



# HEINRICH BÖLL FOUNDATION

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## **Global governance for sustainability**

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The success of Rio+10 will depend to a large extent on the process that takes place prior to the summit. It is therefore necessary to evolve a preparatory process on a broad participatory basis involving all stakeholders, not only the government and official institutions, but also the private sector, the media and civil society. This process has already started on a national and regional level. Our meeting here in Canberra will provide the opportunity to exchange information and views on the global level, to coordinate our planning, extend our networks and improve our capacity to push forward the official preparatory process.

The global ecological challenges as well as the globalisation of the economy demand increased international cooperation of the Green movement to build a counter-power to social and environmental degradation and to develop a new global order based on the principles of equity and fairness, democracy and sustainability. Almost 10 years after the World Summit in Rio proclaimed sustainable development as a new agenda for the twenty-first century and declared it to be the guiding principle in politics and the economy, there is an obvious lack of action to change basic policy and business patterns in a sustainable direction. Sustainable development has become a fashionable keyword for political parties and transnational companies but there is a fatal gap between words and deeds.

The alarming decision of the new Bush-Cheney administration in the USA to throw the Kyoto Protocol on climate protection in the trash box and to ignore urgent warnings that climate change is already on its way, with severe consequences for hundreds of millions of human beings, is a particularly bad omen for the world summit next year.

If the highly industrialised countries refuse to accept that their over-consumption of natural resources and their wasteful lifestyle is the main cause of the problem and therefore they have to contribute most to the solution, we will experience a severe backlash against efforts to create global governance for sustainable development.

This question of how to steer globalisation towards sustainability is key. If we regard globalisation of investments, trade, labour markets, migration, media, technology and tourism as the driving force of the modern world, all depends on whether we can create a supra-national framework of rules, arrangements and institutions to steer, supervise and shape this process in a bold environmentally and socially sustainable direction.

This includes the question of limiting globalisation and defining which parts of our cultural, social and economic life and which parts of the eco-sphere should be kept under local, regional or national control. After 20 years of deregulation we need a new stage of re-regulation, not to replace markets by some kind of planned economy but to create the legal and institutional framework which is a pre-requisite for markets to be sustainable too. I think this is achievable.

The Rio Summit in 1992 marked the beginning of a new dimension of global governance. We have seen numerous institutional international conventions and treaties which I would not under-estimate in spite of their modest results so far. Some of them are not even ratified, like the Kyoto Protocol or the Convention to Combat Desertification or the Biosafety Protocol. This should be done before the Johannesburg Summit or at the Summit itself.

We have seen new forums and institutional bodies developed to deal with global challenges. And we have seen non-government organisations take a more important role in the international arena, including through innovative forms of conflict management between international institutions, business and non-government organisations, such as the World Commission on Dams.

To strengthen the impact of global governance on the process of globalisation, it is critical to develop the links between environmental and social policy and trade and finance issues and institutions. A core target should be to implement ecological and social standards in the World Trade Organisation regime. And the next step could be to establish an inter-institutional coordination between the World Trade Organisation, United Nations Environment Program and the International Labour Organisation.

In the long run, we should aim to merge the existing United Nations bodies for environment and development to form a World Organisation for Sustainable Development. In a shorter time-scale, there is a chance to establish an international agency for renewable energies, counterforce to the International Nuclear Agency. This could be a concrete outcome of the

Johannesburg Summit and a model for the transfer of green technologies between North and South, on fair terms, to serve the energy needs of the industrialising countries on a sustainable basis.

We also need to fix criteria for sustainable trade and investment on an institutional or a voluntary basis, such as codes of conduct between business and non-government organisations. The Forest Stewardship Council is a very positive example in this direction.

Another central issue is providing the finance for development. In March 2002, the Conference on Financing for Development will be held and its results will be very important in setting the political climate of the Johannesburg Summit a few months later.

New financing instruments could include the Tobin Tax on transnational capital transactions and the use of eco-taxes to reduce external costs of production and consumption. Pollution trading is another. If we accept that international justice and equity means that every person should have the same right to participate in the environmental space, this would constitute a large ecological debt of the North payable in dollars to the South if we create an international system of pollution trading. Debt for nature swaps is another possibility. Which of these and other questions can we agree upon and work towards for Johannesburg and beyond?

The success of the Johannesburg summit depends on joint efforts to overcome the environmental crisis and to help the poor to meet their basic needs for healthy food, drinking water, education and health care. It has to address all three dimensions of sustainable development: the environment, the social challenges and the economy, including the debilitating debt oppressing most third-world countries and it has to produce concrete and binding commitments. This is essential to restore the credibility of the Rio process.

Johannesburg will play a crucial role for the future of the world. If the outcome is nothing but paperwork and lip service, we will lose another decade in our race with the time to stop the destabilisation of the global ecosystem we all depend on.