

SPAC Update

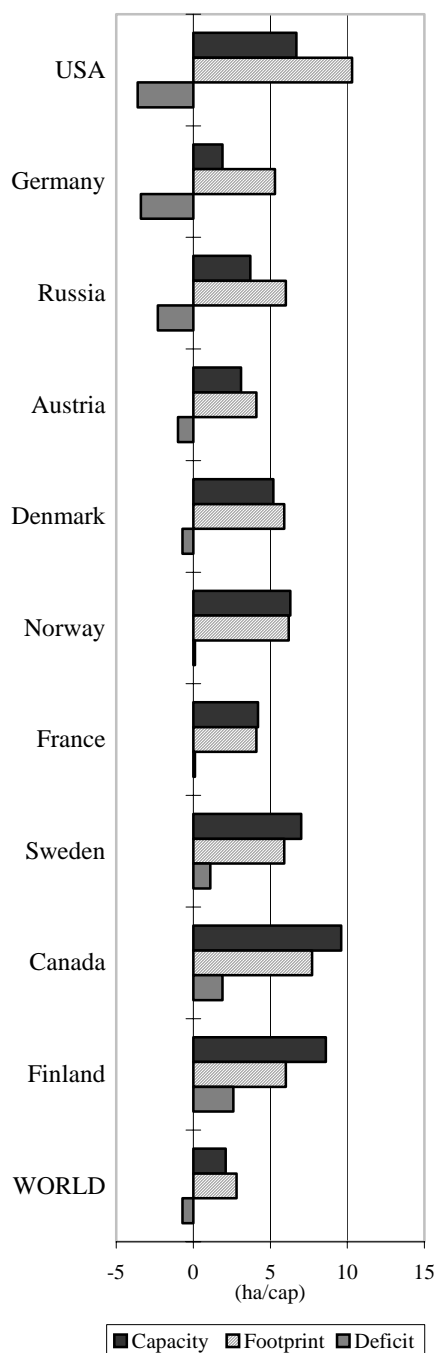
International news and opinion on sustainable production and consumption

May 2003

Taking the lead or taking their time?

ECOLOGICAL FOOTPRINTS

(Source: Ecological Footprints of Nations, 1999)



Are developed countries underachievers in overcoming unsustainable production and consumption?

For years, governments and others have talked about the responsibility of the developed, industrialized countries to “take the lead” in overcoming unsustainable production and consumption patterns. Chapter 4 of *Agenda 21* identifies unsustainable production and consumption as “the major cause of the continued deterioration of the global environment,” placing primary responsibility on the doorstep of the industrialized countries. In contrast to the poor, who are unable to meet basic needs for food, health care, shelter and education, the “richer segments” of the world are responsible for increasing stress from their “excessive demands and unsustainable lifestyles.”

The ecological footprints of countries, as Emmanuel Prinet points out on page 5, offer us a glimpse into this situation, with countries like the US and Germany, as well as countries like Russia, Poland, and Hungary consuming far beyond their ecological capacities.

While all countries should strive to promote sustainable consumption patterns, Agenda 21 concluded, “developed countries should take the lead in achieving sustainable consumption patterns.” Furthermore, “the review of progress made in achieving sustainable consumption patterns should be given high priority.”

The challenge posed by Agenda 21 was quite clear: The response “will require reorientation of existing production and consumption patterns that have developed in industrial societies and are, in turn, emulated in much of the world.”

In 1997, at the five year review of progress on Agenda 21, the General Assembly acknowledged that the global environment had continued to deteriorate since 1992, with rising levels of greenhouse gas emissions, pollution and waste, as well as depletion of fresh water, topsoil, [See *TAKING THE LEAD*, page 15]

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To achieve sustainable development and a high quality of life for all people, states should reduce or eliminate unsustainable patterns of production and consumption.

— Principle 8, Rio Declaration (1992)

This issue is available online at: www.isforum.org/pubs/SPACUpdate-May03.pdf

SPAC events at CSD 11

A ten year framework of programmes for sustainable production and consumption: Global and regional processes

April 28, 2003–New York
Organized by UNDSO and UNEP

At the WSSD, the European Union proposed a 10-year **programme of work** on sustainable production and consumption focusing on the need for concrete government action and commitment in the fields of consumer pricing, science and technology and access to information. A watered down version of this proposal made its way in the JPOI as a “10-year **framework of programmes** in support of regional and national initiatives to accelerate the shift towards sustainable production and consumption to promote social and economic development”.

As a part of such initiatives, the UN Division of Sustainable Development and the UNEP are in the process of organizing global and regional expert meetings in order to “**assist in developing such a framework**”. A regional meeting was held in Argentina between the 21st and 25th of April 2003, and similar initiatives are being planned in Indonesia, Korea and Nicaragua later in 2003. An International Meeting is being organized in Morocco between June 16th and 19th.

The side event provided a briefing on the results of the Argentina meeting, and preparations for the other meetings.

Ecological footprinting: An indicator to measure SPAC patterns

May 1, 2003–New York
Organized by Association 4D

CSD 11 made clear that the Johannesburg decade would be focused on implementation. Thus, indicators assume importance as tools by which one can assess and measure where we are, where we want to go and how to get there.

The Ecological Footprint is an important tool that is used to measure the load imposed by a given population in nature. It represents the land area necessary to sustain current levels of resource consumption and waste discharge. The Footprint is widely used in order to raise public awareness on excessive consumption, and develop government and institutional policy making on SPAC.

The side event explained how the tool of ecological footprinting could be used in order to measure and track the production and consumption patterns of nations. The first presentation by Emmanuel Prinet of Association 4D explained the concept of ecological footprinting, how the tool could be used



Emmanuel Prinet explains an ecological cycle diagram during the Ecological Footprint side event.

and the use being made of the footprint, particularly in the European Union. (The tool and its use is more fully explained in Prinet's article on page 5.)

The second presentation was given by Jeffrey Barber of the Integrative Strategies Forum, who used the Footprint to demonstrate worsening trends in unsustainable consumption—particularly in developed countries. He called attention to the Johannesburg Programme of Implementation (JPOI) principle of common and differentiated responsibilities, and the need for developed countries to “take the lead” to change such patterns.

Deling Wang of Metropolitan Solar Energy and co-chair of the Energy Caucus, gave the final presentation, using striking examples to draw attention to over-consumption, particularly in developed countries. The discussion after the presentation centered around instances where the Footprint had been successfully adopted by the government and schools to raise awareness about consumption, and reasons why the Footprint has not been more widely adopted.



The panel of speakers at ICSPAC's side event takes questions from the audience.

Expert meetings on production and consumption

21-25 April 2003, Buenos Aires, Argentina

The Latin America and Caribbean Meeting organized to provide regional inputs into the CSD process.

21-23 May 2003, Yogyakarta, Indonesia

The Asia Pacific Expert Meeting aims to help develop a ten-year framework of programmes, as was agreed upon in the World Summit on Sustainable Development, in Johannesburg.

16 - 19 June 2003, Marrakech, Morocco

The International Expert Meeting has been organized in support of regional and national initiatives to promote sustainable consumption and production patterns and to provide expert inputs to the Commission on Sustainable Development (CSD) for consideration as part of its future work on sustainable consumption and production.

Source: UNEP (www.unep.org/pc/sustain/events/events.htm)

Changing production and consumption patterns: National strategies, the CSD, and the ten year framework

May 1, 2003–New York

Organized by the International Coalition for Sustainable Production and Consumption (ICSPAC), and sponsored by Consumers International and Integrative Strategies Forum

The Johannesburg Programme of Implementation (JPOI) sets 2005 as the target for national governments to develop and implement National Strategies for Sustainable Development. The JPOI also calls for the development of a 10-year framework of programmes on SPAC.

As part of CSD 11, Consumers International and Integrative Strategies Forum organized a panel discussion on May 1, 2003 in New York to discuss the proposition that the two commitments should be combined. This assumes topical importance on account of the ongoing expert meeting series organized by the UN Division on Sustainable Development and the UNEP on the 10-year framework of programmes.

Mr. Bernard Komudho, the Director of the National Environment Management Authority of Kenya explained Kenyan initiatives in the fields of cleaner production and sustainable consumption.

Ralph Chipman of DESA and Pierre Quiblier, Liaison Officer at UNEP explained that SPAC was primarily a CSD issue, and that the expert meetings organized in Morocco and elsewhere would only serve to feed into the CSD process (through the Secretary General's report). They also confirmed that SPAC was not a priority for CSD.

Jeffrey Barber of Integrative Strategies Forum called for civil society monitoring of the progress of national governments in creating and implementing SPAC-related plans and strategies. His SPAC Watch proposal envisioned a series of national, regional, and global reports that would feed into the CSD review and policy cycles.

Bjarne Pedersen of Consumers International explained the importance of the UN Guidelines on Consumer Protection, and the need for national governments to incorporate them into their national plans and strategies.

“Put consumption & production at the heart of the process”

This was the first priority and recommendation to the Economic Commission for Europe governments highlighted by NGOs and adopted by the Plenary of the European ECO-Forum last December in the Bratislava Declaration on the Pan European Agenda for the Kyiv Environmental Ministers Conference. The following excerpt lays out in more detail what this means for European NGOs.

The “Environment for Europe” process should put in its centre the **phase out of unsustainable production and consumption patterns** in the region, through a combination of regional legally binding instruments, action programmes and accompanying financial assistance. It should realise that this issue has a strong social dimension, as unsustainable consumption patterns include both over- and under-consumption.

In particular, action is needed to make the market work for the environment. Despite theoretical recognition of the **need for environmental tax reform** and the **abolition of environmentally perverse subsidies**, only a few countries have taken modest steps, intimidated by the eternal business opposition based on imaginary competitiveness concerns. Using **public procurement** for promoting environmentally sound production and consumption patterns is usually discouraged.

Promoting sustainable consumption and production patterns also leads to restrictions on the liberalization of trade and investment in order to keep control over jobs and resources within the local economy. Hence, **the WTO agenda needs to be re-shaped** so that trade serves the goals of sustainable development and does not undermine them.

We acknowledge the progress made in the EU on implementing **individual producer responsibility** for end-of-life vehicles and electrical & electronic waste. Such regimes need to be established across the UNECE region and need to embrace a wider range of post-consumer waste.

Labelling is essential for consumer choice. For eco-labelling to be credible, it must be underpinned by transparent criteria, certification and third party verification systems.

We applaud the adoption of the **Stockholm Convention on Persistent Organic Pollutants** and call for its speedy ratification and entry into force. This is a start but more hazardous chemicals, including those suspected of being hormone-disrupters, need to be slated for phase-out. The EU made a good start last year with its agreement on a new chemicals policy. This targets existing unregulated chemicals, shifts the burden for providing safety data onto producers of chemicals and introduces the substitution principle. We are anxious to see the publication and adoption of the legal instruments that will put this approach into practice in the EU.

It is needed to ensure **new income-generating opportunities** and other support for workers and communities impacted by the closure of unsustainable production facilities.

Extracted from the Bratislava Declaration on the Pan-European Agenda for the Kyiv Environmental Ministers Conference, Adopted by the Plenary of the European ECO-Forum, 8 Dec 2002, Bratislava, Slovak Republic.



SPAC: Not an “issue”

Reprinted from Taking Issue, Vol. 3, Issue 3, 1 May 2003, www.sdissues.net/sdin/docs/TI-V3I3-01May03.pdf

Poverty is an unsafe product

In Johannesburg, governments further refined the evolving definition of sustainable development by agreeing on its three overarching objectives as (1) poverty eradication, (2) changing unsustainable production and consumption patterns, and (3) protecting natural resources. On the first day of the CSD's 11th session, during the Ministerial Roundtable on Production and Consumption, the speaker for the NGO Caucus on Sustainable Production and Consumption, Veena Ramani, pointed out the essential linkage between poverty and production and consumption. Her point was that poverty is not a separate isolated issue, but a product of unsustainable production and consumption patterns. The underconsumption plaguing developing countries is the flip side to the excessive, wasteful consumption habits of affluent countries and populations; two sides of the same coin. The question is, who is carrying this coin in their policymaking pocket, and what are they going to do with it?

Show us the money

The NGO speaker further pointed out the vital link of finance and investment, both private and public. In discussing production and consumption, investment is too often the *missing* link between fulfilling human needs without causing harm (i.e., sustainable consumption) and the clean production processes to provide safe goods and services to meet those needs. Despite the traditional assumption that production responds to consumer demand, it is those with control over resources (governments, corporations, financial institutions) who decide which products and services will be produced to meet the needs of selected populations. From the perspective of the poor, the invisible hand of the market continually gives them the finger. At the same time, governments continue to encourage unsustainable pro-

duction and consumption patterns through irresponsible handouts (subsidies and tax breaks) to big corporations and industries. As to government's responsibility to ensure the accountability of the corporate sector to society, the tendency is too often to turn this responsibility back to industry, whose representatives tirelessly argue that their clients will voluntarily keep their hands out of the cookie jar.

SPAC as an integrative framework

Governments and industry, as well as many NGOs, tend to endorse the concept of sustainable production and consumption, yet fail to integrate this into their strategies for addressing consumption needs (safe food, clean water, sustainable energy, health, education). Throughout the discussions about implementation, the main players tend to overlook or perhaps simply not understand the potential contribution of sustainable production and consumption (SPAC) as an *integrative framework* for effectively addressing sectoral issues. Water is one example. Globally, 70% of the world's fresh water is consumed by agriculture, 22% by industry, and 8% for domestic drinking water and sanitation needs (8%). While the average US household tends to consume 152.7 gallons per day, 5-12 million people (mostly women and children) die each year from contaminated water diseases. Part of the problem, which needs to be addressed, lies with the agriculture and industry sectors consuming water to produce for other consumption needs.

Yet production and consumption is continually talked about as a separate topic, competing with water, energy and other sectoral issues for attention.

Whereas the WSSD and CSD discussion about production and consumption tends to revolve around the timing and content of the “ten year framework of programmes in support of regional and

national initiatives,” little attention is given to the value of SPAC as itself a framework, one critical to the task of achieving policy coherence and integration in national and regional sustainable development strategies. As a result, sustainable development is continually marginalized as an environmental concern, continually overridden by trade and other economic priorities, continually competing with pressures to address urgent social needs. The first priority of the ten year framework as well as the next session of CSD should be to examine the ways that SPAC as a framework (not an issue) can improve efforts to produce the services, products and processes needed to meet the consumption needs *of everyone* for fresh water, safe food, energy, education, and health—without causing harm.

Wanted: Transparency and accountability

Understandably, civil society groups are frustrated with the slow pace of governments and industry to integrate SPAC into national and corporate strategies and practices. In her speech, the NGO spokesperson let delegates know we are looking forward to seeing what progress they will report in 2005 when governments are expected to be implementing their national sustainable development strategies. We will look closely at how seriously governments address the overarching objective of overcoming unsustainable production and consumption patterns, and what efforts they make to develop domestic policy frameworks on sustainable production and consumption (an Agenda 21 commitment).

As to both the ten-year framework and the future of the CSD, civil society participation, especially in monitoring and evaluating progress and in identifying the obstacles to progress, is essential.

—By Jeffrey Barber, *Integrative Strategies Forum*

Ecological footprints

Reprinted from Taking Issue, Vol. 3, Issue 2, 30 Apr. 2003, www.sdissues.net/sdin/docs/TI-V3I2-30Apr03.pdf

Growth and ecology

What are the consequences of the growth-based and resource-intensive development path that is presently being sought out by humanity as a whole? Many NGOs present at CSD 11 think that these questions should be the ideological basis of any CSD discussion, especially as CSD 11 is about the direction of CSD and sustainability for the next decade.

One of the fundamental questions that lies at the heart of the sustainability debate is whether human activities are taking place within the ecological capacity of the planet.

Ignored by economists

Unfortunately, economists and political leaders today tend to ignore or downplay these questions, because they claim that any limit to local biophysical capacity can be overcome through trade and commerce; in other words, if you require more resources than your local environment can produce, then simply import them from somewhere else.

No carrying capacity

The carrying capacity of our ecosphere is limited: there can be no infinite material growth in a finite environment! Yet, our economic models push us to produce more and consume more, largely through advertising. Economic growth remains the overarching objective on the political agenda of any country, a convenient way to skirt around any talk about redistributing the wealth that already exists (between and within countries).

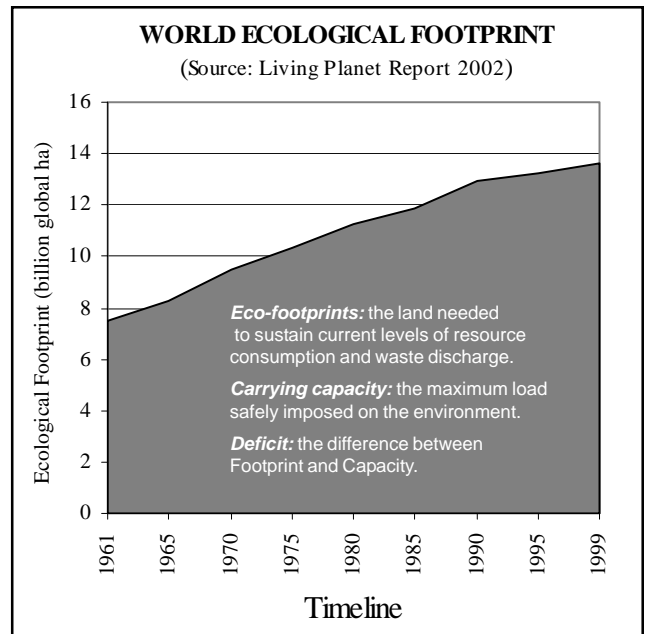
But planetary ecosystems can no longer accommodate current economic activities, let alone an increase. The UNEP's GEO 2000 report states that the present course is unsustainable. Postponing action is no longer an option.

The indicator debate

The Ecological Footprint is designed to measure the extent of the human impact on the biosphere. It is a measure of the biologically productive area that is required to provide—indefinitely and using prevailing technology—the resources and energy used by a given population, and to absorb its wastes, wherever this area may be located on the planet. As such, it is a crucial indicator to measure progress, particularly in changing unsustainable production and consumption patterns, which are important components of sustainable development. It was introduced by William Rees and Mathis Wackernagel in the mid-1990s in Canada and is now used by a number of institutions and international organizations, as well as NGOs and academics.

Overconsumption

Recent Ecological Footprint calculations reveal some interesting results. On average, an American requires approximately 9.6 global hectares (1 hectare = 100m x 100m) for resource and waste absorption requirements, while someone in India, for example, consumes some 0.77 hectares. How much is actually available to us? If we divide the Earth's biologically productive land and sea area by the world population, we have approximately 1.8 hectares available *per capita* (in 2002). Currently, humanity's Footprint is 2.3 hectares, which exceeds the biocapacity of the planet by some 20%. And this figure does not include the protection of 12% of the world's biologi-



cally productive space called for in the Brundtland Report (1987) to accommodate for the estimated 10 million other species with which we share the world.

NGOs challenge governments

“Living more simply so that others may simply live” was part of the philosophy of Mahatma Gandhi. This message is not foreign to NGOs; they challenged the governments in a side-event on Ecological Footprints as part of CSD 11. (See page 2 for details.)

—By Emmanuel Prinet, Association 4D



NGOs need to monitor and assess governments' progress towards SPAC

Adapted from Waiting for Delivery, ICSPAC (2002).

Increases overrun gains

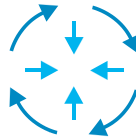
In 1992, governments signing Agenda 21 described sustainable production and consumption patterns as the "major cause of the continued deterioration of the global environment... a matter of grave concern aggravating poverty and imbalances." A decade later (in the ECE Review of Progress in preparation for the World Summit on Sustainable Development) ECE Ministers admitted that, *despite changes in ecoefficiency, education and lifestyle changes, these improvements have been overrun by overall increases in production and consumption activities.*

Although governments committed themselves in 1992 to developing national policy frameworks to address this need, *overall political will and investment of resources has not been enough.* In turn, during the various regional reviews of progress in preparation for the WSSD, participants cited dependence on old industrial models of development and lack of public awareness, as well as political and economic interests busily protecting their turf and privileges, as major obstacles. At the same time, global demands for greater human security, justice and accountability place greater pressure on world leaders, industry, and citizens to overcome those obstacles.

More public pressure needed

In turn, the actions of NGOs and public interest groups educating and advocating for these changes have not been sufficient in influencing governments and industry to move enough in the right directions. Clearly, broader and more effective public pressure needs to be mobilized to help move beyond these obstacles and constraints. Such pressure, however, requires knowledge and information about what is and what is not being accomplished. Civil society monitoring and assessment of progress towards sustainable production and con-

sumption (SPAC) is vital to complement and improve development of policies and practices by government and industry. This is especially important to the success of intergovernmental efforts to develop and implement a ten-year work programme on sustainable production and consumption. One NGO initiative, the SPAC Watch initiative, was explicitly created to provide that civil society monitoring and assessment function.



NGOs launch SPAC Watch

The SPAC Watch initiative, launched by NGOs in Soesterberg, Netherlands in 1999, aims to address the need for greater public knowledge and information about production and consumption trends, to encourage greater public awareness and advocacy, and to help mobilize pressure on government, business leaders, and institutions to promote and implement sustainable production and consumption policies and practices. SPAC Watch operates through collaboration and communication among a number of NGO networks and organizations committed to a range of SPAC priorities. These networks and organizations constitute the International Coalition for Sustainable Production and Consumption (ICSPAC), a formal coalition that evolved through the NGO Caucus on Sustainable Production and Consumption at the UN Commission on Sustainable Development.

Overall, both ICSPAC and the SPAC Watch initiative aim to help reverse the current negative environmental and so-

cial trends associated with unsustainable production and consumption.

The immediate goal of ICSPAC was to produce a global civil society assessment of progress on SPAC for the World Summit on Sustainable Development. However, given sufficient cooperation and support by the UN, other international organizations and member governments, ICSPAC can expand and deepen this monitoring and assessment function in order to encourage greater participation and input from NGOs in the WSSD follow-up, especially in furthering the implementation of the Chapter 4 objectives in Agenda 21.

The SPAC Watch action strategy encompasses three basic goals :

- *Encourage governments* to implement their commitments to eliminate unsustainable production and consumption patterns.
- *Strengthen capacity of NGOs* promoting sustainable production & consumption, especially through exchange of information and knowledge.
- Raise public awareness and engagement *on SPAC issues, trends, and policies.*

To realize these goals calls for an approach involving the following objectives and activities:

- Identify and expand ties with and among public interest organizations and networks in different global regions, *especially those NGOs already monitoring and assessing progress by government and industry in implementing Agenda 21 commitments to promote sustainable production and consumption policies and practices.*
- Regularly gather observations and assessments of progress *in a select number of issue areas, examining*

policy instruments, as applied within different sectors and regions. NGOs in a number of countries have volunteered to act as focal points for national NGO monitoring and assessment of their government's progress integrating SPAC into their national sustainable development strategies, policies and practices.

- Produce progress reports and presentations on results from the above activities, with special comprehensive assessments and reports as contributions to global UN and regional review sessions in the follow up to WSSD. These can be regional NGO assessments targeting upcoming Regional Implementation Fora, and global reports focusing on the specific sectoral issues identified for the CSD's Multi-year Programme of Work (e.g., water and sanitation, energy, transport, chemicals, forests, biotechnology, tourism).
- Maximize the multiplier effects of collaboration among NGOs in efforts encouraging governments and industry to achieve stronger performance in low-result areas.

As a part of the SPAC Watch Campaign, a series of four WSSD-focused side events were held at the PrepComs to the World Summit on Sustainable Development, the Summit itself, and at CSD11. Each of the side events featured panel discussions on the progress towards sustainable production in a variety of sectors and fields. The side event held at the WSSD focused on the proposal for a 10-year plan to achieve production and consumption. (A report of this roundtable discussion is on page 3.)

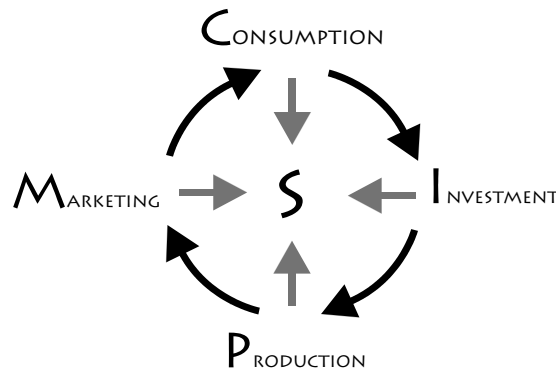
The side event also marked the release of the ICSPAC report – **Waiting for Delivery: A Civil Society Assessment of Progress Toward Sustainable Production and Consumption (2002)**. This report offers a civil society perspective on progress since 1992 in different sectors, regions, tools, and practices.

If you are interested in participating or learning more about the SPAC Watch Campaign, please contact Veena Ramani at vramani@isforum.org or look at the latest developments on the ICSPAC website at www.icspac.net.

The CIPM Cycle

Monitoring and evaluating efforts to promote sustainable production and consumption patterns can get complicated. How do we find our way through this maze?

In figuring out how to navigate our way through the many different dimensions of production and consumption issues, SPAC Watch participants agreed to use a simple schema (CIPM), looking at production and consumption as a part of a cycle which includes the elements of investment and marketing.



Thus, seen as a cycle moving from Consumption (C) to Investment (I) to Production (P) to Marketing (M) back to Consumption, each of the various stages can be analyzed both in terms of their impact on Sustainability (S) and the quality of life as well as the policies and changes needed to orient them towards these priorities.

Whether addressing the topic of energy, fresh water, food, or information, we first begin with consumption: what do people need and want to maintain or improve their quality of life? Are those needs being met in a sustainable way? Next, we look at the investment of resources needed and directed to meet those needs. Then we examine the production of products and services needed to meet those needs. Are current production processes contributing to or undermining our quality of life? Finally we examine the marketing of those products and services—not just distribution, transportation and packaging, but also advertising and sales/ trade.

Finally we return to the question of in what ways the different elements of this cycle contribute to the goal of achieving sustainable consumption.

Initial questions in assessing national progress towards SPAC

1. What is the status of your country's sustainable development strategy?
2. What SPAC policies are integrated into the national strategy?
3. Is there a domestic policy framework on SPAC, or any efforts or intention to develop one?
4. What are the key targets and timetables?
5. What are the indicators for measuring progress?
6. What progress has been reported?
7. What are the key obstacles blocking progress?
8. What efforts are being taken to address those obstacles?

Taking issues, making connections: Water, poverty eradication, and sustainable production and consumption

Reprinted from Taking Issue, Vol. 3, Issue 6, 6 May 2003, www.sdissues.net/sdin/docs/TI-V3I6-06May03.pdf

In this article, I address three inter-related questions: What are the issues CSD needs to keep in mind while addressing the issue of meeting the millennium development goal on water and the sanitation targets outlined in Joburg? What are the obstacles to achieving this in a sustainable manner? What are the possible creative new options available to us?

The millennium development goal on water seeks to halve the proportion of people without access to safe water to drink by 2015. The corresponding target on sanitation, reached at the Johannesburg Summit, seeks to halve the proportion of people without access to sanitation by 2015.

Where are the water poor?

According to numbers from 2000, 1.4 billion people do not have safe water for domestic use, and 2.6 billion do not have access to sanitation. Almost 88 percent of the water poor live in rural areas and depend directly on the ecosystem to meet their water needs, and seek to meet their livelihood needs from the local natural resource base. Since these people are often voiceless, local resources, including water, is expropriated from the locality so that others with more voice and power can use it.

Deprived of access to safe water, they depend on contaminated or polluted water for their livelihoods. Their health is affected, their education suffers. When the natural resource base on which they depend is completely destroyed or when they get displaced from their means of livelihood due to external interventions such as large dams, they migrate and settle in slums of mega-cities to eke out a living. Thus, unsustainable exploitation of natural resources, and unsustainable production and con-

sumption, are directly responsible for increasing poverty in reservations, rural societies and slums. These consequences are most visible in developing countries.

The water needs of the rural poor can be addressed in a sustainable manner only if the governments commit themselves to the crosscutting theme of protecting the natural resource base of social and economic development.

The poor pay more than the rich

In most parts of the world today, the urban middle class and the rich get their water at a very nominal cost, or free, while their counterparts in rural areas and slums pay a hefty price in terms of hours spent in collecting water, hours lost due to ill health from waterborne diseases, and also, of course, in actual cash payments for water.

The poor find it difficult to get access to safe water to meet their basic needs. The rich flush their toilets and waste vast quantities of water without any thought to how much it costs the city to get that water to them in the first place. Experts point out that this mindless act is one of the most unsustainable aspect of centralised water and sewerage systems, and that it is ill-advised to use treated safe drinking water to flush away human waste.

Much of the world's sewerage, however, is not treated, especially in developing countries, since the cost of treatment is very high. The poor tend to live around peripheral areas of cities where the sewage is disposed, and thus they pay a hefty price in terms of direct health effects. The untreated sewage is used in urban agricultural systems; a source for vegetables for urban areas, affecting the

health of all consumers.

The poor are willing to pay!

International financial institutions, particularly World Bank, have been at pains to point out that how the poor pay cash for water. The Bank and several others have conducted field studies on their willingness to pay for water. (Bank experts do not seem to understand the difference between willingness to pay and the ability to pay; or that even when the poor appear to be able to pay it is at the cost of their childrens' education, their food intake, or their general well being.) Most of these studies are conducted in the urban context, where there is a captive market to which water is supplied through centralised water supply schemes.

Centralised water supply and management projects

Conventional responses to (anticipated) water scarcity—increasing supply through the construction of dams, extracting ground water, etc.—are beginning to push against an absolute limit. Yet water professionals appear to be pushing for the same solutions when faced with the challenge of meeting the millennium development goals.

When water is not available in a watershed, it is transferred from far away basins, even at tremendous social disruption and environmental costs. It often happens that it is the poor and vulnerable, particularly cultural and ethnic minorities, who lose out in these situations. It has been estimated that about 4 million indigenous people are displaced annually by the construction of large dams and reservoirs. These projects have also submerged several unique ecosystems.

Obsolete infrastructure

To compound matters, water systems are now under considerable stress in most parts of the world. Many were built around the turn of the 20th century and are in need of repairs or revamping. Most cities are expanding, which puts additional pressure on them to expand existing systems. Cash strapped cities are advised to seek private funds to invest in water infrastructure, since several central governments have decided that military spending is a much higher priority than providing for basic needs.

Developing countries, where most of the water poor live, are caught between the devil and the deep blue sea. On the one hand, they are eager to follow the path set by the developed world. On the other hand they are considered lacking in good governance, inefficient and corrupt (I suppose Iraq, and not the United States, will be called corrupt for awarding the post-war contracts to Bechtel).

Donor community: IFIs and ODA

The developing country governments are advised by the International Financial Institutions (IFI) to reform themselves if they wish to attract financial investments, to satisfy the basic needs of their people.

The donor community, despite past experiences, continue to suggest that the most essential component in harnessing water's potential is to implement reforms in water-related sectors—water resources management, water supply & sanitation, irrigation & drainage, hydropower, and of course, to increase investments from the private sector to increase efficiency and address the water crisis. Thus proposed reforms include liberalisation, introduction of regulatory frameworks conducive to investments and opening the sector for multinational investments. What does this imply?

Multinationals in the water sector

To the private sector, the gloomy arithmetic of water—as highlighted at the second World Water Forum in the Hague in the Netherlands—is also the



“great arithmetic of water financing”. The World Bank has estimated that water business in the 21st century is worth hundreds of billions of dollars. Suez (French), Vivendi (French), and RWE (German) are the three biggest multinationals in water sector. These companies, along with other smaller ones, form consortiums of different permutations and combinations, or form subsidiaries and vie with each other to get the biggest slice of the pie, depending on the specificities of a particular contract.

Water Multinationals were operating in about 10 countries about 10 years ago. Now they are now operating water systems in more than 100 developing countries. Of late they have become a little uneasy about investing particularly in developing country governments, since there are not enough protections against investment related risks, and are seeking ways to address this issue.

Besides lobbying the European Commission (trade in water services) and water institutions, these companies have been very active during the PrepComs and have promoted partnerships as the way forward to address the water crisis. The European Commission's position on trade in water services appears to be influenced by the interests of these multinationals.

GATS 2000

During the Doha round, the European Commission (EC) proposed that water services be included as an environmental service in GATS negotiations. Even though this category has not been accepted in the negotiations, and the horizontal disciplines on GATS have not been finalised, the EC has submitted requests to over 100 countries to include water services in bilateral negotiations. Any service included in GATS would then be governed by WTO regulations, and any rules enacted in the interest of environmental protection or social equity can be challenged by the multinational as a non-tariff trade barrier. One of the arguments used to deflect criticisms of GATS is that developing countries have the choice to “opt in” the services they want to be liberalised, making exemptions for those they wish to build up domestically. While that may be true, what the document shows is that the commission has simply taken this list of exemptions and has used it to draw up its liberalisation hit list especially in the case of developing countries.

An additional aspect of the negotiations that is perhaps even more of a threat is the development of new GATS restrictions on regulations over services to limit them to what is the “least burdensome” to business. All licensing require-

ments for water utilities, standards for water quality, and qualifications of water utility staff would become vulnerable to a WTO challenge if these rules were considered “more burdensome than necessary.” These developments pose an “immediate threat” to the world’s declining freshwater resources, the health of all people and ecosystems and to national sovereignty over water, especially as a service but also as a good, as experience in many parts of the world shows. The inclusion of water services in the GATS process is a one-way street towards increased limitations on environmentally and socially responsible policies.

In response to a concerted civil society campaign, the EU stated early this year that they do not plan to offer water services up for bilateral negotiations and that they plan to keep it in public domain. Yet the European Commission wants other countries to liberalise their water services. (On March 31, the US also announced that they will keep water in the public domain.) In the absence of clarifications on horizontal disciplines, one cannot be sure about the implications of these negotiations yet.

GATS would offer multinationals the protection they need against any risks they face in any country where they chose to invest.

Camdessus Panel Report: Water sector financing

This report, first released in Paris in early March advocates privatisation of water supplies and outlines ways to attract private sector investment in water supply and sanitation. There was no open endorsement of the Camdessus report “Financing Water for All,” at the recent World Water Forum. Nevertheless, France is expected to include support for this document within the Global Water Plan that President Jacques Chirac will present to the G8 leaders at Evian. The plan, written by former International Monetary Fund chairman and managing director Michel Camdessus of France, aims to achieve the WSSD target to halve the proportion of people without access to safe water and sanitation by 2015. The report was presented to the Kyoto Water Forum, and it is expected to be presented to the G8 meeting in Evian. It could be a matter of coincidence that two of the biggest water multinationals are located in France.

A particularly problematic suggestion is that the regulatory framework should be developed in order to attract risk free investments. The proposal suggests that the risks be borne by the local administrative structures.

Some principles

In the face of all these attempts to continue with “business as usual”, it is clear that we need to come up with some creative solutions that seek to meet the MDG on Water and Sanitation Targets in a sustainable manner. Let us first lay out some principles on the basis of which the solutions need to be organised:

- Access to water is a right.
- The responsibility to ensure that this right is upheld rests with the state.

- However, water management authorities should be accountable to the public for responsible management of the water system.

Suggestions for local action

In order to organise on these principles, local action is necessary. Communities should be involved in local actions to ensure that the water used and disposed is safe for further use. This requires protection of the water source, harvesting of rainwater, and using locally appropriate water-saving technology. The water-based sewerage models were designed on the premise that human waste is suitable only for disposal, but the adoption of ecological sanitation methods offers a safe approach to recovering nutrients from human excreta for sustainable agriculture.

An inspirational story

I end this note with an inspirational story from Rajasthan, a mostly arid state in western India. Following an acute drought in mid-eighties, many development practitioners turned to traditional water harvesting methods in many parts of arid India. The challenge then was to work towards long-term water availability to meet domestic and agricultural water needs of the community, and to help arrest forced migration through various “developmental efforts”. It helped that there have been visionary community leaders who were instrumental in reviving the multiplicity of water harvesting traditions in many areas in as early as late 1960’s. This is the challenge we still have in meeting MDGs (UN Millennium Development Goals) on food and water.

Located in the Arawalli ranges, Tarun Bharat Sangh (TBS) has been a catalyst in transforming over thousand villages. When Rajendra Singh, the charismatic leader of the organisation, first arrived in the area he asked the elders (there were hardly any young people in the village as they had all migrated for the season) whether there was any way in which he could help solve the problems of poverty. “Make johads, bring water”, came the reply. A johad is a crescent-shaped bund which is built across a sloping catchment to capture the surface

A golf course in the desert near Phoenix, Arizona, USA.





runoff. Water accumulating in the johad percolates in the soil to augment the groundwater.

It took quite a lot of perseverance on the part of Rajendra Singh to continue with the work, even as other colleagues gave up. Over the last two decades TBS' work has expanded into many villages in Alwar District, most of them falling in the Arawalli watershed. In addition to being a surface water reservoir, the johads have also contributed to replenishing the water table. The water from the johads is used by the community to meet a multitude of needs, either directly or indirectly: wells meet drinking water needs; the johad sustains a variety of flora and fauna, some of which are used as food by some communities—they harvest water chestnuts, lotus stems and other plants as vegetables, while a few harvest fish.

The johads also support local subsistence agriculture water needs through

ground water recharge as well as direct irrigation. People from these regions do not migrate out as much as before, and the basic water and food needs of the community are met.

In addition, together these villagers have managed a miracle: the river, Arawalli has been brought alive, and has become perennial again. The johads contributed to the rising of the water table, and contributed to the springs coming alive!

Along with the technical interventions, there have also been institutional interventions, which recognizes not only the right to water but also responsibility to water. Thus the Arawalli water parliament, consisting of representatives from all the villages falling in the watershed, is the final authority for setting up the regulatory framework and ensuring that every one abides by it, for equitable and sustainable water use and management.

Despite all this, there continue to be hin-

drances to the TBS project from those committed to a centralized approach to water management, centred on building dams and pumping groundwater, and providing water through a centralised water supply and sanitation system.

TBS may be the most well known NGO involved in such an initiative, but there are hundreds of them spread all over India. In this era of economic globalisation and displacement, initiatives such as these may be the only means to ensure that the rural poor have access to water to meet their basic needs and food security in India.

—By Shiney Varghese, *Institute for Agriculture and Trade Policy*

The world in 2012: Towards a 10-year plan to achieve sustainable production & consumption

During the World Summit on Sustainable Development in Johannesburg, August 27, 2002, the International Coalition for Sustainable Production and Consumption (ICSPAC) organized an event celebrating the launch of the SPAC Watch report, "Waiting for Delivery", with an experts' panel to discuss the controversial proposal for a 10 year programme on sustainable production and consumption. In the end, the Johannesburg Plan of Implementation changed "programme" to the more ambiguous "framework of programmes" (apparently urged by the US) but the idea of getting governments to focus on SPAC during the next decade remained, acknowledging SPAC as one of the three "overarching objectives" of sustainable development. Interest in the topic and our event was high, evidenced by a packed room, with people sitting on the floor and others lined up listening outside in the halls. The following report on this event was written just before the final decisions were made for the final text on this topic...

Johannesburg, South Africa, August 27, 2002

Waiting for Delivery report released



The International Coalition for Sustainable Production and Consumption (ICSPAC) organized the third in a series of roundtable discussions on the proposed 10-year work programme at WSSD, commemorating release of their civil society report *Waiting for Delivery*. This report, an NGO contribution to the World Summit on Sustainable Development, was the first overall assessment from the SPAC Watch Campaign. The Campaign, begun in 1999 to monitor and assess progress towards sustainable production in different sectors, regions, policies, and practices.

Panelists

The Panelists were:

- Mr. Hans Christian Schmidt, the Representative Minister for the Environment, Denmark (representing the EU Presidency)
- Mr. Kenneth Ruffing, Acting Environment Director, OECD
- Ms Afifa Raihana, President, Striving Towards Environmental Protection, Bangladesh
- Ms Edda Mueller, Director, Federation of Consumers Organizations, Germany
- Ms. Jacqueline Aloisi de Lardere,

Assistant Executive Director,
Division of Technology, Industry
and Economics, UNEP

The Panel was moderated by Chee Yoke Ling, of Third World Network and ICSPAC partner.

Results of the discussion

The panel discussion identified a number of critical points that need to be considered by those responsible for delivering a vehicle for implementing Agenda 21. The event began by acknowledging the Summit's identification of sustainable production and consumption as one of the three main objectives of sustainable development. Panelists and participants agreed that the ten-year work programme on sustainable production and consumption, proposed in the WSSD Chair's paper, represented a serious method of implementing that key objective. While this process or framework offers a practical

vehicle for delivering on the various promises and commitments still waiting for action since Rio, the main question for everyone remains:

- What is this work programme going to be about?
- Why is possible to achieve?
- What are the targets and timetables?
- What targets and timetables should governments commit to?
- What resources are needed?
- Who will take the lead?

Progress and obstacles since Rio

There has been some progress towards sustainable production and consumption since the Rio conference in 1992; however, it has not been sufficient to accomplish the agreed-upon goals in



Eager listeners jostle for space at the door in the standing-room-only ICSPAC side event at Sandton Convention Center in Johannesburg.



Left to Right: Hans Christian Schmidt, Kenneth Ruffing, Edda Müller, Chee Yoke Ling, Afifa Raihana, Jacqueline Aloisi de Lardere.

Agenda 21 and other processes. Nice words, good intentions; but what has been achieved in the last ten years? While establishing national policy frameworks on sustainable production and consumption was a goal in Agenda 21, few governments have made this a priority. However, such frameworks are needed, as acknowledged by the revision of the *UN Guidelines on Consumer Protection* to include a new emphasis on sustainable consumption. The focus hitherto has been on reducing the impact of unsustainable practices on the environment, rather than changing the type and quality of consumption. Much of the focus has been on improving efficiency in specific sectors, such as energy, transport, and waste management; while paying insufficient attention to changing the quality of demand in these sectors.

Possible elements of the ten-year work programme

Workshop participants agreed that the work programme needs to clarify its specific goals, players, structure, resources, time-frame, and monitoring processes. As scope is vast, specific sectors, actors and policy approaches should be carefully selected. The work programme should have its basis in an international organisation with political status and funding; and build on existing processes. Major stakeholders (mainly governments, international organizations, and major groups) must be substantively involved. However, the main responsibility nevertheless re-

mains that of the nation-state and international organizations. General policy guidelines to promote sustainable consumption should include:

- A consistent set of signals (prices and information);
- Packages of instruments to address different influences on consumption and to balance the strengths of different types of instruments;
- Integrated, cross-sector policies to ensure policy coherence;
- An integrated approach that addresses environmental and social impacts throughout the life of products or services;
- Voluntary initiatives by private sector and civic organisations should be encouraged as well as strong regulatory frameworks, monitoring and enforcement.
- Best practices should be identified which can be replicated elsewhere.

Capacity building elements should include education, training, etc. for governments (e.g., greater awareness and application of the *UN Guidelines for Consumer Protection*) and consumers, as well as small and medium-sized enterprises (SMEs). Capacity building elements should differentiate between developed and developing countries. The basis should be in an international organisation with political status and funding and build on existing processes.

North–South cooperation

Respecting the Principle of Common but Differentiated Responsibilities, the work programme should acknowledge different roles for developing and developed countries. The latter can contribute knowledge, technology, and human and financial resources. For developing countries, poverty alleviation issues are pressing needs (e.g. access to clean water, renewable energy). In the short term, these countries should not be expected to decouple at the same rate as countries in the North. To sum up: “Decoupling in the North; development in the South.”

Key components of sustainable production and consumption

Research is needed on both demand and supply. The goal of sustainable consumption has to be incorporated as a priority in political processes at the international, regional, national and community level. The *UN Guidelines* can help with this, but governments need to build their capacity to apply these *Guidelines* in both policy and practice. Major changes in the economic international framework (e.g. WTO rules) are required to make sustainable production economically attractive; one example would be the adoption of economic instruments like eco-taxes that reveal real costs. The problem of consumption is also related to values and culture, a point often forgotten by analysts. In this respect, the role of marketing and advertising needs to be explored. Consumers have both rights and responsibilities. They need access to information and development of indicators and criteria for sustainable production and consumption that will enable them to behave responsibly.

How to get the report

The *Waiting for Delivery* report is available at www.icspac.net/pubs. There you will also find *Production, Consumption, and the WSSD*, a paper which traces the evolution and the importance of SPAC over the past ten years. To request a print copy of either, email info@icspac.net.

Fundamental changes needed

A statement by the Hon. Dr. Newton Kulundu, Kenyan Minister for Environment, Natural Resources & Wildlife, at the ICSPAC panel discussion on "Changing Production and Consumption Patterns: National Strategies, CSD, and the Ten-Year Framework", 1st May 2003

The current consumption patterns of natural resources at the global and national levels are placing unprecedented pressure on the environment. The richest 20% of the world's population accounts for 86% of resource consumption at the expense of the rest, in particular, the developing countries.

Fundamental changes in the way societies produce and consume goods and services ought to be made in an effort to achieve global sustainable development.

All countries should encourage and promote the development of a 10-year framework of programmes agreed upon the World Summit on Sustainable Development in Johannesburg to accelerate the shift towards sustainable consumption and production.

Governments, relevant international organisations, the private sector, and all major groups should play an active role in changing unsustainable consumption and production patterns.

There is need to:

- Develop awareness raising programmes in collaboration with consumer organisations for all members of our societies on the importance of sustainable production and consumption patterns;
- Establish and support cleaner production programmes and centres in addition to promoting more efficient production methods;
- Integrate the issues of sustainable production and consumption patterns into national sustainable development policies and programmes, and where applicable, into poverty reduction strategies;
- Continue to encourage industry to improve social and environmental performance through voluntary initiatives, including

environmental management systems, codes of conduct, certification and public reporting on environmental and social issues;

We should all promote social and economic development within the carrying capacities of ecosystem by addressing and where appropriate, de-linking economic growth and environmental degradation through improving efficiency and sustainability in the use of resources;

More specifically, we should continue to:

- Promote internalisation of environmental costs and use of economic instruments, taking into account the approach that polluter should, in principle, bear the cost of pollution, with the due regard to the public interest, and without distorting international trade and investment;
- Promote procurement policies that encourage development and diffusion of environmentally sound goods and services;
- Provide capacity building and training to assist authorities, institutions, private sector and the civil society to undertake programmes that enhance best practices as related to production and consumption patterns;
- Promote and encourage application of environmental impact assessment (EIA) on all new projects;
- Integrate energy considerations including energy efficiency, affordability and accessibility, into socio-economic programmes;
- Promote and encourage waste prevention, minimise waste and maximize reuse, recycling, and use of "environmentally friendly" alternative materials.
- Encourage production of reusable

consumer goods and biodegradable products;

- Promote development of waste management systems, with the highest priorities placed on waste prevention and minimisation, reuse, and recycling and environmentally sound disposal facilities;
- Strengthen the contributions of industrial development to poverty eradication and sustainable natural resource management;
- Facilitate and mobilise resources to enhance industrial productivity and competitiveness, as well as industrial productivity and environmentally sound technologies;
- Implement the outcomes of the Doha Ministerial Conference and further strengthen trade-related technical assistance and capacity building to developing countries in multilateral trade negotiations by placing their needs and interests at the heart of the WTO work programmes. The United Nations System and consumer organizations, among others, should assist developing countries towards this end.

Kenya has, in collaboration with the relevant international organizations, established the following institutions to contribute to the realization of sustainable production and consumption at the national level;

- Kenya National Cleaner Production Centre;
- Kenya Productivity Centre;
- GEF — KAM Industrial Energy Efficiency Project;
- A Standards and Enforcements Review Committee under the Environment Management and Coordination Act, 1999.

Thank You.

TAKING THE LEAD, from page 1

fish stocks, and other natural resources. At the same time, the gap between the rich and poor had grown, both within and among countries.

Once again, unsustainable patterns of production and consumption, particularly in the industrialized countries, were cited as the major cause. Once again they were urged to “take the lead.”

Yet, a decade after the Earth Summit, the situation has only grown worse. The “implementation gap” highlighted at the World Summit on Sustainable Development pointed to the losing battle between improvements in technological efficiency and greater environmental awareness, and the push for economic growth and sales. The demand for more energy and resources is outpacing the educational efforts, technical initiatives, political will, and consumer demand for sustainability.

Ironically, the Foreword to Agenda 21 warned in 1992 that “industrial countries continue to be addicted to the patterns of production and consumption which have so largely produced the major risks to the global environment.” Unfortunately, especially for our children, this charge remains true in 2003.

In Johannesburg, heads of state agreed that overcoming unsustainable production and consumption patterns is one of the three “overarching objectives of sustainable development.” Yet despite some countries’ efforts at leadership, too many governments with the resources and power to make a difference remain hesitant or even defiant in the face of this urgent challenge.

In Kyiv, environment ministers of the industrialized countries of the ECE region will come together to once again confront the facts of worsening trends and the consequences of political, economic, and/or social inability to adequately integrate sustainable production and consumption into their policy priorities. As the Dr. Newton Kulundu, Kenyan Minister for Environment, Natural Resources and Wildlife points out on page 14, there is a need to “integrate the issues of sustainable production and consumption patterns into national sustainable development policies and programmes” as well as into pov-

erty reduction strategies.

Will the Economic Commission for Europe send the right message about this situation and what is needed to its institutional fellows at the WTO, the G8 summit, and other places where the future of the world and the priorities of world leaders are discussed and decided upon? Will they heed the strong NGO message in the Bratislava Declaration to “place production and consumption patterns at the heart of the process”?

With the Environment for Europe meeting just ahead, the Agenda 21 call for countries to “develop a domestic policy framework that will encourage a shift to more sustainable patterns of production and consumption” appears to be tucked away in a corner of the matters to be discussed. The current Draft Ministerial Declaration does not even mention production and consumption patterns in the Introduction or in many other sections, with the exception of para 27, where the phrase has a tone of tokenism: “We will encourage national efforts to promote sustainable production and consumption as well as corporate environmental and social responsibility and accountability.” No mention of developed countries “taking the lead.”

In Paragraph 28, the WSSD Plan of Implementation calls for a “10-year framework of programmes” on sustainable production and consumption, with two competing paragraphs in brackets. It almost sounds as if no one remembers Agenda 21 and the urgency of the 1992 commitments which the WSSD was meant to implement.

When the environment ministers meet with NGOs in Kyiv, the question remains whether or not our leaders will indeed acknowledge their responsibil-

ity to take the lead on production and consumption, to place this at the heart of their countries’ environmental and sustainable development strategies, and to take meaningful action towards the Agenda 21 objective to develop national domestic frameworks on sustainable production and consumption. If changing these patterns is indeed an “overarching objective,” there is no acceptable excuse to relegate this need behind protests of unacceptable economic costs to business or the myth that blind growth in corporate wealth is the source of environmental and social progress.

Because our lives and future are at stake, we will need to pay even closer attention to those who claim to be our leaders and to where they are leading us. Kyiv is one more opportunity for our governments to show us what is most important to them, and for us to tell them what is important to us.

—By Jeffrey Barber, *Integrative Strategies Forum*



ABOUT THIS NEWSLETTER

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