP	CP	CP	•	S	CP	•	•
Dominica	•	CP	•	•	•	•	CP	CP	•	CP
Dominican Rep.	CP	S	•	CP	CP	•	S	CP	•	CP
Ecuador		CP	CP	CP	CP	•	CP	CP	CP	•
El Salvador	S	S	•	CP	CP	•	S	CP	CP	•
Grenada	•	S	•	•	•	•	S	CP	•	CP
Guatemala	S	S	CP	CP	CP	•	S	CP	S	•
Guyana	CP	S	•	CP	•	•	S	•	•	CP
Honduras	S	S	•	CP	•	•	S	•	•	•
Jamaica	S	S	•	•	•	S	S	CP	•	CP
Mexico	CP	CP	CP	CP	CP	•	CP	CP	CP	•

Nicaragua	CP	S	•	CP	CP	•	S	CP	•	•
Panama		S	CP	CP	CP	CP	S	CP	CP	•
Paraguay	S	CP	S	CP	CP	S	CP	CP	•	•
Peru	S	CP	CP	CP	CP	•	CP	CP	•	•
St. Kitts & Nevi	•	CP	•	•	•	•	CP	CP	•	CP
St. Lucia	S	CP	•	CP	•	•	CP	•	•	CP
St. Vincent	•	•	•	CP	•	•	•	•	•	CP
Suriname	CP	S	CP	CP	CP	CP	S	•	•	•
Trinidad & Tobago	S	S	CP	CP	CP	•	CP	CP	•	CP
USA	•	S	CP	CP	CP	•	CP	CP	S	•
Uruguay	S	CP	CP	CP	CP	CP	S	CP	CP	•
Venezuela	S	S	CP	CP	CP	•	S	CP	S	•

CP — Contracting Party

S — Signed but not ratified

na — Information not available

• — Treaty/Agreement not signed

<sup>1</sup> As of August 15, 1994

<sup>2</sup> As of April 15, 1994

<sup>3</sup> As of July 13, 1994

## Appendix B

<b>ENVIRONMENTAL POWER IN THE HEMISPHERE</b>											
	Western Hemisphere	Europe	Africa	Asia	Former USSR	Canada	US	Mexico	Brazil	Chile	Argentina
<b>Maritime</b>											
EEZ as a % of world total	30.6%	15.5%	12.7%	21.4%	4.8%	3.1%	10.3%	3.0%	3.4%	2.4%	1.2%
Coastline as a % of world total	36.6%	11.9%	6.5%	27.9%	8.2%	15.5%	3.4%	1.6%	1.3%	1.1%	0.9%
<b>Land</b>											
Total Area 10 <sup>5</sup> ha	38,906	4,727	29,642	26,790	22,273	9,221	9,166.6	1,908.7	8,456.5	748.8	2,736.7
% of total land area Cropland (1988-90)	19	29	6	17	10	5	21	13	7	6	10
Pasture (1988-90)	45	18 <sup>o</sup>	30	28	17	3	26	39	22	18	52
Forest (1988-90)	81	33	23	20	42	39	32	23	59	12	22
<b>Fresh-water</b>											
% of world's renewable fr. water	42.6%	5.7%	10.3%	25.8%	10.9%	7.1%	6.1%	0.9%	12.8%	1.2%	1.7%
<b>Forests</b>											
Total Area 000's ha	1,374,852	140,107	527,587	307,853	754,958	247,164	209,573	48,586	561,107	na	na
% of world's tropical forest, 1990	52.3%	na	30%	15.6%	na	na	na	2.8%	31.9	na	na
% of world's temperate forest, 1990	36.3%	9.4%	na	8.6%	45.6%	22%	14.3%	na	na	na	na

<b>Energy</b>											
Primary energy production as a % of global (1990)	29.4%	12.1%	6.5%	28.2%	21.7%	3.4%	19.3%	2.4%	0.7%	0.1%	0.6%
% change in prod'n 1980-'90	+11.5%	+4.3%	+22.5%	+26%	+22.7%	na	na	na	na	na	na
<b>Minerals</b>											
Reserves of Base Metals (Cu,Pb,Sn,Zn) as % of global total '91	43.4%	10.8%	10.1%	13.2%	10.3%	7.4%	15.7%	4.2%	0.9%	15.5%	0.1%
<b>Biodiversity</b>											
No. of National Protected Areas 1993, and % of global total	2,419 28.1%	2,177 25.3%	704 8.2%	2,181 25.3%	218 2.5%	411 4.8%	937 10.9	60 0.7%	214 2.5%	65 0.8%	100 1.2%
No. of known mammal species 1992	na	na	na	na	276	139	346	439	394	91	258
No. of known bird species 1992	na	na	na	na	na	426	650	961	1,573	432	na

## Appendix C

<b>ENVIRONMENTAL PERFORMANCE IN THE HEMISPHERE</b>											
	Western Hemisphere	Europe	Africa	Asia	Former USSR	Canada	US	Mexico	Brazil	Chile	Argentina
<b>Maritime</b>											
Fish % change in marine catch 1978-80 to 1988-90	+68%	+3%	+23%	+36%	+19%	+17%	+62%	+26%	no change	+129%	+5%
<b>Land</b>											
Total Area 10 <sup>5</sup> ha	38,906	4,727	29,642	26,790	22,273	9,221	9,166.6	1,908.7	8,456.5	748.8	2,736.7
% change Cropland 1968-70 to 1988-90	+2	-2	+1	+1	no change	no change	no change	+1	+3	+1	+1
Pasture 1968-70 to 1988-90	+3	-1	no change	+4	no change	+1	-1	no change	+4	+4	-1
Forest 1968-70 to 1988-90	-4	+1	-2	-2	+1	+4	-1	-5	-5	no change	no change
Pesticide use as a % of world total 1982-4	26.7%	26.6%	3.4%	15.7%	24.3%	2.5%	16.9%	1.3%	2.1%	0.1%	0.6%
% change in total fertilizer consumed 1968-70 to 1988-90	+58.2%	+27.8%	+146.8%	+411%	+167.1	+182.8%	+24.2%	+216%	+359.1%	+177.7%	+111.5%
<b>Freshwater</b>											
Annual water withdrawals as % of world 1980-91	26%	11%	4%	47%	11%	1%	14%	2%	1%	1%	1%
% change in fresh water fish catch 1978-80 to 1988-90	+112.6%	+43%	+41%	+120%	+26%	no change	+211%	+2,318%	+29%	+3,406%	+18%

<b>Forests</b>											
Total Area											
Tropical forest loss, % annual change 1981-90 (global change, -0.8%)	-0.7%	na	-0.7%	-1.2%	na	na	na	-1.2%	-0.6%	na	na
Temperate loss as % of exploit-able area 1981-90	Can. na US -1.6%	+1.4%	na	Japan -0.2%	+5.5%	na	-1.6%	na	na	na	na
<b>Energy</b>											
Consumption as % of world total in 1990, and % change from '80	31.7% +7.4%	20.8% -13%	2.7% +44%	24.6% +61.6%	18.8% +28.1%	2.6% na	24.1% na	1.5% na	1.1% na	0.2% na	0.6% na
Consumption per capita in 1990 (10 <sup>9</sup> J) & % change from '80	NA 203 SA 29 NA -7.3% SA -3.3%	126 -4.5%	13 +8.3%	24 +33.3%	196 18.1%	301 na	292 na	51 na	22 na	37 na	53 na
% Energy production by solid (coal) fuel, 1991 and % change between 1971 and 91	24% NA +85% SA +395%	34% -29%	19% +162%	34% +130%	20% -10%	14% +387%	33% +77%	3% +154%	4% +51%	30% +69%	<1% -55%
<b>Atmosphere and Air Pollution</b>											
CO <sub>2</sub> emissions 1991, % of global total	28%	18.1%	3.0%	29.4%	15.8%	1.8%	21.75%	1.5%	1.0%	0.1%	0.5%
1991 CO <sub>2</sub> emissions per capita (m tons)	NA 13.59 SA 2.00	8.2	1.03	2.11	12.31	15.21	19.53	3.92	1.43	2.42	3.55
% change in CO <sub>2</sub> emissions 1980-90	na	na	na	na	+17.9%	-0.5%	+4.1%	+25.9	+8.4%	+26.5%	+2.1%

Consumption of CFCs and halons per capita '90(kg a <sup>-1</sup> )	na	na	na	na	0.05	0.58	0.88	0.17	0.06	0.07	0.20
% change in consumption of CFCs and halons 1986-90	-55.3%	-39.9%	-66.4%	-18.5%	no change	-34%	-60%	+65.8%	-22.1%	+16.7%	na
<b>Biodiversity</b>											
CITES Reporting requirement met % 1990	na	na	na	na	75%	100%	88%	100%	41%	65%	82%
No. of threatened mammal species, and as a % of total national species	na	na	na	na	20 7.2%	5 3.6%	27 7.8%	25 5.7%	40 10.2%	9 9.9%	23 8.9%
No. of threatened bird species and as a % of total national species	na	na	na	na	38 na	6 1.4%	43 6.6%	35 3.6%	123 7.8%	18 4.2%	53 na

## Appendix D

<b>Trends in World Population Size, 1960-2010 (million persons)</b>						
<b>REGION</b>	<b>1960</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>
<b>World</b>	3,019	3,697	4,447	5,295	6,228	8,472
<b>North America</b>	182	226	252	277	306	330
<b>Latin America</b>	189	283	359	441	523	600
Caribbean	18	24	29	33	38	43
Central America	42	67	89	113	140	165
South America	128	191	240	294	344	391
<b>Africa</b>	248	363	479	642	856	1,116
<b>Asia</b>	1,513	2,101	2,583	3,118	3,691	4,213
<b>Europe</b>	414	466	492	509	523	536
<b>Former USSR</b>	190	235	258	281	297	317
<b>Oceania</b>	14	19	22	26	31	35

Source: UN Department for Economic and Social Information and Policy Analysis (Population Division) *1993 World Population Prospects: The 1992 Revision*, United Nations, New York.

**II SUMMIT OF THE AMERICAS  
DEC 9-11 1994,  
DECLARATION OF  
PRINCIPLES AND ACTION  
PLAN**



# **Declaration of Principles**

# **Summit of the Americas Declaration of Principles**

## **Partnership for Development and Prosperity: Democracy, Free Trade and Sustainable Development in the Americas**

**T**he elected Heads of State and Government of the Americas are committed to advance the prosperity, democratic values and institutions, and security of our Hemisphere. For the first time in history, the Americas are a community of democratic societies. Although faced with differing development challenges, the Americas are united in pursuing prosperity through open markets, hemispheric integration, and sustainable development. We are determined to consolidate and advance closer bonds of cooperation and to transform our aspirations into concrete realities.

We reiterate our firm adherence to the principles of international law and the purposes and principles enshrined in the United Nations Charter and in the Charter of the Organization of American States (OAS), including the principles of the sovereign equality of states, non-intervention, self-determination, and the peaceful resolution of disputes. We recognize the heterogeneity and diversity of our resources and cultures, just as we are convinced that we can advance our shared interests and values by building strong partnerships.

### **To Preserve and Strengthen the Community of Democracies of the Americas**

The Charter of the OAS establishes that representative democracy is indispensable for the stability, peace and development of the region. It is the sole political system which guarantees respect for human rights and the rule of law; it safeguards cultural diversity, pluralism, respect for the rights of minorities, and peace within and among nations. Democracy is based, among other fundamentals, on free and transparent elections and includes the right of all citizens to participate in government. Democracy and development reinforce one another.

We reaffirm our commitment to preserve and strengthen our democratic systems for the benefit of all people of the Hemisphere. We will work through the appropriate bodies of the OAS to strengthen democratic institutions and promote and defend constitutional democratic rule, in accordance with the OAS Charter. We endorse OAS efforts to enhance peace and the democratic, social, and economic stability of the region.

We recognize that our people earnestly seek greater responsiveness and efficiency from our respective governments. Democracy is strengthened by the modernization of the state, including reforms that streamline operations, reduce and simplify government rules and procedures, and

make democratic institutions more transparent and accountable. Deeming it essential that justice should be accessible in an efficient and expeditious way to all sectors of society, we affirm that an independent judiciary is a critical element of an effective legal system and lasting democracy. Our ultimate goal is to better meet the needs of the population, especially the needs of women and the most vulnerable groups, including indigenous people, the disabled, children, the aged, and minorities.

Effective democracy requires a comprehensive attack on corruption as a factor of social disintegration and distortion of the economic system that undermines the legitimacy of political institutions.

Recognizing the pernicious effects of organized crime and illegal narcotics on our economies, ethical values, public health, and the social fabric, we will join the battle against the consumption, production, trafficking and distribution of illegal drugs, as well as against money laundering and the illicit trafficking in arms and chemical precursors. We will also cooperate to create viable alternative development strategies in those countries in which illicit crops are grown. Cooperation should be extended to international and national programs aimed at curbing the production, use and trafficking of illicit drugs and the rehabilitation of addicts.

We condemn terrorism in all its forms, and we will, using all legal means, combat terrorist acts anywhere in the Americas with unity and vigor.

Recognizing the important contribution of individuals and associations in effective democratic government and in the enhancement of cooperation among the people of the Hemisphere, we will facilitate fuller participation of our people in political, economic and social activity, in accordance with national legislation.

### **To Promote Prosperity Through Economic Integration and Free Trade**

Our continued economic progress depends on sound economic policies, sustainable development, and dynamic private sectors. A key to prosperity is trade without barriers, without subsidies, without unfair practices, and with an increasing stream of productive investments. Eliminating impediments to market access for goods and services among our countries will foster our economic growth. A growing world economy will also enhance our domestic prosperity. Free trade and increased economic integration are key factors for raising standards of living, improving the working conditions of people in the Americas and better protecting the environment.

We, therefore, resolve to begin immediately to construct the "Free Trade Area of the Americas" (FTAA), in which barriers to trade and investment will be progressively eliminated. We further resolve to conclude the negotiation of the "Free Trade Area of the Americas" no later than 2005, and agree that concrete progress toward the attainment of this objective will be made by the end of this century. We recognize the progress that already has been realized through the unilateral

undertakings of each of our nations and the subregional trade arrangements in our Hemisphere. We will build on existing subregional and bilateral arrangements in order to broaden and deepen hemispheric economic integration and to bring the agreements together.

Aware that investment is the main engine for growth in the Hemisphere, we will encourage such investment by cooperating to build more open, transparent and integrated markets. In this regard, we are committed to create strengthened mechanisms that promote and protect the flow of productive investment in the Hemisphere, and to promote the development and progressive integration of capital markets.

To advance economic integration and free trade, we will work, with cooperation and financing from the private sector and international financial institutions, to create a hemispheric infrastructure. This process requires a cooperative effort in fields such as telecommunications, energy and transportation, which will permit the efficient movement of the goods, services, capital, information and technology that are the foundations of prosperity.

We recognize that despite the substantial progress in dealing with debt problems in the Hemisphere, high foreign debt burdens still hinder the development of some of our countries.

We recognize that economic integration and the creation of a free trade area will be complex endeavors, particularly in view of the wide differences in the levels of development and size of economies existing in our Hemisphere. We will remain cognizant of these differences as we work toward economic integration in the Hemisphere. We look to our own resources, ingenuity, and individual capacities as well as to the international community to help us achieve our goals.

### **To Eradicate Poverty And Discrimination In Our Hemisphere**

It is politically intolerable and morally unacceptable that some segments of our populations are marginalized and do not share fully in the benefits of growth. With an aim of attaining greater social justice for all our people, we pledge to work individually and collectively to improve access to quality education and primary health care and to eradicate extreme poverty and illiteracy. The fruits of democratic stability and economic growth must be accessible to all, without discrimination by race, gender, national origin or religious affiliation.

In observance of the International Decade of the World's Indigenous People, we will focus our energies on improving the exercise of democratic rights and the access to social services by indigenous people and their communities.

Aware that widely shared prosperity contributes to hemispheric stability, lasting peace and democracy, we acknowledge our common interest in creating employment opportunities that improve the incomes, wages and working conditions of all our people. We will invest in people so that individuals throughout the Hemisphere have the opportunity to realize their full potential.

Strengthening the role of women in all aspects of political, social and economic life in our countries is essential to reduce poverty and social inequalities and to enhance democracy and sustainable development.

## **To Guarantee Sustainable Development and Conserve Our Natural Environment for Future Generations**

Social progress and economic prosperity can be sustained only if our people live in a healthy environment and our ecosystems and natural resources are managed carefully and responsibly. To advance and implement the commitments made at the 1992 United Nations Conference on Environment and Development, held in Rio de Janeiro, and the 1994 Global Conference on the Sustainable Development of Small Island Developing States, held in Barbados, we will create cooperative partnerships to strengthen our capacity to prevent and control pollution, to protect ecosystems and use our biological resources on a sustainable basis, and to encourage clean, efficient and sustainable energy production and use. To benefit future generations through environmental conservation, including the rational use of our ecosystems, natural resources and biological heritage, we will continue to pursue technological, financial and other forms of cooperation.

We will advance our social well-being and economic prosperity in ways that are fully cognizant of our impact on the environment. We agree to support the Central American Alliance for Sustainable Development, which seeks to strengthen those democracies by promoting regional economic and social prosperity and sound environmental management. In this context, we support the convening of other regional meetings on sustainable development.

\* \* \* \* \*

**O**ur Declaration constitutes a comprehensive and mutually reinforcing set of commitments for concrete results. In accord with the appended Plan of Action, and recognizing our different national capabilities and our different legal systems, we pledge to implement them without delay.

We call upon the OAS and the Inter-American Development Bank to assist countries in implementing our pledges, drawing significantly upon the Pan American Health Organization and the United Nations Economic Commission for Latin America and the Caribbean as well as sub-regional organizations for integration.

To give continuity to efforts fostering national political involvement, we will convene specific high-level meetings to address, among others, topics such as trade and commerce, capital markets, labor, energy, education, transportation, telecommunications, counter-narcotics and other anti-crime initiatives, sustainable development, health, and science and technology.

To assure public engagement and commitment, we invite the cooperation and participation of the private sector, labor, political parties, academic institutions and other non-governmental actors

and organizations in both our national and regional efforts, thus strengthening the partnership between governments and society.

\* \* \* \* \*

**O**ur thirty-four nations share a fervent commitment to democratic practices, economic integration, and social justice. Our people are better able than ever to express their aspirations and to learn from one another. The conditions for hemispheric cooperation are propitious. Therefore, on behalf of all our people, in whose name we affix our signatures to this Declaration, we seize this historic opportunity to create a Partnership for Development and Prosperity in the Americas.



# **Plan of Action**

# **Plan of Action**

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# Summit of the Americas

## Plan of Action

The heads of state and government participating in the 1994 Summit of the Americas in Miami, Florida, desirous of furthering the broad objectives set forth in their Declaration of Principles and mindful of the need for practical progress on the vital tasks of enhancing democracy, promoting development, achieving economic integration and free trade, improving the lives of their people, and protecting the natural environment for future generations, affirm their commitment to this Plan of Action.

### **I. PRESERVING AND STRENGTHENING THE COMMUNITY OF DEMOCRACIES OF THE AMERICAS**

#### **1. Strengthening Democracy**

The strengthening, effective exercise and consolidation of democracy constitute the central political priority of the Americas. The Organization of American States (OAS) is the principal hemispheric body for the defense of democratic values and institutions; among its essential purposes is to promote and consolidate representative democracy, with due respect to the principle of non-intervention. The OAS has adopted multilateral procedures to address the problems created when democratic order has been interrupted unconstitutionally. In order to prevent such crises, the OAS needs to direct more effort toward the promotion of democratic values and practices and to the social and economic strengthening of already-established democratic regimes.

Governments will:

- Give expeditious consideration to ratifying the Cartagena de Indias, Washington and Managua Protocols to the OAS Charter, if they have not already done so.
- Strengthen the dialogue among social groups and foster grass roots participation in problem solving at the local level.
- Support efforts by the OAS to promote democracy by:
  - ◇ Encouraging exchanges of election-related technologies and assisting national electoral organizations, at the request of the interested state.
  - ◇ Strengthening the Unit for the Promotion of Democracy so that it can provide assistance at the request of the interested state on such matters as legislative and judicial processes, government reforms (including administration of justice, technical modernization of

national legislative bodies, simplification of government regulations and promotion of participation by community organizations in local democracy), and other institutional changes.

- ◇ Encouraging opportunities for exchange of experiences among member states' democratic institutions, particularly legislature-to-legislature and judiciary-to-judiciary.
- ◇ Fostering understanding, dialogue and political reconciliation, at the request of the affected state and bearing in mind that national reconciliation comes from within.
- ◇ Requesting the OAS to promote and follow up on these commitments.

## **2. Promoting and Protecting Human Rights**

Great progress has been made in the Hemisphere in the development of human rights concepts and norms, but serious gaps in implementation remain. While courts ultimately have the responsibility for enforcing legal rights and obligations, reforms in other institutions are needed to contribute to the further development of a climate of respect for human rights. There must also be universal access to justice and effective means to enforce basic rights. A democracy is judged by the rights enjoyed by its least influential members.

Governments will:

- Give serious consideration to adherence to international human rights instruments to which they are not already party.
- Cooperate fully with all United Nations and inter-American human rights bodies.
- Develop programs for the promotion and observance of human rights, including educational programs to inform people of their legal rights and their responsibility to respect the rights of others.
- Promote policies to ensure that women enjoy full and equal legal rights within their families and societies, and to ensure the removal of constraints to women's full participation as voters, candidates and elected and appointed officials.
- Review and strengthen laws for the protection of the rights of minority groups and indigenous people and communities to ensure freedom from discrimination, to guarantee full and equal protection under the law, and to facilitate active civic participation. Support a process to review and enhance the protection of indigenous rights in OAS member states and to develop promptly an effective United Nations declaration on indigenous rights.

- Review national legislation affecting people with disabilities, as well as benefits and services for them, and make any changes needed to facilitate the enjoyment by these individuals of the same rights and freedoms as other members of society.
- Undertake all measures necessary to guarantee the rights of children, and, where they have not already done so, give serious consideration to ratifying the United Nations Convention on the Rights of the Child.
- Guarantee the protection of the human rights of all migrant workers and their families.
- Take the necessary steps to remedy inhumane conditions in prisons and to minimize the number of pretrial detainees.
- Review training curricula for law enforcement agents to ensure that they adequately cover proper treatment of suspects and detainees as well as relations with the community.
- Exchange experiences on protection of human rights at the national level and, where possible, cooperate in the development of law enforcement and security force training or other programs to reduce the potential for human rights violations.
- Call on the OAS and the Inter-American Development Bank (IDB) to establish or to reinforce programs, as appropriate, to support national projects for the promotion and observance of human rights in the Western Hemisphere.
- Further strengthen the Inter-American Commission on Human Rights and the Inter-American Court of Human Rights.

### **3. Invigorating Society/Community Participation**

A strong and diverse civil society, organized in various ways and sectors, including individuals, the private sector, labor, political parties, academics, and other non-governmental actors and organizations, gives depth and durability to democracy. Similarly, a vigorous democracy requires broad participation in public issues. Such activities should be carried out with complete transparency and accountability, and to this end a proper legal and regulatory framework should be established to include the possibility of obtaining technical and financial support, including from private sources.

Governments will:

- Review the regulatory framework for non-governmental actors with a view to facilitating their operations and promoting their ability to receive funds. This review will emphasize the management and oversight of resources as well as transparency and the accountability to society of said actors.

- Take steps to improve the participation in social activities and initiatives of groups traditionally marginalized, including women, youth, indigenous people and the extremely poor.
- Exchange progress reports on activities in the civil society area at the 1996 Summit Conference on Sustainable Development in Bolivia.
- Consider the development by the IDB of a new Civil Society Program to encourage responsible and accountable philanthropy and civic engagement in public policy issues.

#### **4. Promoting Cultural Values**

Cultural development is a fundamental and integral component of development in the Americas and has an inherent capability to enrich our societies and to generate greater understanding among our countries.

In order to promote cultural values, governments will:

- Encourage more dynamic relations among public and private institutions and organizations, including universities, museums, and centers of art and literature, as well as among individual cultural actors. Such exchanges emphasize our cultural diversity, recognize the value of our local cultures and contribute to improving hemispheric understanding.
- Request that the OAS and IDB reinforce their plans and programs to facilitate these cultural exchanges and the flow of cultural and historical information within and among our nations.

#### **5. Combating Corruption**

The problem of corruption is now an issue of serious interest not only in this Hemisphere, but in all regions of the world. Corruption in both the public and private sectors weakens democracy and undermines the legitimacy of governments and institutions. The modernization of the state, including deregulation, privatization and the simplification of government procedures, reduces the opportunities for corruption. All aspects of public administration in a democracy must be transparent and open to public scrutiny.

Governments will:

- Promote open discussion of the most significant problems facing government and develop priorities for reforms needed to make government operations transparent and accountable.
- Ensure proper oversight of government functions by strengthening internal mechanisms, including investigative and enforcement capacity with respect to acts of corruption, and facilitating public access to information necessary for meaningful outside review.

- Establish conflict of interest standards for public employees and effective measures against illicit enrichment, including stiff penalties for those who utilize their public position to benefit private interests.
- Call on the governments of the world to adopt and enforce measures against bribery in all financial or commercial transactions with the Hemisphere; toward this end, invite the OAS to establish liaison with the OECD Working Group on Bribery in International Business Transactions.
- Develop mechanisms of cooperation in the judicial and banking areas to make possible rapid and effective response in the international investigation of corruption cases.
- Give priority to strengthening government regulations and procurement, tax collection, the administration of justice and the electoral and legislative processes, utilizing the support of the IDB and other international financial institutions where appropriate.
- Develop within the OAS, with due regard to applicable treaties and national legislation, a hemispheric approach to acts of corruption in both the public and private sectors that would include extradition and prosecution of individuals so charged, through negotiation of a new hemispheric agreement or new arrangements within existing frameworks for international cooperation.

## **6. Combating the Problem of Illegal Drugs and Related Crimes**

The problems of illegal drug and related criminal activities pose grave threats to the societies, free market economies, and democratic institutions of the Hemisphere. Drug use imposes enormous social costs; drug money and income are net drains on economic growth; and drug lords and criminal organizations endanger the security of our people through corruption, intimidation, and violence. While drug trafficking continues to be a significant source of illegal funds, the money laundering industry increasingly deals with the proceeds of all types of criminal activity. An integrated and balanced approach that includes respect for national sovereignty is essential to confront all aspects of these problems. For these reasons, a broad coordinated hemispheric strategy to reduce drug use and production, including new enforcement methods that can disrupt drug trafficking and money laundering networks and prosecute those engaged in such activities, is required. In this context, governments note the work of the 1992 San Antonio Summit, endorse the efforts of the Inter-American Commission on Drug Abuse Control, and agree to work together to formulate a counter-narcotics strategy for the 21st Century.

Governments will:

- Ratify the 1988 United Nations Convention Against the Illicit Traffic of Narcotics and Psychotropic Substances and make it a criminal offense to launder the proceeds of all serious crimes.

- Enact legislation to permit the freezing and forfeiture of the proceeds of money laundering and consider the sharing of forfeited assets among governments.
- As agreed by ministers and representatives of Caribbean and Latin American governments in the Kingston Declaration, November 5-6, 1992, implement the recommendations of the Caribbean Financial Action Task Force on Money Laundering and work to adopt the Model Regulations of the Inter-American Commission on Drug Abuse Control (CICAD).
- Encourage financial institutions to report large and suspicious transactions to appropriate authorities and develop effective procedures that would allow the collection of relevant information from financial institutions.
- Work individually and collectively to identify the region's narcotics trafficking and money laundering networks, prosecute their leaders, and seize assets derived from these criminal activities.
- Adopt programs to prevent and reduce the demand for and the consumption of illicit drugs.
- Adopt effective and environmentally-sound national strategies to prevent or reduce substantially the cultivation and processing of crops used for the illegal drug trade, paying particular attention to national and international support for development programs that create viable economic alternatives to drug production.
- Pay particular attention to the control of precursor chemicals and support comprehensive drug interdiction strategies.
- Strengthen efforts to control firearms, ammunition, and explosives to avoid their diversion to drug traffickers and criminal organizations.
- Hold a working-level conference, to be followed by a ministerial conference, to study and agree on a coordinated hemispheric response, including consideration of an inter-American convention, to combat money laundering.
- Convene a hemispheric-wide conference of donors, including multilateral development banks and UN agencies, to seek resources for alternative development programs aimed at curbing the production, trafficking, and use of illicit drugs, and the rehabilitation of addicts.
- Support the discussion the OAS has initiated with the European Union on measures to control precursor chemicals.
- Support the convening of a global counter-narcotics conference.

## **7. Eliminating the Threat of National and International Terrorism**

National and international terrorism constitute a systematic and deliberate violation of the rights of individuals and an assault on democracy itself. Recent attacks that some of our countries have suffered have demonstrated the serious threat that terrorism poses to security in the Americas. Actions by governments to combat and eliminate this threat are essential elements in guaranteeing law and order and maintaining confidence in government, both nationally and internationally. Within this context, those who sponsor terrorist acts or assist in their planning or execution through the abuse of diplomatic privileges and immunities or other means will be held responsible by the international community.

Governments will:

- Promote bilateral and subregional agreements with the aim of prosecuting terrorists and penalizing terrorist activities within the context of the protection of human rights and fundamental freedoms.
- Convene a special conference of the OAS on the prevention of terrorism.
- Reaffirm the importance of the extradition treaties ratified by the states of the Hemisphere, and note that these treaties will be strictly complied with as an expression of the political will of governments, in accordance with international law and domestic legislation.

## **8. Building Mutual Confidence**

The expansion and consolidation of democracy in the Americas provide an opportunity to build upon the peaceful traditions and the cooperative relationships that have prevailed among the countries of the Western Hemisphere. Our aim is to strengthen the mutual confidence that contributes to the economic and social integration of our peoples.

Governments will:

- Support actions to encourage a regional dialogue to promote the strengthening of mutual confidence, preparing the way for a regional conference on confidence-building measures in 1995, which Chile has offered to host.

## **II. PROMOTING PROSPERITY THROUGH ECONOMIC INTEGRATION AND FREE TRADE**

### **9. Free Trade in the Americas**

1) While pursuing economic integration and free trade in the Hemisphere, we reinforce our strong commitment to multilateral rules and disciplines. We endorse full and rapid implementation of the Uruguay Round, active multilateral negotiations in the World Trade

Organization, bilateral and subregional trade agreements, and other trade arrangements that are consistent with the provisions of the GATT/WTO and that do not raise barriers to other nations.

2) Extraordinary achievements have been made by countries of the Hemisphere in trade liberalization and subregional integration. Free trade and increased economic integration are key factors for sustainable development. This will be furthered as we strive to make our trade liberalization and environmental policies mutually supportive, taking into account efforts undertaken by the GATT/WTO and other international organizations. As economic integration in the Hemisphere proceeds, we will further secure the observance and promotion of worker rights, as defined by appropriate international conventions. We will avoid disguised restrictions on trade, in accordance with the GATT/WTO and other international obligations.

3) We will strive to maximize market openness through high levels of discipline as we build upon existing agreements in the Hemisphere. We also will strive for balanced and comprehensive agreements, including among others: tariffs and non-tariff barriers affecting trade in goods and services; agriculture; subsidies; investment; intellectual property rights; government procurement; technical barriers to trade; safeguards; rules of origin; antidumping and countervailing duties; sanitary and phytosanitary standards and procedures; dispute resolution; and competition policy.

4) We recognize that decisions on trade agreements remain a sovereign right of each nation. In addition, recognizing the importance of effective enforcement of international commitments, each nation will take the necessary action, in accordance with its own legislation and procedures, to implement the agreements in the areas covered by this Plan of Action.

5) As we work to achieve the "Free Trade Area of the Americas," opportunities such as technical assistance will be provided to facilitate the integration of the smaller economies and increase their level of development.

### **Immediate Action Agenda**

**We direct our ministers responsible for trade to take the following concrete initial steps to achieve the "Free Trade Area of the Americas."**

6) With the objective of ensuring full and complete discussion among the parties to the various trade agreements in the Hemisphere, we direct that meetings be held under existing trade and investment fora. Members of these fora will determine areas of commonality and divergence in the particular agreements under review and should consider the means of improving disciplines among them and bringing them together. We further direct that members of these fora inform ministers of the status of their discussions and make recommendations for achieving the "Free Trade Area of the Americas."

7) Transparency in, and a clear understanding of, the subregional and bilateral agreements achieved to date among the nations in the Hemisphere are critical for advancing trade and investment integration in the Americas. We will direct the OAS Special Committee on Trade,

with the support of the IDB, ECLAC, and other specialized regional and subregional organizations, to assist in the systematization of data in the region and to continue its work on studying economic integration arrangements in the Hemisphere, including brief comparative descriptions of the obligations in each of the Hemisphere's existing trade agreements. We will further direct the Special Committee on Trade to prepare a report of its work by June 1995 for the meeting of ministers.

8) We direct our ministers responsible for trade to: (a) review the progress of work undertaken in the fora noted in paragraphs 6 and 7; (b) provide guidance with respect to further work; and (c) consider areas for immediate attention--such as customs facilitation and product testing and certification with a view to mutual recognition agreements--that could be taken up in the appropriate fora.

9) Therefore, today we launch the "Free Trade Area of the Americas" by initiating the following process. We will direct the OAS to assist the host country in arranging the ministerial meetings.

January 1995 o Initiation of work programs and establishment of schedules in the fora in paragraph 6 and in the Special Committee on Trade.

June 1995 o Meeting of Ministers responsible for trade.

- preliminary report on status of work in the fora described in paragraph 6.
- preliminary Special Committee on Trade report.
- areas for immediate consideration.

March 1996 o Meeting of Ministers responsible for trade.

- final report to ministers by the Special Committee on Trade.
- final reports to ministers from the fora described in paragraph 6.
- timetable for further work.

## **10. Capital Markets Development and Liberalization**

The availability of capital at competitive rates is essential to finance private sector investment--a vital ingredient in economic development. Developing, liberalizing and integrating financial markets domestically and internationally, increasing transparency, and establishing sound,

comparable supervision and regulation of banking and securities markets will help to reduce the cost of capital by enhancing investor and depositor confidence.

Governments will:

- Form a Committee on Hemispheric Financial Issues to examine steps to promote the liberalization of capital movements and the progressive integration of capital markets, including, if deemed appropriate, the negotiation of common guidelines on capital movements that would provide for their progressive liberalization.
- Prepare, in cooperation with the Inter-American Development Bank, a comprehensive list of national capital regulations in order to promote transparency and support the discussions in the Committee on Hemispheric Financial Issues.
- Support the cooperative endeavors of the Association of Latin American and Caribbean Bank Supervisors and the Council of Securities Regulators of the Americas to provide sound supervision and regulation that support the development and progressive integration of markets.

The Committee on Hemispheric Financial Issues should also review problems of debt in the Hemisphere, taking account of ongoing work and drawing, as appropriate, on a broad range of expertise.

## **11. Hemispheric Infrastructure**

Development in this Hemisphere depends on urgent infrastructure measures, including the priority allocation of financial resources, in accordance with national legislation and with the participation of both the public and private sectors. Strengthening the flow of private productive capital to economically and environmentally sound projects has become increasingly vital to countries throughout the Hemisphere as the growth of official sources of capital has failed to keep pace with the area's needs.

Governments will:

- Charge multilateral development banks to work with governments and, as appropriate, private concerns, to develop mechanisms to deal with lending and investment issues.
- Draw on other regional and sub-regional experiences within the Hemisphere to support infrastructure development.
- Governments that so wish will develop suitable mechanisms, including multilateral and bilateral commitments on regulatory and legal rules and practices, to encourage private investment, both domestic and foreign, in national and transboundary infrastructure projects.

## **12. Energy Cooperation\***

The nations of the Hemisphere have begun a new era of economic growth. This new era is based on greater economic cooperation, freer trade, and open markets. Sustainable economic development requires hemispheric cooperation in the field of energy.

Governments will:

- Convene a follow-up hemispheric officials' meeting in the first semester of 1995 to encourage cooperation to study ways to develop the energy industry within the Hemisphere, consistent with the least cost national energy strategies and the activities described in the "Partnership for Sustainable Energy use" in the following areas:
  - ◊ Consideration of ways to use the energy sector to promote sustainable economic growth.
  - ◊ Cooperation to study ways to optimize and facilitate the financing mechanisms of international financial institutions to support the development of projects in the energy sector, especially including those pertaining to the enhancement of efficiency in the use of energy and to non-conventional renewable energy.
  - ◊ Cooperation to promote capital investment and to foster the use of innovative financial mechanisms to increase investment in the energy sector and the enhancement of efficiency in the use of energy and non-conventional renewable energy, in accordance with each country's legislation and developmental needs.
  - ◊ Promotion of the use of efficient and non-polluting energy technologies, both conventional and renewable, leading to a higher degree of knowledge and technical expertise in this area.
  - ◊ Consideration of the enhancement of ongoing efforts to establish electric and other energy facilities in accordance with domestic regulatory frameworks and, where appropriate, under sub-regional agreements.

\* This initiative is integrally linked with the Partnership for Sustainable Energy Use item.

## **13. Telecommunications and Information Infrastructure**

A country's information infrastructure--telecommunications, information technology, and broadcasting--is an essential component of political, economic, social and cultural development. The information infrastructure development needs in the Americas are immense. The governments of the Americas intend to meet these needs by engaging in multiple actions, where consistent with their respective governing laws, such as: encouraging private sector investment to increase participation in the telecommunications and information infrastructure sectors;

promoting competition; implementing flexible regulatory regimes; stimulating diversity of content, including cultural and linguistic diversity; providing access to information networks for service and information providers; and ensuring universal service, so that the benefits of the information infrastructure will be available to all members of our societies.

Governments will:

- Engage in ongoing discussions at the international level of the actions referred to above and endeavor to take those actions in their own countries, taking account of domestic conditions and circumstances.
- Undertake efforts to make government information more publicly available via electronic means.
- Review the availability and interoperability of connections to international networks that facilitate trade, improve education and improve access to health care.
- Encourage major universities, libraries, hospitals and government agencies to have access to these networks, building on the work of the OAS Hemisphere-Wide Inter-University Scientific and Technological Information Network.
- Via the OAS Inter-American Telecommunications Commission (CITEL), and in coordination with the sub-regional telecommunications organizations, develop and carry out a work program to:
  - ◊ Evaluate regulatory, technical and legal means to promote liberalization, common standards, interoperability of networks and compatible use of the radio spectrum.
  - ◊ Examine ways to promote greater consistency of the certification processes for telecommunications equipment among member countries.
  - ◊ Develop regional guidelines for the provision of international value-added network services.
- Support a meeting by 1996, coordinated by CITEL, of senior telecommunications officials to conduct further discussions of the above actions.

#### **14. Cooperation in Science and Technology**

There is a need to re-assess the on-going interaction among the region's science and technology (S&T) infrastructure and cooperative mechanisms; to provide impetus for improved cooperation; to reduce barriers to collaboration; to augment the demand for technology; and to disseminate information about technological opportunities using new advances in information technology;

and generally to improve communications among the key S&T organizations, researchers in the region, and growing technology-based small and medium-sized enterprises.

The commitment of the countries of the Americas to non-proliferation has gained new momentum with the acceptance of the international safeguard regime by some of our countries. The outstanding progress achieved in this field is to be commended and should contribute to enhanced opportunities for cooperation in the area of advanced goods and technologies.

Governments will:

- Convene a meeting of ministers responsible for science and technology in the Hemisphere within the next year to assess progress and to promote the Bolivar Programme and the OAS Common Market of Scientific and Technological Knowledge (MERCOCYT) program, to provide the necessary support to improve scientific partnerships and technological ventures in the region, and to explore the possibility of establishing a council on science and technology.
- Use existing multilateral mechanisms in the region to address a wide number of common S&T interests, including enhanced professional technical training, development and implementation of national policies and regional programs, dissemination and standardization of science and technology (including metrology and other technical norms), environmental technology development, and more effective partnerships to promote learning and competitiveness.
- Stimulate greater S&T interaction in the Hemisphere and support efforts already undertaken in other fora, including the Inter-American Institute for Global Change Research, and the International Research Institute for Climate Prediction. Governments will serve to advance and communicate new initiatives such as the Global Learning and Observations to Benefit the Environment (GLOBE) program.
- Confirm their interest in participating in new initiatives driven by a demand from private sector and non-government interests in technological opportunities.
- Confirm their national commitments to share S&T information with others in the Hemisphere, in accord with their respective laws, and to expand cooperation in scientific and environmental research.

## **15. Tourism**

Tourism is important to our economies and valuable in promoting understanding among the people of the Americas.

Governments will:

- Undertake initiatives to stimulate tourism in the Hemisphere.

### **III. ERADICATING POVERTY AND DISCRIMINATION IN OUR HEMISPHERE**

Large segments of society in our Hemisphere, particularly women, minorities, the disabled, indigenous groups, refugees and displaced persons, have not been equipped to participate fully in economic life. Nearly one-half of the Hemisphere's population still lives in poverty. Expanded participation of the poor in the region's economies, access to productive resources, appropriate support for social safety nets and increased human capital investments are important mechanisms to help eradicate poverty. In pursuit of these objectives, we reaffirm our support for the strategies contained within the "Commitment on a Partnership for Development and Struggle to Overcome Extreme Poverty" adopted by the OAS General Assembly.

The World Summit for Social Development to be held in Copenhagen in March 1995, as well as the United Nations World Conference on Women in Beijing in September 1995, will provide unique opportunities to define strategies to promote social integration, productive employment and the eradication of poverty.

#### **16. Universal Access to Education**

Universal literacy and access to education at all levels, without distinction by race, national origin or gender, are an indispensable basis for sustainable social and cultural development, economic growth and democratic stability.

Governments will:

- Guarantee universal access to quality primary education, working with public and private sectors and non-governmental actors, and with the support of multinational institutions. In particular, governments will seek to attain by the year 2010 a primary completion rate of 100 per cent and a secondary enrollment rate of at least 75 per cent, and to prepare programs to eradicate illiteracy, prevent truancy and improve human resources training.
- Promote, with the support of international financial institutions and the private sector, worker professional training as well as adult education, incorporating efforts to make such education more relevant to the needs of the market and employers.
- Improve human resources training, and technical, professional and teacher training, which are vital for the enhancement of quality and equity of education within the Hemisphere.
- Increase access to and strengthen the quality of higher education and promote cooperation among such institutions in producing the scientific and technological knowledge that is necessary for sustainable development.

- Support strategies to overcome nutritional deficiencies of primary school children in order to enhance their learning ability.
- Support decentralization including assurance of adequate financing and broad participation by parents, educators, community leaders and government officials in education decision-making.
- Review existing regional and hemispheric training programs and make them more responsive to current needs.
- Create a hemispheric partnership, working through existing organizations, to provide a consultative forum for governments, non-governmental actors, the business community, donors, and international organizations to reform educational policies and focus resources more efficiently.
- Urge the March 1995 World Summit for Social Development and the September 1995 Fourth World Conference on Women to address the issue of universal access to education.

#### **17. Equitable Access to Basic Health Services**

Despite impressive gains in the Hemisphere, limitations on health services access and quality have resulted in persistently high child and maternal mortality, particularly among the rural poor and indigenous groups.

Governments will:

- Endorse the maternal and child health objectives of the 1990 World Summit for Children, the 1994 Nariño Accord and the 1994 International Conference on Population and Development, and reaffirm their commitment to reduce child mortality by one-third and maternal mortality by one-half from 1990 levels by the year 2000.
- Endorse a basic package of clinical, preventive and public health services consistent with World Health Organization, Pan American Health Organization (PAHO) and World Bank recommendations and with the Program of Action agreed to at the 1994 International Conference on Population and Development. The package will address child, maternal and reproductive health interventions, including prenatal, delivery and postnatal care, family planning information and services, and HIV/AIDS prevention, as well as immunizations and programs combating the other major causes of infant mortality. The plans and programs will be developed according to a mechanism to be decided upon by each country.
- Develop or update country action plans or programs for reforms to achieve child, maternal and reproductive health goals and ensure universal, non-discriminatory access to basic services, including health education and preventive health care programs. The plans and programs will be developed according to a mechanism to be decided upon by each country.

Reforms would encompass essential community-based services for the poor, the disabled, and indigenous groups; stronger public health infrastructure; alternative means of financing, managing and providing services; quality assurance; and greater use of non-governmental actors and organizations.

- Strengthen the existing Inter-American Network on Health Economics and Financing, which serves as an international forum for sharing technical expertise, information and experience, to focus on health reform efforts. The network gathers government officials, representatives of the private sector, non-governmental institutions and actors, donors and scholars for policy discussions, analysis, training and other activities to advance reform; strengthens national capabilities in this critical area; and fosters Hemisphere-wide cooperation.
- Convene a special meeting of hemispheric governments with interested donors and international technical agencies to be hosted by the IDB, the World Bank and PAHO to establish the framework for health reform mechanisms, to define PAHO's role in monitoring the regional implementation of country plans and programs, and to plan strengthening of the network, including the cosponsors' contributions to it.
- Take the opportunity of the annual PAHO Directing Council Meeting of Western Hemisphere Ministers of Health, with participation of the IDB and donors, to develop a program to combat endemic and communicable diseases as well as a program to prevent the spread of HIV/AIDS, and to identify sources of funding.
- Urge the March 1995 World Summit for Social Development and the September 1995 Fourth World Conference on Women to address the issue of access to health services.

## **18. Strengthening the Role of Women in Society**

The strengthening of the role of women in society is of fundamental importance not only for their own complete fulfillment within a framework of equality and fairness, but to achieve true sustainable development. It is essential to strengthen policies and programs that improve and broaden the participation of women in all spheres of political, social, and economic life and that improve their access to the basic resources needed for the full exercise of their fundamental rights. Attending to the needs of women means, to a great extent, contributing to the reduction of poverty and social inequalities.

Governments will:

- Recognize and give full respect for all rights of women as an essential condition for their development as individuals and for the creation of a more just, united and peaceful society. For that purpose, policies to ensure that women enjoy full legal and civil rights protection will be promoted.

- Include a gender focus in development planning and cooperation projects and promote the fulfillment of women's potential, enhancing their productivity through education, training, skill development and employment.
- Promote the participation of women in the decision-making process in all spheres of political, social and economic life.
- Undertake appropriate measures to address and reduce violence against women.
- Adopt appropriate measures to improve women's ability to earn income beyond traditional occupations, achieve economic self-reliance, and ensure women's equal access to the labor market at all employment levels, the social security systems, the credit system, and the acquisition of goods and land.
- Cooperate fully with the recently-appointed Special Rapporteur on Violence Against Women, its Causes and Consequences, of the United Nations Commission on Human Rights.
- Support and actively work to secure the success of the United Nations World Conference on Women that will take place in Beijing in September 1995.
- Encourage, as appropriate, ratification and compliance with the International Convention on the Elimination of all Forms of Discrimination Against Women and the Inter-American Convention on the Prevention, Punishment and Eradication of Violence Against Women.
- Further strengthen the Inter-American Commission on Women.
- Call upon regional and international financial and technical organizations to intensify their programs in favor of women. Encourage the adoption of follow-up procedures on the national and international measures included in this Plan of Action.

## **19. Encouraging Microenterprises and Small Businesses**

Microenterprises and small businesses account for a large percentage of the employment of the poor, particularly women, and contribute a considerable percentage of the gross domestic product of our countries. Strengthened support for microenterprises and small businesses is a key component of sustainable and equitable development.

Governments will:

- Further pursue or initiate programs of deregulation and administrative simplification.
- Increase efforts to enable enterprises to obtain information on appropriate technologies (especially those that are environmentally sound), markets, processes, raw materials and management systems that will permit them to be more competitive in the global economy.

- Develop programs of financial deregulation to reduce costs in credit transactions and strengthen the institutional capacity of the financial sector servicing microenterprises and small businesses, and encourage the active participation by multilateral and bilateral agencies, development banks, commercial banks and other intermediary credit organizations, consistent with strict performance standards.
- Strengthen the institutions and programs that supply services and facilitate access to training and technical assistance to make possible this sector's participation in the global economy through export of its products and services.
- Encourage cooperation among businesses in this sector to enable them to benefit from the advantages of economies of scale without losing their distinctive characteristics.
- Promote the strengthening of relations among the public, private and mixed (public/private) institutions that support the microenterprise and small business sector through programs of information, training, technical assistance, financing and association-building, enabling this sector to thrive over the long term.
- Recommend to the multilateral development organizations, especially the World Bank and the IDB, the establishment or fortification of funds and other mechanisms to support microenterprises and small businesses.

## **20. White Helmets--Emergency and Development Corps**

The "White Helmets Initiative" is based on the conviction that a concerted international effort of developing and developed countries can facilitate the eradication of poverty and strengthen the humanitarian rapid response capability of the international community to emergency humanitarian, social and developmental needs.

The countries of the Americas could pioneer this initiative through the creation of national corps of volunteers that could respond to calls from other countries in the region. These national corps could eventually be put at the disposal of the United Nations.

Governments will on a voluntary basis:

- Establish, organize and finance a corps of volunteers to work at the national level and, at the same time, be at the disposal of other countries of the Hemisphere and, eventually, the United Nations system, on a stand-by basis, for prevention, relief, rehabilitation, technical, social and development cooperation, with the aim to reduce the effects of natural disasters, social and developmental needs and emergencies.
- Through the creation of a national corps of volunteers, be responsible for the following:

- ◊ Selection and training of its national volunteer corps;
  - ◊ Financing of its national corps of volunteers, encouraging the involvement of the private sector;
  - ◊ Preparedness to send specialized volunteers, on short notice and at the request of the United Nations, to cope with situations generated by or to prevent the effects of natural disasters and humanitarian emergencies.
- Contribute to the formation of this corps and invite private enterprises, foundations and regional financial institutions to do so.
  - Contribute to the development of an international roster of volunteers to be maintained in a master plan in the United Nations to be drawn upon to complement the activities of existing UN mechanisms. The IDB, OAS, and PAHO should be invited to participate and assist in developing this corps.

#### **IV. GUARANTEEING SUSTAINABLE DEVELOPMENT AND CONSERVING OUR NATURAL ENVIRONMENT FOR FUTURE GENERATIONS**

##### **21. Partnership for Sustainable Energy Use\***

Consistent with Agenda 21 and the Framework Convention on Climate Change, sustainable energy development and use promote economic development and address environmental concerns. Governments and the private sector should promote increased access to reliable, clean, and least cost energy services through activities and projects that meet economic, social, and environmental requirements within the context of national sustainable development goals and national legal frameworks.

Governments will:

- Pursue, in accordance with national legislation, least cost national energy strategies that consider all options, including energy efficiency, non-conventional renewable energy (i.e., solar, wind, geothermal, small hydro, and biomass), and conventional energy resources.
- Emphasize market-oriented pricing, which discourages wasteful energy use.
- Identify for priority financing and development at least one economically viable project in each of the following areas: non-conventional renewable energy, energy efficiency, and clean conventional energy.

- Promote, in cooperation with the private sector and rural and isolated communities, rural electrification programs which take into account where appropriate the utilization of renewable energy sources, in accordance with the domestic regulatory framework.
- Seek to ratify and begin implementation of the provisions of the Framework Convention on Climate Change which entered into force on March 21, 1994.
- Encourage the World Bank and IDB to increase promptly and substantially, as a portion of energy lending, financing of projects in energy efficiency and renewable energy and financing to improve the environmental sustainability of conventional energy sources, in accordance with economic rationality.
- Call on the multilateral financial institutions and other public and private financial institutions to finance regional and national programs in support of this action plan, such as training and exchange programs as well as technology cooperation, in accordance with the needs and conditions of receiving countries.
- Assist with coordination and technical cooperation between countries, using existing regional organizations, including project identification and implementation, training programs, and personnel and information exchanges to increase capacity.
- Promote the identification and implementation of private sector projects that reduce greenhouse gas emissions.
- Convene a Sustainable Energy Symposium in the first half of 1995 to discuss follow-up activities relative to this initiative. In the spirit of cooperation countries will share their experiences and discuss progress on implementing this action plan.

\*This initiative is integrally linked with the Energy Cooperation item.

## **22. Partnership for Biodiversity**

Our Hemisphere contains over half the world's biodiversity. To sustain the Hemisphere's social and economic development, we must intensify efforts to understand, assess, and sustainably use this living resource base. We must act now to increase the technical and management capacity and public awareness of national and international efforts in this area. Agenda 21, the Convention on Biological Diversity, and other related international instruments recognize these needs and call for the conservation and sustainable use of biodiversity resources.

Governments will:

- Seek to ensure that strategies for the conservation and sustainable use of biodiversity are integrated into relevant economic development activities including forestry, agriculture, and coastal zone management, taking into account the social dimension and impact of these activities.

- Develop and implement the policies, techniques, and programs to assess, conserve, and sustainably use terrestrial, marine, and coastal biodiversity resources.
- Seek to ratify the Convention on Biological Diversity and pursue opportunities for collaboration under it, and, as appropriate, other international and regional environmental instruments.
- Support democratic governmental mechanisms to engage public participation, particularly including members of indigenous communities and other affected groups, in the development of policy involving conservation and sustainable use of natural environments. The forms of this participation should be defined by each individual country.
- Develop national plans and programs to establish and strengthen the management of parks and reserves, seeking links to economic, social, and ecological benefits for local people.
- Build capacity for the conservation and sustainable use of biodiversity, through programs on management of parks and protected areas, forests and wetlands management, the Small Islands Developing States Action Plan, the Coral Reef Initiative, CITES support projects, and the Caribbean Regional Marine Pollution Action Plan, among others.
- Launch a “Decade of Discovery” to promote hemispheric technical and scientific cooperation and to facilitate the exchange of information relevant to the conservation and sustainable use of biological diversity.
- Increase support of training and education initiatives addressing sustainable use of biodiversity resources and foster activities by universities, non-governmental actors and organizations and the private sector to assist in the training of managers and to empower local communities.
- Call on multilateral financial institutions, including the IDB and the Global Environment Facility, to support eligible regional and national projects.
- Discuss progress on implementation of national and international activities described above at the 1996 Summit Conference on Sustainable Development in Bolivia, and at subsequent annual sustainable development ministerials.

### **23. Partnership for Pollution Prevention**

As recognized in Agenda 21, sound environmental management is an essential element of sustainable development. Cooperative efforts are needed to develop or improve, in accordance with national legislation and relevant international instruments: (1) frameworks for environment protection; and (2) mechanisms for implementing and enforcing environmental regulations. To achieve this goal, a new partnership will promote cooperative activities for developing environmental policies, laws, and institutions; increasing technical capacity; promoting public

awareness and public participation; continuing to pursue technological, financial and other forms of cooperation; and facilitating information exchange, including on environmentally sound technologies. The activities of the partnership will build on and advance the implementation of international agreements and principles including those agreed to at the 1992 United Nations Conference on Environment and Development and the 1994 Global Conference on the Sustainable Development of Small Island Developing States, in areas identified as priorities by countries of the Hemisphere.

Governments will:

- Strengthen and build technical and institutional capacity to address environmental priorities such as pesticides, lead contamination, pollution prevention, risk reduction, waste and sanitation issues, improved water and air quality, access to safe drinking water, urban environmental problems, and to promote public participation and awareness.
- Develop and implement national action plans to phase out lead in gasoline.
- Strengthen national environmental protection frameworks and mechanisms for implementation and enforcement, and include sustainability criteria and objectives in national and other development strategies.
- Undertake national consultations to identify priorities for possible international collaboration.
- Support democratic governmental mechanisms to engage public participation, particularly from members of indigenous and other affected communities, in the consideration of policies regarding the environmental impact of development projects and the design and enforcement of environmental laws.
- Convene a meeting of technical experts, designated by each interested country, to develop a framework for cooperative partnership, building on existing institutions and networks to identify priority projects. These projects will initially focus on (1) the health and environmental problems associated with the misuse of pesticides, and (2) the impacts of lead contamination from gasoline and other sources. Subsequent activities could address waste, air, water quality, marine pollution from ships and other sources, and problems associated with urbanization.
- Promote the participation of organizations, such as the IDB, MIF, the World Bank, PAHO, the OAS, and non-governmental actors and organizations, as appropriate, to finance, develop and implement priority projects.
- Develop environmental policies and laws with the goal of ensuring that economic integration of the region occurs in an environmentally sustainable manner.

- Establish mechanisms for cooperation among government agencies, including in the legal and enforcement areas, to facilitate environmental information exchange, technology cooperation and capacity-building.
- Develop compatible environmental laws and regulations, at high levels of environmental protection, and promote the implementation of international environmental agreements.
- Discuss progress on implementation of international and national activities described above at the 1996 Summit Conference on Sustainable Development in Bolivia and at subsequent annual sustainable development ministerials.

# Appendix

The primary responsibility for implementing this Plan of Action falls to governments, individually and collectively, with participation of all elements of our civil societies.

Existing organizations or institutions are called upon to implement the package of initiatives that has emerged from this Summit of the Americas. In many instances we have proposed that specific issues be examined by meetings of ministers, senior officials or experts. We are also proposing that some of these initiatives be carried out in partnerships between the public and private sector. Wanting to benefit from existing hemispheric mechanisms, and considering the various proposals included in this Plan of Action, we offer the following recommendations, which shall not impede any government from approaching other institutions not cited herein, as appropriate.

## **I. Principal Initiatives in Which International Organizations and Institutions Will Be Involved**

A) The OAS will have a paramount role in following up on the various decisions of this Summit meeting. Regarding the Plan of Action, the OAS has a particularly important supporting role in connection with the following:

- Strengthening Democracy
- Promoting and Protecting Human Rights
- Combating Corruption
- Eliminating the Threat of National and International Terrorism
- Building Mutual Confidence
- Free Trade in the Americas
- Telecommunications and Information Infrastructure

The Action Plan also envisages roles for the OAS in the following areas:

- Promoting Cultural Values
- Combating the Problem of Illegal Drugs and Related Crimes
- Cooperation in Science and Technology
- Strengthening the Role of Women in Society

- Partnership for Pollution Prevention

B) We call on the Inter-American Development Bank to support the activities specified in this Plan of Action. The policies agreed in the recently completed augmentation of its capital and replenishment of the Fund for Special Operations already move in the directions identified and should receive special emphasis. The IDB has a particularly important role in connection with the following:

- Universal Access to Education
- Equitable Access to Basic Health Services
- Encouraging Microenterprises and Small Businesses
- Partnership for Sustainable Energy Use
- Partnership for Biodiversity
- Partnership for Pollution Prevention

In addition, the Action Plan envisages roles for the IDB and its affiliates in the following areas:

- Promoting and Protecting Human Rights
- Invigorating Society/Community Participation
- Promoting Cultural Values
- Combating Corruption
- Combating the Problem of Illegal Drugs and Related Crimes
- Free Trade in the Americas
- Capital Markets Development and Liberalization
- Hemispheric Infrastructure
- Cooperation in Science and Technology
- White Helmets--Emergency and Development Corps

C) Other international organizations, notably ECLAC and PAHO in the Hemisphere, as well as the World Bank and all agencies of the UN system active in the Hemisphere, are called upon to assist in the implementation of the action items where appropriate.

## **II. High-Level Meetings**

The following high level meetings and conferences are called for to carry out the mandates emanating from the Summit:

- Summit Conference on Sustainable Development (Bolivia, 1996) with follow-on Annual Ministerials
- Ministerial Conference on Combating Money Laundering (preceded by working level meeting)
- Conference of Donors for Alternative Development Programs to Curb Narcotics Trafficking
- Global Counter-Narcotics Conference
- Special OAS Conference on Combating Terrorism
- Regional Conference on Confidence-Building Measures (Chile, 1995)
- Meetings of Ministers Responsible for Trade (June 1995, March 1996)
- Meeting of Committee on Hemispheric Financial Issues
- Hemispheric Meeting on Development of Energy Industries (first semester 1995)
- Meeting of Ministers Responsible for Science and Technology (1995)
- Meeting Between Governments and Donors/Technical Agencies to Establish Health Reform Mechanisms
- Sustainable Energy Symposium (first half of 1995)

## **III. Initiatives in Which Public and Private Sector Partnerships Play an Important Role**

- Strengthening Democracy
- Promoting and Protecting Human Rights
- Invigorating Society/Community Participation

- Promoting Cultural Values
- Combating Corruption
- Hemispheric Infrastructure
- Cooperation in Science and Technology
- Universal Access to Education
- Equitable Access to Basic Health Services
- Encouraging Microenterprises and Small Businesses
- White Helmets--Emergency and Development Corps
- Partnership for Sustainable Energy Use
- Partnership for Biodiversity
- Partnership for Pollution Prevention

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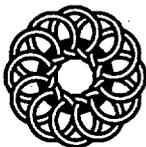


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