

STATEMENT BY MR. SIDHARTO R. SURYO-DI-PURO, DELEGATE OF THE REPUBLIC OF INDONESIA ON BEHALF OF THE GROUP OF 77 AND CHINA, TO THE COMMISSION ON SUSTAINABLE DEVELOPMENT AD-HOC INTERSESSIONAL WORKING GROUP ON INDUSTRY AND SUSTAINABLE DEVELOPMENT

New York, 2 March 1998

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Mr. Co-Chairmen,

I have the honour to deliver this statement on behalf of the Group of 77 and China. I have further the honour, on behalf of the Group, to congratulate both of you on your elections as Co-Chairmen. We are confident that, given your collective expertise and proven ability, this meeting will be brought to a successful conclusion.

Allow me also, through you, to express the Group's appreciation to the Secretary-General for his report on Industry and Sustainable Development as contained in document E/CN.17/1998/4 and its three addenda. I am confident that these reports will greatly assist our discussions in this working group. We have studied them with great care and wish to comment on a number of issues that are of particular importance to the Group.

Mr. Co-Chairmen,

We believe that the purpose of this working group should be to provide useful inputs to the sixth session of the Commission on Sustainable Development on the role of industry in sustainable development, including in particular poverty alleviation. This could be achieved by building on agreements already taken by the international community, namely Agenda 21, identify the constraints in their path and seek to forge workable solutions that will move us forward.

Mr. Co-Chairmen,

With the increase in industrialization and in per capita levels of production, there is a corresponding increase in the impact of industrial activities on the environment. At the local level, industrial emissions contribute to urban air pollution and the contamination of soils and rivers. At the regional level, the impact of such emissions includes acid rain, water contamination and coastal zone contamination. The major impact at the global level includes climate change, ozone layer depletion and the loss of biological diversity.

At the local and national levels, the policy challenges facing governments and industry for achieving sustainable development is to seek to integrate economic, social and environmental concerns in industrial development strategies. This can be achieved through dialogue and partnership between government and industry and other major groups.

Whereas the challenges for the international community - which is, or at least should, the focus of this forum and the CSD - is the development and diffusion of environmentally sound technology worldwide. This includes publicly owned technologies. The Secretary-General's report clearly reflect the importance of industry in constituting a key element in the promotion of sustainable development through, among other things, the diffusion of environmentally sound technology. In this regard, we recall the Rio Declaration on Environment and Development, in which the developed countries have acknowledged the responsibility that they bear in the international pursuit of sustainable development in view of the pressure their societies place on the global environment and of the technologies and financial resources they command.

Mr. Co-Chairmen,

Industrial development strategies in developing countries relies also on the flow of investment, including foreign direct investment. We believe that investment should be broadened to include investment in human capacities and environmentally sound technology. It needs to be stressed, however, that due to globalization and liberalization the majority of developing countries are still not able to benefit from such flows and must therefore rely on official development assistance (ODA) if they are to achieve sustainable development.

In the wake of the Uruguay Round and the establishment of the WTO it is also critical that the erosion of existing preferences for developing countries should be taken into account so that they are not hampered and marginalized. We believe that UNCTAD has an important role to play in assisting the developing countries to overcome such constraints.

We believe also to be important that the developed countries ensure that international trade and trade agreements do not pose an obstacle to the creation of employment in developing countries. Eco-labeling, moreover, should not create barriers to trade, especially for developing countries where international trade plays an important role in promoting sustainable economic and social development.

In addition, we believe that South-South cooperation is a unique instrument for facilitating the diffusion of technology and industry and as a complement to North-South relations. South-South cooperation could be further strengthened through such innovative mechanisms as trilateral arrangements. We believe such mechanism should be supported as an important means of achieving sustainable development and the alleviation of poverty.

Mr. Co-Chairmen,

We strongly believe that social objectives should be an integral part of sustainable development. In this regard, such human development components as access to education and health care are of critical importance. We consider such access as being associated with the pace of industrialization, but higher levels of health care and education would also greatly contribute towards the role of industry in the promotion of sustainable development.

We therefore agree with the Secretary-General's report that a high priority should be placed on achieving universal access to basic education and expanded access to secondary education. It is therefore important that industry and civil society work closely together with governments to strengthen secondary, vocational and advanced levels of education and to ensure that they meet the development needs of society and the economy. We also agree with the report that achieving these objectives can be difficult particularly for the poorest countries.

As for the international community, among the central concerns should be the need to address the growing international disparities between countries in income and the risk of some countries and groups of countries falling deeper into poverty and exclusion. It is also important that international trade and trade agreements do not pose obstacles to the creation of employment in the developing countries.

Mr. Co-Chairmen,

Industry and environmental protection can have complementary objectives and this could be strengthened if appropriate technologies for cleaner industry are made available to all countries. As we have stated earlier, the major challenge facing governments is to maximize the positive influence of industrial activities on economic and social development and to minimize the impact of production and consumption of

manufactured goods on the natural environment. At the same time, there is a growing trend among many stockholder to hold companies accountable for their actions under the principle of the polluter must pay. We believe that the industry and business sectors should respond more positively to these demands for them to develop voluntary codes of conduct, charters and codes of practice. Industry and business should observe these codes when operating in developing countries, in particular, where environmental enforcement is still only being developed.

As to the responsibilities of the international community, the Group believes that it should strengthen development cooperation to ensure that industrial development is more environmentally sustainable. As, in doing so, financial support and measures to accelerate sound technology will be of prime important. In this regard, the developing countries should be facilitated in their efforts to adopt production technologies that reduce environmental pressurize while still allowing them to be competitive in international markets. This would require the dissemination of information of Co-efficient technologies on a broad scale.

In concluding, we would like to reaffirm our commitment to Agenda 21 and our hope others would do the same. The Group of 77 and China pledges its full cooperation to making a fair and positive contribution to the discussions during the duration of our meeting.

Thank you, Mr. Co-Chairmen.

