

**STATEMENT BY MR. OSITADINMA ANAEDU OF NIGERIA, ON BEHALF OF THE GROUP OF 77 AND CHINA, BEFORE THE COMMISSION ON SUSTAINABLE DEVELOPMENT INTERSESSIONAL AD HOC WORKING GROUP ON ECONOMIC GROWTH, TRADE AND INVESTMENT**

New York, 23 February 2000

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Mr. Co-Chairman,

The issue of balance in dealing with trade and environment has become clearer in the context of Seattle Ministerial Conference. The Group of 77 and China is of the strong view that there should be a balanced approach to various trade and environmental issues being considered in multilateral trading system. Trade and environmental issues should be considered in context of sustainable development agenda. There have been parameters for such agenda, having already been set by UNCED process particularly Rio Declaration, Agenda 21 and the Programme for the further implementation of Agenda 21, with the emphasis on international economic cooperation and on the principle of common but differentiated responsibilities in achieving sustainable development.

The crucial issue of economic growth, trade and investment has been central to this agenda, both in UNCED process, in CSD deliberations and in Rio +5. The outcome of these processes recognize the importance of trade as a vital instrument for sustained economic growth with unlimited capacity to generate financial resources that would contribute in assisting developing countries to achieve sustainable development. The objectives have been to improve access to market for exports of developing countries and promote policies that would necessitate economic growth and environmental protection, and reverse protectionist principles on the basis of an open, non-discriminatory and equitable multilateral trading system which would enable our countries to improve their economic structures and commodity markets.

There is impression that degradation of the environment through unsustainable consumption and production patterns came about as a result of activities arising from poverty in the developing countries. We are therefore not surprised that the call to address this unhealthy situation in the report was targeted only on developing countries. There was no recognition, as concluded at UNCED, that the pattern of unsustainable production and consumption largely flows from cumulative effect of wasteful and uncontrolled management of production and consumption patterns in industrialized countries. The Group of 77 and China is therefore concerned that there is no reflection of this diversity and balance in the presentation of the Secretary-Generals' report before us.

Mr. Co-Chairman,

The Group is much concerned at the introduction of concepts and models which are in operation in developed countries into the Secretary-General's report, as if they had been universally accepted. The emphasis in paragraph 32 of the report has shifted from environmental impact assessment to sustainable impact assessment which weigh cost and benefits in economic terms and not on sustainable development. Paragraph 35 also introduced the issue of certification under the guise of dealing with consumer preferences. This was introduced with an European perspective. There was nothing said in the report about the worries of developing countries on certification. It was presented as if there is

world-wide consensus on the concepts. The questionable introduction of elements of climate change in the report which should be dealt with in the UN Framework Convention on Climate Change, will introduce complexities to an already difficult process. It would be dangerous to reach conclusions on these issues here without the expert groups negotiating on them in different competent fora. Biotechnology should be treated in UN Convention on Biological Diversity. G-77 is still wondering the purpose why these issues are being introduced. Those issues do not belong here. The Group is also concerned by the introduction of totally new concepts, out of context of UNCED, on such terms as “peace and security” for sustainable development.

The Group would want to restate, for avoidance of doubt, that this session should address effective environmental issues that would focus on how to correct market failures; promote use of economic instruments in strengthening national institutions; provide market access to goods from developing countries to the developed countries; introduce environmentally friendly technologies; capacity building; and mobilize existing, new and additional resources from the international financial system, including official development assistance and foreign direct investment to support sustainable development.

It is necessary to emphasize that more focused financial and technical assistance should be provided to address effectively the problem of food security in net food importing developing countries. More important though is to devise means and ways to assist developing countries in diversifying their export products. Market access conditions for agricultural and industrial products of export interest to developing countries, particularly least developed countries, should be improved on the basis of proposal for possible commitment by developed countries to grant duty free and quota free market access for essentially all exports originating in LDCs. All countries that announced market access commitment at the high level meeting on integrated initiatives for least developed countries’ trade development in October 1997 are invited to implement these commitments fully and expeditiously. Also important is the clear commitment made under Agenda 21 by developed countries to meet up with their ODA targets.

Mr. Co-Chairman,

The Group is of the view that the balance in trade and environment debate should highlight issues of concern to developing countries and the strengthening of development aspect. This would require special attention to be paid on: identifying policies to address major constraints faced by developing countries in responding to environmental challenges such as lack of technical, financial, institutional and supply capacities; enhancing understanding of the economic and social implications of trade measures for environmental purposes for countries at different level of development, including the effects on the countries’ exports; identifying specific capacity building needs of developing countries; identifying the economic and developmental implications of multilateral environmental agreements; and examining ways to promote indigenous development and transfer of environmentally sound technologies to developing countries, including through the implementation of relevant provisions in TRIPs agreement.

Mr. Co-Chairman,

The Group’s greatest concern is on poverty and its impact on sustainable development. Poverty is the ultimate systemic trait facing humanity. Any consideration of environmental sustainability without substantive progress in reducing poverty will only

undermine the very fabric of our societies. It is impracticable to ignore extreme poverty and its devastating impact on the environment. The challenge of this session is to work together in devising means of building capacity of developing countries to fight poverty and to mobilize resources in that regard. It is a challenge that must be confronted head-on with support of our developed partners. Country-driven strategies that make poverty alleviation the centerpiece of economic policy and renewed sustainable growth should be pursued. The developed partners should support efforts of developing countries in trade front by assigning high priority to providing unrestricted market access for all exports of developing countries, including HIPCs as well as to encourage flows of private capital. Official bilateral creditors and donors should be ready to step up the level of technical and financial assistance without relying on excuse of “aid fatigue” which is not credible.

I thank you.

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