



# Taking Issue

The Sustainable Development Issues Network

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A daily publication of the Sustainable Development Issues Network (SDIN) at the Bali Fourth PrepCom for the Johannesburg World Summit on Sustainable Development. Articles reflect the opinions of the author, and do not necessarily reflect the views of the SDIN network.

## Civil Society takes Precautionary Principle to TNCs in Partnerships

**Yesterday the Type II partnership dialogue took place. Time to explore the differences of opinion that exist.**

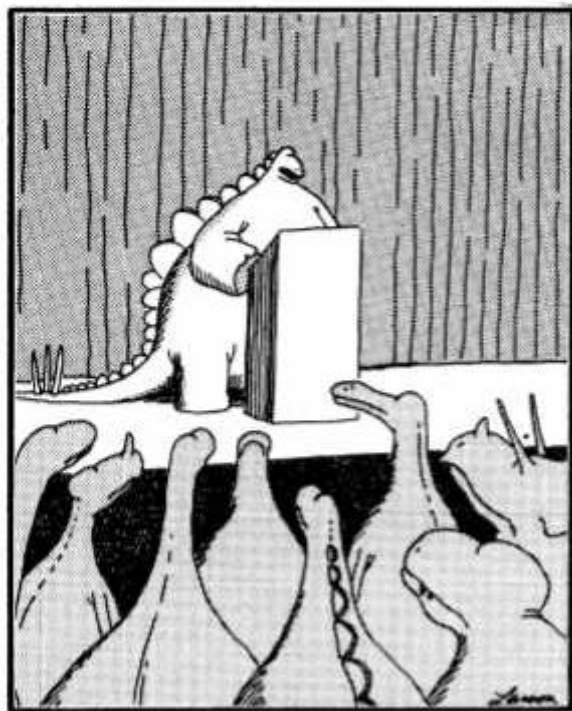
Concerns about the nature and content of partnership outcomes for the WSSD were hotly debated during the multi-stakeholder dialogue (MSD) on partnerships. NGOs along with several other major groups collectively applied a precautionary principle approach by voicing objections to the involvement of transnational corporations in partnership initiatives. These groups asserted the primacy of multilateral agreements as the framework for sustainable development.

In the PrepComs leading to Bali and during consultation for the Dialogue Paper by NGOs, a persistent concern was whether the vaguely defined Type 2/partnerships would give *carte blanche* for transnational corporations to obtain UN endorsement under a voluntary scheme.

These concerns were underlain by civil society recognition of the rapid rise of transnational corporate power and the growing crisis of sustainable development since the 1992 Rio Summit, the efforts of the transnational corporate lobby to "greenwash" its

activities by claiming to contribute to sustainable development, and the increasing trend within the UN and national governments to abdicate more power to the transnational private sector without mechanisms of regulation and enforcement corresponding to this increased power. The voluntarism of the Global Compact initiative is one such cluster of concern where corporations are invited to be associated with the UN in return for recognising nine "universal" principles.

As multilaterally negotiated outcomes (so-called Type 1 outcomes) of the WSSD appear to be disintegrating under pressure from powerful donor countries and political blocs, many NGOs and other major groups including youth, indigenous peoples and women feel that partnerships could be used as a weak



"The picture's pretty bleak, gentlemen. ... The world's climates are changing, the mammals are taking over, and we all have a brain about the size of a walnut."

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What is happening in the SDIN morning strategy session tomorrow?

- report backs from the MSD dialogues
- Report back from the working group negotiation
- Strategy discussions

SDIN Morning meetings are open for all non-governmental organisations present at this PrepCom.

Every Morning, 9 AM, at Nusantara 3

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form of international action for implementing Agenda 21 and its sustainable development goals.

In their statements, NGO representatives showed concern that talk of partnerships were diffuse and distanced from the realities of power inequalities in today's world as many governments and several major group representatives struggled with the breadth of meaning that "partnerships" conveys.

As the Trade Union's opening statement pointed out, bad partnerships could come in the form of Enron and Arthur Andersen's collusion to create fictitious partnerships. NGOs referred to the long-standing history of partnerships among governments, civil society and UN agencies.

Although the WSSD Bureau had stressed in prior meetings and notices that partnerships sought by the UN for Johannesburg would have to be global and multi-stakeholder in character, the specificity of the partnership concept proved hard to pin down. There were clear signals from the UN that it desires some form of non-negotiated outcome that can be presented as a success at Johannesburg, a desire that was all the more pressing given the torrent of criticism directed at the quality of the Type 1 process from civil society. Many people both within the UN and civil society have been heard commenting that the Type 1 process had plunged below the level of the compromise agreement of Agenda 21.

NGOs pointed out that partnerships are nothing new and that frankly, that was how human beings got along, but what did partnerships mean for the WSSD? What was novel? Objections were raised by NGOs and Women as they showed concern that critical comments made on partnerships were rapidly

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# Corporate Accountability is NOT Voluntary. Who will win the Definition Battle?

**The NGO campaign to achieve corporate accountability must be having an impact, since delegates and business representatives at Prepcom IV are doing their best to rob the concept of its meaning.**

The NGO campaign to achieve corporate accountability is one of the most prominent campaigns in the preparatory process of the summit. The call for corporate accountability has received wide support from most major groups already since Rio+5.

Governments are not keen on establishing accountability legislation for corporations. Business and Industry most obviously is not eager to support accountability rules either.

Yet it has become clear that those who fight corporate accountability can no longer win the debate on content. And thus a more innovative approach is needed for business and some governments, whom for the sake of the summit have become some of our governments' best friends, to defeat the purpose of the accountability campaign. They have taken the concept and subjected it to the proven methods of twisting and turning its meaning, to ensure palatability. In this world of twist and turn, concepts are given new meaning, taking away their original meaning to suit those who are powerful and in disagreement.

And so business and their government friends have embraced corporate accountability. Yet the concept of accountability they promote is fundamentally different from the original meaning given.

Time then to remind our governments of what the meaning of corporate accountability actually is. First corporate accountability means that binding rules are established that would ensure access to verified information on corporate behavior. Second, it means that communities can protect their rights through access to justice and through corporate liability mechanisms. Third, it means that participation in decision making is guaranteed when environmental, health and social concerns are at stake.

In that sense, corporate accountability would provide the legally binding framework conditions that would help guarantee that corporations would behave responsibly.

At PrepCom IV, and already at PrepCom III, the original meaning of the concept – the tool to achieve corporate social and environmental responsibility – has been changed. Business and Industry, and their friendly governments have embraced corporate accountability, but only as a voluntary initiative. In other words, once a corporation is acting responsibly, they could entertain the possibility of being accountable to society. Yet accountability is not intended to keep an eye on merely those companies that are already willing to be responsible. Accountability is intended to stop those companies that are clearly not. Voluntary accountability defeats the purpose of it. To be accountable is an obligation to society, not a form of corporate altruism.



# A DISASTER IN THE MAKING

**On Monday, a group of Civil Society Organisations (CSOs) released the following statement at a press conference, expressing their concerns for the state of negotiations. The statement has been endorsed by more than 200 NGOs.**

We, the undersigned NGO's, observe that the process stipulated by the United Nations General Assembly to ensure civil society participation in contributing to the formulation of this document is vague and not reflective of genuine participation. This is clearly demonstrated by the fact that many suggestions delivered by civil society during PrepCom II and III were neglected. The decision making process for the Chairman's Text solely remains in the hands of Government representatives, with civil society assuming nothing but a minor, supplementary role. We are of the opinion that as a core document, the Chairman's Text [version of May 9, 2002] does not reflect the spirit, vision and mission of the World Summit on Sustainable Development, rather it appears more suitable as a core document for a "Northern Government Summit for Unsustainable Development." We see a common corporate threat throughout governmental deliberations, with no responsibility for corporate abuse, no restrictions on the behaviors



Monday's MSD on Governance

Lot's of empty chairs. Governmental delegates were drinking tea? photo: JG

of transnational corporations.

The UN General Assembly asked for action-oriented decisions in areas where further efforts are needed to implement Agenda 21. The review should also focus on new challenges and opportunities within the framework of Agenda 21. It further proposed that the summit, including its preparatory process should ensure balance between the interdependent and mutually reinforcing components of sustainable development, economic development, social development and environmental protection.

The Preparatory Committee was asked to identify major constraints hindering the implementation of Agenda 21: propose specific time-bound measures to be undertaken and identify institutional and financial requirements and sources.

The May 9 2002 version of the Chairperson's Text does not provide a proper and strong analytical framework, it lacks ambition, vision and action and is uncritically organized around the interests of the countries of the North. Gravely lacking any reflection of the spirit and aspirations of civil society, it reads more as a government "shopping list" than an action pro-

gramme for the sustainability of life on this planet.

Civil society wishes to point out that the deviation from the UN mandate and genuine civil society participation in the negotiating process is reflected in the Chairperson's Text itself. Much of the representations of civil society have been completely ignored in the substance of the Chairperson's text.

We demand that the Chairperson's text be opened up for further negotiation with civil society representatives, particularly in these next two days of crucial negotiations.

Demonstrate the commitment in the MSD process and in a special plenary session of the PrepCom IV; At the minimum, the Text should not go below the minimum requirements set by the General Assembly as the negotiating mandate for the preparatory Committee.

If these recommendations are not accepted there will not be an action plan which our world and its people need desperately. As civil society we will have no choice but to re-view our participation in the WSSD process.

# TRADE UNIONS ON PARTNERSHIP

By Lucien Royer for ICFTU and TUAC

## *UNIONS MOVE WORKPLACE ASSESSMENT PLAN AHEAD DESPITE BACKWARD STEPS BY GOVERNMENT NEGOTIATORS*

As PrepCom IV Government negotiators in one room spent a good part of the day yesterday weakening the Chairman's text for WSSD, trade unions persisted in two other rooms for the second day of the Multi-stakeholder Dialogues, promoting partnership and capacity building frameworks that would favor the implementation of the biggest 'grass-roots' initiatives ever announced for sustainable development.

### **Millions of Workers**

Their proposal would involve millions of workers around the world in joint actions to implement needed changes in their workplace and communities, with implications for national and international reporting processes.

Trade unions want to form partnerships to initiate an international programme of "Workplace Assessments", a strategy for surveying and reporting on sustainable development issues as they affect the workplace and surrounding community, which has proven successful in bringing unions and employers together in action plans for change.

### **Challenge at PrepCom IV**

Issuing the challenge at Prepcom IV on behalf of the International Confederation of Free Trade Unions (ICFTU) and the Trade Union Advisory Committee to the OECD (TUAC), Ms. Ching Chabo from the ICFTU's Asia Pacific office in Singapore, said the project could be first piloted in a few hundred workplaces in target industries and re-

gions by April 2003 or 2004. This number would increase every year until Rio+20, in year 2012, when the objective would be to strive toward encompassing an increasing proportion of the 2.3 million unionized workplaces in the world. She said that trade unions would strive to announce targets and time-lines at WSSD in South Africa.

### **Workplace Assessment**

Despite the slippage of words among government negotiators over the overall WSSD document, the Chair's text emerging out to the dialogue sessions could have considerable bearing on the eventual unfolding of the 'Workplace Assessment' proposal. Many suggestions made yesterday by Agenda 21 stakeholders about partnerships frameworks in the Dialogue sessions appeared to provide enough hope for the trade unions to persist in their deliberations for building consensus about Type II proposals that could affect their project.

The results of yesterday's partnerships meeting will be reported to the final Dialogue session this morning in the plenary sessions.

### **Progress by Rio+20**

Although the unions say they have partners and enough support to commence the project on their own, they feel the dialogue outcomes could strengthen the chances of its success, despite the poor showing among negotiators over the overall text. They are anxious to make enough progress by Rio+20 to make measurable differences on key issues such as water

and energy uses, transportation, toxic substance and wastes, public and occupational health, as well as participation and basic security.

Chabo remained hopeful that the outcome of the Type II partnership frameworks would make it possible for the trade unions to launch a truly massive and exciting undertaking, one that could eventually involve millions of our members around the world."

### **Employers in Joint Action**

"We look forward to the day when workers can engage their employers in joint action to set common targets, monitor progress and implement change on broad range of issues, and especially over the "hotspot" issues that are of concern to us all; energy, water, natural resources, and waste, as well as transportation, agriculture, climate change and basic security issues."

"We know that change that begins with joint action in the workplace can inspire workers to examine their personal consumption habits at home and become leaders for change in their communities. We know that joint action works, because we have experience with collective agreements on over 2.3 million workplaces around the world, as well as with countless of joint worksite occupational health & safety committees."

### **Governance Structures**

"Such initiatives can only thrive, however, in the context of enabling governance structures. Workers'

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must know, for example, that their livelihoods are secured through employment and social transition programmes. Their participation must be actively fostered, furthermore, with respect for labour rights and a strong government presence that ensures basic services and frameworks."

**Good Governance**

"Good governance means also means that key intergovernmental bodies such as UNEP, WHO, and the ILO are given clear roles, and accountability, including corporate accountability, is integrated into all economic, trade and investment decisions."

"The trade union movement is prepared to work at inspiring the hearts and the minds of millions of workers around the world to engage in the effort that we propose at Prepcom IV today," said Chabo. "However, employers, governments and other stakeholders must be prepared to give us the essential tools and cooperation we require."

**MSD Continues**

Multistakeholder Dialogue Sessions will continue today, with trade union delegates taking part in workshops focusing on Partnerships and Capacity-Building for Sustainable Development.

*"The task of the UN is not to make the world into a paradise, but to prevent it from becoming a living hell." — Dag Hammerskjold, 2nd UN Secretary General*

**What is it about this place?**

What do you think? Let us know! Drop off your answers in the SDIN box, Nusantara Room 3. Results in tomorrow's issue.

Are you getting a headache from the negative vibes in the BICC???

- Yes very much
- Absolutely
- No doubt about it

Did security let you use the electric up-escalators?

- Yes when I flashed my delegate pass!
- No and they made me walk around the building in 40°C as well....

Are you upset about the prices of food in the delegate's lounge?

- \$7.50US is perfectly acceptable for coffee and a bad sandwich!
- This issue should be included in the chairman's text
- It only bothers me because I know the money will end up with Sheraton shareholders in North America

How are you coping with the airco inside/ humid tropics outside?

- My perspiration freezes
- I have frostbite and a suntan at the same time

*(Continued from page 2)*

being turned into principles for a Type 2 framework. Some unionists were also worried that major groups were being given little alternative but to accept the partnership mechanism.

Given the uncertainties surrounding the effectiveness, rigour, direction and quality of the partnerships, NGOs stated that critical participation should not be equated with blanket support for Type 2 partnerships. NGO representatives made it clear that they would withhold consensus until otherwise convinced.

Secretary-General of the Johannesburg Summit Nitin Desai arrived to close the session by trying to allay concerns raised by multi-stakeholder dialogue participants. Emphasising that Type 2 partnerships were no substitute for commitments between governments, he pointed out that "the real action here is out there in the negotiating room." This would seem to confirm the worries of some civil society participants that critical lobbying efforts

by NGOs was being diverted by the multi-stakeholder dialogue.

However, the heavy emphasis placed by NGOs and other major groups on the involvement of transnational corporations appeared to have made its mark on the WSSD Bureau. Acknowledging these concerns Desai underlined that partnerships were not just for corporations and that the list of partnerships on the official website at present does not involve major corporations, who are featuring their initiatives on their own homepage.

In taking a precautionary strategy to the uncritical endorsement of transnational corporations at the WSSD civil society efforts may have inserted some necessary caution into UN efforts, but this is by no means guaranteed to reverse the tide of WSSD outcomes. Actions to reverse the decline of the sustainable development agenda and the WSSD process will be hotly debated by civil society in the days to come.

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For publication of your articles in this newsletter, please submit your text before 3 pm to one of the SDIN facilitating Organisations' staff.

SDIN Facilitating organisations:  
ANPED, the Northern Alliance for Sustainability  
ELCI, Environment Liaison Service International  
Third World Network

Or send an e-mail to:  
SDIntakingissue@hotmail.com

Deadline daily at 3 pm

Editors reserve the right to refuse articles or edit for size and spelling.

We're on the Web:  
www.sdissues.net

### What is the Sustainable Development Issues Network (SDIN)?

The Sustainable Development Issues Network for 2002 is a collaborative effort among civil society networks and non-governmental issue caucuses. SDIN aims to improve communications and access to information on sustainable development issues, and improve communications among NGOs engaging in the World Summit on Sustainable Development.

The Issues Network is not meant to compete with or replace the networking and organizing efforts of other NGO bodies, but to assist and promote the efforts of civil society networks working on sustainable development issues. In this sense, SDIN is not another "network" *per se* but hopefully a useful tool of NGO networks.

### Calendar of NGO Events Today

Time	Event	Venue
8-9:00	Ecumenical Team Meeting	N 3
9-10:00	SDIN Morning Meeting	N3
10-11:00	Water Caucus	N3
10-11:00	Women Caucus	N2
11-12:00	Youth Caucus	N3
11-12:00	Sustainable Agriculture and Food Systems Caucus	N2
12-13:00	Energy and Climate Caucus	N3
12-13:00		N2
13-14:00		N3
13-14:00	MSD NGO Caucus	N2
14-15:00	Mining Caucus	N3
15-14:00	Asia Caucus	N3
15-16:00	Africa Caucus	N2
16-17:00	Sustainable Production and Consumption Caucus	N3
16-17:00	Indigenous Peoples Caucus	N2
17-18:00	Corporate Accountability Caucus	N3
17-18:00	Science and Technology Caucus	N2
18-19:00	Trade Unions Meeting	N3
18-19:00	Environmental Justice Caucus	N2

### The WSSD Chairman's text glossary

...or the Layman's guide to the use of diplomatic language

#### Section 1

How to make language non-committing.

1) Insert 'Encourage. The word encourage is probably the most powerful word to steer away from strong decisions, especially if you do not specify how this encouragement is to take place. Should we 'encourage tax reform' or should we 'implement tax reform'. Delegates usually prefer to encourage.

Tomorrow, the word promote...

#### Speaking of partnerships...

Bill Gates, admonished by his wife to set aside billions of dollars into a fund to fight HIV-AIDS, inspired many CEOs to follow his example after they themselves had consulted with their wives.

Politics aside- this is great! These multi-billion dollar trust funds now set the UN agenda with new and additional funding, under the motto: 'Let love rule the world!' ...some partnership...

**Definition of Insanity:** "Endlessly repeating the same process, hoping to get different results" — Mr. Bunker Roy, Director of 'Barefoot College', Tlona, Rajistan, India

N3 = Nusaterra 3  
N2 = Nusaterra 2

Times and locations subject to change