

9. Environmental Foundation for Sustainable Development

→ MANDATE

With increased consciousness emerging from the Earth Summit (1992) and the 1996 Santa Cruz de la Sierra Declaration and Plan of Action, leaders at the Third Summit of the Americas expressed strong support for environmental protection and sustainable development. A renewed call was made to implement the provisions of the United Nations Framework Convention on Climate Change with the adoption and application of national policies that direct high levels of environmental protection. Leaders supported finding ways to reinvigorate the global commitment to sustainable development through the 2002 World Summit on Sustainable Development. The Quebec Summit document reiterated the importance of integrated water resources management and renewable energy and called on the multilateral organizations for assistance. Attention was drawn to the link between human health and environmental quality. The Heads of State and Government recognized the importance of energy as one of the fundamental bases for economic development, the region's prosperity, and improved quality of life. They committed to pursue renewable energy initiatives, promote energy integration, and enhance regulatory frameworks.

PROGRESS SINCE APRIL 2001

Since the Quebec City Summit, progress has been made achieving environmental protection and sustainable development. In the area of Multilateral Environmental Agreements, the governments of the Americas agreed in December 2002 to adopt a \$573 million funding package in order to cut by half the consumption and production of Chlorofluorocarbons (CFCs)—the leading cause of ozone layer depletion—in developing countries by the year 2005. In mid-2003, the Cartagena Protocol on biosafety, under the UN Convention on Biological Diversity, entered into force. In November 2002, members to the Convention on Inter-

national Trade in Endangered Species of Wild Flora and Fauna (CITES) tightened provisions covering trade in listed species, while agreeing to widen the scope of trade regulation in Latin American mahogany.

In the area of environmental law regulations and policy, cooperative partnerships have been developed at a hemispheric and regional level to strengthen economic, social, and environmental regimes to assure that they are mutually supportive and contribute to Sustainable Development. Special attention has been given to environmental sustainability of trade liberalization, economic instruments, cleaner production and energy efficiency.



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In March 2003, the Third World Water Forum in Kyoto, Japan, examined how to translate the commitments made at the World Summit for Sustainable Development and the Millennium Development Goals into tangible action. Governments reiterated the importance of integrating water issues into national development and planning activities. During the Day of the Americas—and in the framework of the Third World Water Forum—the countries of the Hemisphere reaffirmed the need to implement nationwide integrated water resources management schemes, integrated with sustainable environment management practices.

Ministers of Health and Environment met in 2002 in Ottawa—within the framework of the Summit of the Americas—and an important outcome was the establishment of a Task Force. The Task Force defined priorities to be approved by the Ministers and to provide inputs for the Fourth Summit of the Americas, to be held in Argentina in 2005.

Responding to mandates from both the Summit of the Americas on Sustainable Development in Santa Cruz, Bolivia, 1996 and the Quebec City Summit, the Inter-American Biodiversity Information Net-

work (IABIN) was established as an internet-based forum for technical and scientific cooperation. In each of the 34 countries in the Summit process, IABIN Focal Points promote coordination in the collection, sharing, and use of biodiversity information. They are contributing to the steady progress made by the Hemisphere in increasing the extent of protected areas from less than 200 million hectares in 1975 to over 400 million hectares today.

Biological corridors are the strategic backbone of biodiversity conservation, as exemplified by the Meso American Biological Corridor, which extends from southern Mexico through Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama. It is considered a “bridge of life” that allows species from the north and south to migrate and reproduce in extensive areas of the region. The Meso American Biological Corridor Project (MBCP) links natural ecosystems, indigenous communities, population groups, and cultivated land across these eight countries, integrating environmental and economic objectives for the benefit of the whole population. The Project is currently being carried out through series of national Global Environment Facility (GEF)

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projects funded by the World Bank. There are also regional coordination initiatives through a GEF project executed by the United Nations Development Program (UNDP) and the United Nations Environment Program (UNEP).

In the area of energy, countries have made progress toward increased energy integration and greater reliance on renewable energy technologies. Innovative wind energy projects have been developed in many countries, including Brazil, Jamaica, Mexico, Costa Rica, and the United States. Likewise, expanded use of geothermal energy, biomass power, solar energy, and hydropower is evident throughout the region. Natural gas market linkages—including the countries of Bolivia, Brazil, Chile, and Argentina—are examples of the growing intra-regional dependence for fuels. In the area of electrical integration, great progress has been made in pursuit of the Central American interconnection (SIEPAC).

With support from the Global Environment Facility (GEF) and the UNDP, all countries in the Hemisphere have completed their First National Communications as required under the Convention on Climate Change. Twelve CARICOM countries completed the Caribbean Planning for Adaptation to Global Climate Change project with GEF funding and technical support from the World Bank and the OAS, and the Canadian International Development Agency building institutional and human resource capacity to assess the impact of climate change, and identify effective adaptation options.

SUCCESS STORIES

Market-driven conservation is beginning to have a positive impact on promoting sustainable forest management. Although in its infancy, forest certification is on the rise, and the demand is coming from the consumers. Eighty-four percent of US consumers have a better image of companies that support social and environmental causes, and 66% would switch products to favor corporations demonstrating environmental



responsibility. Several countries participate in certified sustainable forestry, most notably, Brazil, Colombia, Nicaragua, Chile, Ecuador, Guatemala and Honduras.

In Renewable Energy, Latin American and Caribbean countries have made significant commitments to increase the share of renewable sources for their energy requirements. This includes a joint regional commitment presented at the 2002 World Summit for Sustainable Development (WSSD), aiming for 10% of total energy supply by 2010. Several critical policy reforms have recently occurred that will advance the use of renewable sources of energy, including programs in Brazil that will lead to the development of 3.3 gigawatts of renewables by 2006. The Renewable Energy in the Americas Initiative



(REIA) of the OAS has led promotion of sustainable energy alternatives throughout the region, and has helped catalyze the adoption of the Renewable Energy Incentives Law in Guatemala and the preparation of Sustainable Energy Plans in Saint Lucia, Dominica and Grenada. The Hemisphere has made significant progress toward reducing the number of un-electrified communities, and recently participated in the OAS-coordinated hemispheric conference of the WSSD Global Village Energy Partnership.

In the area of Integrated Water Resources Management, all countries in the Americas are presently updating, reviewing or establishing water laws and institutional frameworks in order to implement integrated water resources management systems. Projects supported by GEF, World Bank, and the UN, and have contributed significantly to this achievement.

In Brazil, more than 40 river basin organizations at the national or provincial levels have been constituted. Presently all Brazilian states have a water law and a water charges system, and have implemented a program to charge for the use of bulk water. In Central America, the GEF funded San Juan River Basin project has enabled Costa Rica and Nicaragua to significantly strengthen their institutional framework and legislative instruments for integrated water resources management.

Likewise, the countries of the Plata Basin Treaty and the countries of the Amazon Treaty for Amazonian Cooperation are embarking on transboundary water projects focusing on integrated water resources management to achieve sustainable development.

Adaptation to Climate Change is being mainstreamed in development planning in

the Caribbean through an initiative taken by the Caribbean Development Bank (CDB), jointly with the OAS and the Canadian International Development Agency. The initiative aims to integrate natural hazard and climate change impact assessment in the project preparation and appraisal process of the Bank and participating countries.

CHALLENGES

➤ **Integrated Water**

Resources Management

The establishment of water resources management mechanisms that are participatory and inclusive is critical. Local governments and water users and stakeholders need to be more involved in the decision making process. Mechanisms for sustainable financing of such management systems need to be developed. The results of the many donor-financed projects could be, for example, institutionalized more effectively through existing mechanisms such as the Inter-American Water Resources Network.

➤ **Sustainable Cities**

With approximately 80 percent of its population residing in urban areas and more than 55 metropolitan areas of 1 million inhabitants or more, PAHO shows that more than 100 million people in the Hemisphere are exposed to levels of urban air pollutants that exceed the World Health Organization's recommended ambient air quality standards. The magnitude of air pollution can discourage economic investments in highly polluted cities, causing additional and long-term economic damage to society as a whole. Political commitments by municipal governments are needed to reduce barriers to sustainable development, eliminating subsidies that encourage wasteful practices, and integrating abatement strategies with their solutions to serious urban problems such as waste, sanitation, and air pollution. Pollution has crippling economic costs. The Health and Environment linkage requires integration of water policies in national planning and identifying potential risks to human health and particularly children

from contaminated drinking water and inadequate sanitation systems.

➤ **Biodiversity Conservation**

The Americas are host to 8 of the world's 25 most diverse and critically important ecosystems. Recent data from the World Conservation Union (IUCN, Switzerland) in the 2003 Red List of Endangered Species many additional plant species are now classified as being under threat – new additions to the list include 1,164 Ecuadorian plants and 125 Hawaiian plants. In the Americas, plants are believed to be declining most rapidly in Brazil and Ecuador. One in every four mammals and one in every eight birds are facing a high risk of extinction in the near future, with Brazil and Peru among the countries with the highest number of known threatened birds and mammals. The economic and ecological effects of alien invasive species is understood to be staggering: estimates suggest that a full one-quarter of total agricultural productivity in some countries in the region may be lost because of alien invasive species, while the effects in water climates and sensitive ecosystems is likely to be much greater than in northern or temperate climates.

➤ **Climate Risk**

The region needs to improve its predictive capacity to forecast, anticipate, and respond to climate-related hazards and the impact of climate change. Additionally, further efforts are required to fully integrate climate risk management into national planning mechanisms, particularly in decision-making in key socio-economic sectors.

➤ **Improved data for decision-making**

Among the key challenges facing the Hemisphere is the need to increase statistical information and analysis on environmental conditions and sustainability indicators at the country-specific and regional levels. In the area of trade and integration, countries are seeking ways to ensure that the hemispheric trade agenda provides an opportunity to advance environmental

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standards, institutions, civil society networks and the private sector in assessing the social and environmental impacts of economic liberalization.

➤ **Renewable Energy**

The introduction of clean renewable energy technologies continues to face significant barriers throughout the region. Existing infrastructure is predominantly geared to the use of conventional fossil fuel technologies or is based on large hydropower facilities. Renewable energy systems require large initial investments as they are capital intensive, but have very low operating costs. The use of targeted incentives and mandates can overcome these challenges, but on-going fiscal budgets and energy sector transitions have limited the adoption of such measures.

Since the concept of sustainable development was formally launched in the 1987 report *Our Common Future* (of the Brundtland Commission), and formally endorsed by Heads of State and Government in 1992 at the Earth Summit in Rio, the world community continues its struggle with defining and implementing the goals of sustainable development. The record shows that progress remains difficult, especially during periods of economic uncertainty and transition. In poorer economies, substantial international resources have been used to underwrite the achievement of the goals, although projects large and small have demonstrated the critical involvement and capacity of local communities to better decide and manage their natural resources.