

## Delhi Sustainable Development Summit 2002

Ensuring sustainable livelihoods: challenges for governments, corporates, and civil society at Rio+10  
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Online at <http://www.teriin.org/dsds>

### From the Director-General, TERI . . .

The first day of technical sessions of DSDS 2002 provided stimulating presentations and discussions. In the very first session chaired by Mr P V Jayakrishnan, Secretary, Ministry of Environment and Forests, GoI (Government of India), a lively debate was initiated not only between the various speakers with their wide-ranging viewpoints, but also based on the questions that followed.

At lunch, Mr Mohan Dharia, former Cabinet Minister, GoI, talked about his activities and the experiments he has initiated to create sustainable livelihoods in the rural areas of Maharashtra. Prof. Hans van Ginkel provided a thought-provoking keynote address, which was chaired by Dr Gowher Rizvi. Prof. van Ginkel spoke with authority and knowledge as the Rector of the UN University. This was followed by the session on 'Financing Development', chaired by Dr Andrew Bennett of Department for International Development, London, and the final session on 'Governance Structures' chaired by Ms Elsbeth Tronstad, State Secretary, Ministry of Foreign Affairs, Norway, which led to extensive discussion of governance structures ranging from the global to the local level.

Day one of DSDS 2002 has been most satisfying, and the plenary sessions were very well attended with the large auditorium of the

IHC totally full in the pre-lunch sessions. The evening dinner for the Summit was held at the Taj Mahal Hotel where Ambassador Arne Walthers, who is also Chairman of the IEA (International Energy Agency), provided an account of the major activities of the IEA and external linkages with other countries, including major non-member countries like India. He highlighted possibilities for closer relations between the IEA and India. Mr Suresh P Prabhu, Minister for Power, GoI, was the featured speaker during the reception and dinner. He spoke of the major challenges facing the power sector in India, and the efforts being made by him and the GoI to bring about a sea change in this sector. He highlighted the need for cooperation as a means to ensure the satisfaction of the basic energy needs, particularly of poor households. Sustainable livelihoods cannot be achieved in the absence of adequate energy for very basic human needs.

All in all, this was a very satisfying day where much substance was provided through the deliberations that took place. We now look forward to day two with great eagerness.

  
(R K Pachauri)

### In brief . . .

#### PLENARY SESSION 1

#### Agenda 21: ensuring sustainable livelihoods

**Chairperson** Mr P V Jayakrishnan

**Speakers** Dr Leena Srivastava • Mr Reinhart Helmke • Mr L C Jain • Dr Maritta R v Bieberstein Koch-Weser • Dr Claude Martin

Agenda 21 emphasized the need for equitable development and environmental protection, with sustainable livelihoods as a core issue. Sustainable livelihoods encompass enhancement of resource productivity and security of assets, resources, income-earning activities, and food. They are undermined by environmental degradation, lack of social infrastructure, and poverty.

In implementing Agenda 21, particularly with reference to poverty alleviation and ensuring sustainable livelihoods, the crucial factors are globalization trends, policy reforms, funding, public participation initiatives, and awareness.

Globalization has engendered concerns like rapid lifestyle changes and cultural upheaval in

developing countries. An instance is brain drain—exploitation of assets with no return to source countries.

Post-Rio, policy reforms have not adequately recognized the poor. The marginalization of social and environmental ministries vis-à-vis the economic ministries in India is a case in point. The bureaucracy continues to be a bottleneck in the implementation of most initiatives as it is far removed from the grass-roots reality.

Funding has focused on military security rather than environmental and social security. Sustainable development programmes suffer from inadequate financing. Aid commitments are often not fulfilled; in some cases, ODA is mis-managed.

Effective and accountable local institutions at the grass roots are preconditions for ensuring food production and livelihoods, particularly in developing countries. Their efforts must be reinforced through dedicated scientific and social support.

Education and awareness, particularly environmental, contribute to capacity building, reduction

of vulnerability, and instilling a sense of responsibility towards larger environmental issues. Developed countries must also recognize these responsibilities.

People should be aware of, and know how to demand, their fundamental rights. Community participation evokes practices and learning, which must be ploughed back for enhanced management.

Institutional mechanisms to guide and monitor Agenda 21 implementation at various levels include good governance; public participation; innovative fund-raising mechanisms; unrestricted movement of trained manpower (with returns to source countries akin to levies on capital transactions); and goal orientation and coordinated functioning.

#### LUNCHEON ADDRESS

**Chairperson** Mr Prabir Sengupta

**Speaker** Mr Mohan Dharia

Mr Mohan Dharia narrated his experiences on achieving sustainable livelihoods at the grass-roots level and underlined the importance of NGO initiatives. Development should be coupled with social justice with due concern for the environment. Instead of focusing on construction of megacities and high-rise buildings, efforts should be made to decentralize cities by making provisions for curtailing population growth, avoiding traffic congestion, ensuring adequate water supply, and efficiently collecting municipal garbage.

Villages should be made self-reliant to stop exodus of people to urban areas. Measures to ensure a higher quality of life in villages include health and nutrition, family planning, sanitation, provision of biogas plants, and tree plantation. Education is the foremost priority. There is also a need to inculcate discipline into democracy. This principle must follow through at every level of decision making to bring about change in the mindsets of people and policy-makers

India's strength lies in its natural resources. Effective land usage, creation of water reservoirs, increased agricultural yield, cattle productivity, watershed management, crop rotation, etc. have become the needs of the hour.

Despite ample funds being sanctioned by the government, effective coordination, proper management, and active involvement of people have been lacking. He concluded by saying that what is needed today is not only deliberations but determined action.

#### KEYNOTE ADDRESS 1

**Chairperson** Dr Gowher Rizvi

**Speakers** Prof. Hans J A van Ginkel

The need for universal education occupied centre-stage in Prof. Hans van Ginkel's keynote address. Much has been discussed at various forums as well as mentioned in Agenda 21 but it is important to assess how the recommendations can be implemented at the grass-roots level.

He made three conceptual remarks.

**Reality** There are optical distortions associated with what we see. What we see is our interpretation of how we want to see/understand it. The difficult task is to see reality in a multi-dimensional perspective, more so for global processes.

**Complexity** There are no simple solutions to complex issues. The key is to think of interlinkages, like those between globalization, poverty, development, and environment on one level and multilateral environmental agreements at another. It is the synergy and consistency between these on which there is lack of consensus.

**Subsidiarity** This refers to too much belief on what can be achieved at the WSSD. There is a need to clearly identify what needs to be done at the global level and what lies in national/local domains.

Laying thrust on all forms of education systems is critical. Understanding of concerns of sustainability is not haphazard; there exists a pool of knowledge and experience to draw upon. The challenge is reaching the large section of people outside the ambit of formal and/or regular education systems.

Capacity building has two distinct dimensions—improving qualifications of individuals and building institutional capacities.

It is recommended that governance structures be flexible to take into account the realities of decision making in distinct global and local levels of society. Also, at one end, there is impending need for creating regional centres of excellence and networking amongst them, while at the other end, there is requirement of commitment from the people themselves to bring about a change in the core curriculum at various levels of education towards sustainable development.

#### PLENARY SESSION 2

##### Financing development: focussed, transparent, and pro-poor systems

**Chairperson** Dr Andrew J Bennett

**Speakers** Mr Ardhendu Sen • Prof. Ogunlade Davidson • Dr Brenda Gael McSweeney • Mr Bunker Roy • Prof. Rehman Sobhan

Strategies to make sustainable development and globalization work for all sections of society must address environmental concerns and the ability of the natural and physical environment to provide goods/services required to support pro-poor economic growth and social development.

There is a need to realize the difference between education and literacy and use the 'education' of the poor or local traditional knowledge for development-related work. A pro-poor strategy should focus on giving the poor their self-esteem and confidence. By taking a cross-sectoral view, poverty reduction strategies of many developing countries can improve coordination of donor support and investment.

Financing poverty eradication requires a shift from a micro to a macro policy agenda, focusing on eradication rather than alleviation. This

necessitates enhancing the capacity of the poor as producers, consumers, and owners of wealth. Budgetary policy should be redesigned to reach public resources to the poor. Organizations like the Grameen Bank (Bangladesh) should graduate into the macro-finance system by accessing the deposits of the public and even marketing its assets at the global level.

Financial services should be restructured to serve the poor. An integrated monetary system is a two-way street where special instruments can attract the poor's micro-savings into the corporate sector (where they can again be channelled to serve the poor) and reciprocally, corporate investments can be directed towards fulfilling the micro-credit needs of the poor. Financial policy should be restructured to accommodate the poor as equity partners. This is possible through mutual funds and the transformation of private limited companies into public limited companies.

Supporting corporate social responsibility and building consensus on development/environmental issues can make aid and investment meaningful. The international development community should restructure its aid priorities to move beyond traditional welfare-oriented strategies of poverty alleviation towards investing in graduating the resource poor into the realm of the market economy.

Much can be done to improve the use of existing funds. Removal of wasteful subsidies in developed countries could improve trade opportunities for poor countries and remove incentives for environmentally damaging production systems in the North. This requires identification and use of 'win-win' or 'no regrets' opportunities. Investment must also focus on decentralization, gender equality, and disaster prevention.

Development financing requires (1) domestic and international private resources; (2) globalization and international trade as engines for development; (3) development assistance, global public goods, and innovative sources of finance; (4) debt management; (5) addressing of systemic issues; and (5) consensus and coherence.

Incorporating or 'mainstreaming' sustainable development concerns into development planning/activities entails addressing economic, social, as well as environmental dimensions. This implies a responsibility for governments, donors, businesses, communities, civil society, and individuals. There is a need for broad endorsement of the principles of how sustainable development should be integrated into country programmes and policies.

### **PLENARY SESSION 3**

#### **Governance structures and processes for sustainable development**

**Chairperson** Ms Elsbeth Tronstad

**Speakers** Ambassador C Dasgupta • Dr Aminul Huq • Mr Shafqat Kakakhel • Mr Alain Lambert • Mr Gilbert Parent • Mr Farooq Sobhan

Numerous global environmental agreements exist, but without a common approach and

governance structure. The lack of appreciation/integration of environmental concerns in economic policy making reflects in the failure of the development process to take into account issues of sustainability, especially environmental. The reasons cited include structural weaknesses; lack of cultural sensitivity; lack of attention to economic concerns (poverty alleviation and market failures); serious political roadblocks in developed/developing countries; and financial limitations.

Consequently, the North-South divide has widened. The failure of translating Rio's recommendations into actual capital flows from North to South has resulted in the perception that developed countries lack the political will to financially commit themselves to sustainable development.

The argument traditionally put forth to explain the lack of sufficient emphasis on environmental issues in broader policy encompasses drawbacks like the absence of (1) a coordinating framework like a World Environmental Organization and (2) adequate financing for 'green' initiatives. Better coordination between stakeholders, including international environmental institutions, private and public sectors, and civil society is crucial to ensure the integration of environmental, economic, and social concerns. Since good governance must catalyse such synergy, it should be accepted as the fourth pillar of sustainability.

One deliverable at the WSSD should certainly be larger funding for environmental agencies. However, aid can only supplement other resources and catalyse actions. More than a financing option, it is indeed a necessity to facilitate reforms. Multilateral institutions must be sensitized and private sector funds should be leveraged. The role of innovative financing mechanisms, like the clean development mechanism and Tobin Tax, is critical. Indeed, there is increased emphasis on private sector participation in the WSSD—a step up from Rio. Environmental accountability must be ensured in private investment flows. In the post-Rio scenario, this has been highlighted by re-emphasizing the need for 'good governance', not just institutional reforms. In competitive markets, governments must introduce effective regulatory measures to correct market failures and ensure social sustainability in a transparent, participatory manner.

Decision-making processes must be decentralized and participatory but in tandem with rapid globalization and attendant environmental concerns. Legislative and regulatory frameworks must be supported by appropriate incentive structures. This calls for good governance at the local, national, regional, and global levels. Apart from greater capital flows into developing countries, the potential of greater labour flows from the developing world could be considered to improve productivity in both the worlds. Lack of cultural sensitivity and of concern for poverty alleviation is important. Environmental agencies worldwide must facilitate overall development rather than limit efforts to their focus areas. Broad use of an environment and development fund would help tackle such problems.

The expectations from the Rio process must be tempered and rationalized. We hope that the WSSD would focus the attention of key policy-makers on real issues of sustainability; provide a forum for truly coordinated decision making; and further the understanding of policy planners and civil society towards ensuring genuine, universal sustainable development.

#### RECEPTION AND DINNER ADDRESS

**Chairperson** Ambassador Arne Walther

**Speaker** Mr Suresh P Prabhu

Ambassador Arne Walther underlined the importance of energy for economic and social development, and preservation of natural resources for sustainable development. He said that though coal is available in abundance, its use as a primary source of energy is causing concern for climatic change. He expressed need for active participation between India and Norway as Norway meets its electricity needs through clean hydro-electricity and India has competence in the development and use of renewable sources of energy.

Mr Suresh P Prabhu congratulated TERI for holding DSDS 2002 and taking the initiative of

putting the issues of sustainable development at the forefront—literally forcing the government to ‘act correctly’. He expressed solidarity with the concerns raised and hoped that the event will be held annually.

He said that world has to act as a ‘unified ecosystem’ and think of ensuring concrete global actions to address the environmental issues. Talking on India’s initiatives, he said that though there are no obligations for the country to reduce the emissions of greenhouse gases, the country has been doing so voluntarily and umpteen policies and environmental laws have been framed to support it. He explained how the country is trying to increase the use of renewable energy for power generation and achieve the global communities’ commitment to ‘provide electricity to all’ on its own.

He concluded with a strong emphasis on Rio + 10 providing support to countries like India that have not signed the treaty but are generating green power and addressing the challenges of sustainable livelihood. He reiterated that providing technology options to such nations can only be the foundation of peace in world and expressed hope that global community will not disappoint him and Rio + 10 will bring new options and aspirations.

#### As they said it . . .

*That part of globalization that ignores those who are living on the fringes and have few assets to compete with others does not lead to sustainable livelihood.*

. . . Dr Leena Srivastava, Director, Regulatory Studies & Governance Division, TERI

*Collective responsibility is often interpreted as nobody’s responsibility.*

. . . Mr Reinhart Helmke, Executive Director, United Nations Office for Project Services, New York

*Imparting primary education to all is one area India has failed to live up to its task.*

. . . Mr L C Jain, Chairman, Industrial Development Services, India

*There is more money for military security rather than there is for environmental security. The budget for sustainable development and poverty alleviation is shrinking.*

. . . Dr Maritta R v Bieberstein Koch-Weser, President, Earth3000, Germany

*Education is mentioned many times in conferences, but it is really difficult to assess how it is transmitted to people.*

. . . Prof. Hans J A van Ginkel, Rector, The United Nations University, Tokyo

*If you have to work for the poor, you have to live with the poor and more importantly, listen to the poor.*

. . . Mr Bunker Roy, Director, The Barefoot College, Tilonia, India

*Is it wise to think of sustainable development as something that costs more? If it costs more, is it sustainable?*

. . . Dr Andrew J Bennett, Chief Natural Resources Adviser, Department for International Development, London

*Unless there is a vast redirection of resources, we will continue to live in an unequal and divided world.*

. . . Prof. Rehman Sobhan, Chairman, Centre for Policy Dialogue, Bangladesh

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