CHAPTER – III

DIPLOMATIC STRATEGIES OF THE DEVELOPING COUNTRIES INCLUDING INDIA

In the global environmental negotiations, developing countries are particularly sensitive about being forced to undertake obligations on behalf of environmental protection that could interfere with their economic growth. With the rising proportion of the world’s population – already more than 80%–concentrated in the South, potential future emissions and effluents from the developing world under prevailing technologies could swamp any reductions undertaken by the industrialized countries. However, developing countries stoutly maintain that the developed countries have grown wealthy while, albeit inadvertently, polluting the global commons with greenhouse gases and toxic wastes; therefore, it is the responsibility of the North to pay for restoring the balances of nature on which future life on Earth may well depend. In the short run, the top priority in the South is to reduce poverty and raise standards of living, and if this means burning coal or cutting down tropical forests, with uncertain and probably adverse implications for the future, so be it.¹

Developing country representatives insist that the only alternative to this course is for the South to be enabled, through new and financial assistance and technology transfer, to leapfrog over the polluting phase of the industrial-energy-agricultural revolution that began in 18th century.

In the arena of international environmental politics, the economic differences between the developing countries and the developed countries

result in a divergence of short-term interests. But these interests converge in the long term, since these countries all have a common interest in the habitability of the earth. Because of the constraints of the biosphere, a perception of interdependence means a diffusion of power among all actors in the world system. As a result, developing countries have the potential to deny the developed countries their environmental objectives. On particular issues, small groups of developing countries can form effective blocking conditions. Because together they have the potential to accelerate environmental degradation, their demands have to be considered.\(^2\)

Developing countries play an important role in the Earth Summit. Their participation in the conference and its preparation was critical for its success. They fully share the hazards resulting from global environmental damage, although the problem has been caused mostly by the activities of developed countries, which have also gained most of the economic benefits.

On the question of climate change, preservation of biological diversity, forestry principle, population, transfer of technology and financial assistance, the developing countries made intensive negotiations with the industrialized countries and formulate their strategy for the final action plan to the conference. There has been a wide divergence of views, often leading to acrimonious debates between North and South in Prepcom meeting of UNCED. With United States occupying one extreme position in the industrialized world and Malaysia, India, Indonesia, China, Brazil, Nigeria having their own strategy to keep the process moving towards the final conference.

Here is an attempt made to discuss the involvement of developing nations on different global environmental issues (on the agenda of Earth Summit) at different Prepcom meet.

Geneva (Prepcom) April 1992 and The Developing Countries

Prepcom met for over two years prior to the convening of the plenary conference, in which all the major legal instruments were drafted.\(^3\) After three weeks of deliberations in Geneva in early April 1991, the second session of Prepcom of government delegates moved forward in its planning in some issues for UNCED. On behalf of developing countries the Malaysian delegates suggest that in the spirit of the “obligations and rights” of all countries, forests covered under the proposed convention be made truly universal by including boreal forests (Northern Europe) and temperate forests those found mostly in the developed countries. In other words, the Malaysian delegates argued that any discussion or decisions made by the ‘Earth Summit’ must include the developed countries as well as the developing countries ensuring that the politics of implementation be universal.\(^4\)

In the early stages of Geneva Prepcom some of the developed countries called for an international agreement on forestry that would ban cutting the remaining tropical rain forests. The forests were seen as necessary “sinks” for converting carbon dioxide and other climate-changing gases to oxygen, and as bonus for the richest variety of biological diversity. Developing countries agreed with the importance of the issues, if not the strategy. Led by Malaysia, they proposed for an agreement that would include the forests of the developed countries and developing countries. Main areas of concern for developing countries are:

- To many indigenous peoples, forests are home. They have lived in the forests for centuries making little impact on them, but they fear for their way of life.


To more than two billion people in developing countries who lack other options, forests are an essential source of fuel for cooking.

To government leaders, forests are sovereign resources which countries have the right to exploit.

Developing countries are also desperate to provide basic necessities for their people and to earn foreign exchange to pay their debts due to economic pressures to exploit their forests. The burning of fossil fuels in the developed countries causes most greenhouse gases. The developing countries question why they should bear the economic burden for solving a problem created largely by pollution in the developed countries.\(^5\)

These conflicting views between developed countries and developing countries surfaced in the Geneva Prepcom and the developing countries strongly opposed an international forestry convention. Some other points of conflict in the Geneva Prepcom were financial resources, urban poverty and human settlements. In general, Northern governments do not want to start talking about how much money needs to be raised in regards to “new and additional resources” until they have a clear picture about what the shape and size of the programmes they assist in funding would be.

The developing countries demanded that it would be difficult to continue to develop elaborate universal programmes that would require their resources at the national level until they were assured that developed countries would make the necessary “additional” financial commitments.\(^6\)

**New York Prepcom March 3 – April 4, 1992 and The Developing Countries**

From March 3 to April 4, 1992, hundreds of delegates and representatives of non-governmental organizations (NGOs) from all over the

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\(^5\) Ibid., pp. 3 – 5.  
world preparing for 'Earth Summit' ended in New York after five-weeks long discussions without reaching any substantive issues.  

The developing countries under the banner of the G-77 (Group of 77 countries), stuck firmly to their stand that the developed countries, which had created a global environment crisis by its profligate lifestyle, must compensate by paying the bill for the clean up.

The developed countries on the other hand, insisted that any limits of consumption patterns or lifestyles should apply uniformly to all countries. It also continued to resist demands for additional and new funding for environment and development linked programme in the developing countries as envisaged by Agenda-21, an action programme that was expected to be endorsed in Rio de Janeiro, at the environment summit in June.

Vast differences continued to exist between developed and developing countries regarding financial mechanism, transfer of environmentally sound technology, forestry principles, biological diversity and climate change.

The five weeks of negotiations in New York had clearly shown that without a political decision in the industrialized countries to accept responsibility for their contribution to global environment problems, the Rio Summit would be rendered meaningless.

On the issue of financial mechanism, the conference secretariat has calculated that $125 billion in foreign aid would be needed by the developing countries every year for cleaning-up operation and improving the environments. But several delegates said the figure is on the lower side. Besides, the developing nations would themselves have to find four or five times this amount. The developed countries tried to extend the concept of Overseas Development Assistance (ODA) to include aid provided by the third

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7 *The Times of India*, New Delhi, 18 April, 1992.
8 *The Hindu*, Madras, 10 April, 1992.
world governments like India to neighbors, arguing that there was no "definition" of ODA and all government aid should be taken into this category.

But the major stumbling block was the insistent by the developed countries that the developing countries agreed to the World Bank's Global Environmental Facility (GEF) as the "appropriate mechanism" for funding the environment problem.9

The G-77 (Group of 77 countries) suggested that GEF could be considered one mechanism while the industrialized countries insisted that it should be the only one. As the GEF is a part of the World Bank and donor weighted, the South (developing countries) does not accept that it is a fair funding mechanism and fears that any funds channeled through it would have environmental conditionalities.10

The G-77 had been insisting for the creation of a separate facility, which is more democratic and transparent. The developing countries wanted to have a say in the distribution of funds. They had suggested creation of "Green Fund". The developing countries had also suggested that the "Green Fund" be set up under the auspicious of the United Nations.

The developed countries offered to reform the GEF to make it more democratic and transparent, but nothing specific was mentioned. As a concession, the developing countries agreed to accept GEF as "an appropriate mechanism" but not "the appropriate mechanism".11

Backed by the developing countries, India's Minister of State for Environment and Forests, Kamal Nath took a firm stand that national sovereignty has to be respected over nation's natural resources and there is no

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10 The Hindu, Madras, 10 April, 1992.
question of the developing countries subjecting their plans for development to be monitored by an international agency. He also insisted that there could be no “conditionalities” to aid in support of the programmes drawn up for sustainable development in harmony with national priorities, and that any global plan of action shall have to be based on “equal partnership”. In this context, the developing countries had said a firm “no” to any international convention on forest and forest management as it would impinge on national sovereignty which the US and other developed countries had been keen on. It is a significant that Brazil, the host country for the Earth Summit, had made this move supported by the developing countries. Not much headway had been made on the conventions, but the developing countries made significant gains on The Earth Charter.

With regard to transfer of environmentally safer technologies to developing countries, India demanded a mechanism for concessional and preferential transfer must be found. Mr. Kamal Nath said, “if developing countries are to discard present technologies in favour of modern, state of the art technologies those who have these technology must voluntarily pass them for common use”.12

On biological diversity, developed countries generally regards as sacrosanct the bio-technology created by their own scientist and corporation, but see no reason to pay for biological resources obtained from developing countries. India has made it clear that bio-diversity and sharing of biotechnology were inseparable issues. Access to biomaterial has to be linked to access to biotechnology, sharing the results of Research and Development and commercial profits derived from biomaterials with country of origin and also Research and Development (R&D) within such country.

12 The Times of India, New Delhi, 3 April, 1992.
India has also told the developed countries that if access to biotechnology or its products are going to be denied to the developing countries on the ground of protection of the Intellectual Property Rights (IPR), then such countries specially those providing the genetic material will have little enthusiasm for additional measures to conserve bio-diversity.

The developing countries categorically stated that they could not compromise the principle of national sovereignty over their natural resources.13

The New York Prepcom also failed to make any headway on the issue for curbing consumption by the industrialized countries. The third world argued that unsustainable consumption and production and lifestyle of the rich has been a major cause of environmental degradation.

When the issue came up in the plenary, the United States moved its own formulation, which put poverty and excessive consumption on equal footing for environmental degradation. Speaking on behalf of G-77 India rejected the formulation. Putting poverty on a par with consumption is “unjustified”.14

Group of 77 Environment Meet

The environment ministerial conference of developing countries held in Kuala Lumpur, Malaysia from April 27 – 29, 1992. In the conference 54 developing countries participated and G-7 attended as observer. Mr. Kamal Nath, India’s minister of environment and forests, pointed out that the global partnership in tackling environment issues has so far been based on charity and unilateral action rather than sound principles. And Dr. Mahathir Mohammad, Prime Minister of the host country, rightly castigated the developed countries for claiming guardianship of natural heritage of the

developing countries after having destroyed its own. Malaysia has a first hand experience of this. The West has been boycottig Malaysian timber on the pretext of protecting tropical forests.\textsuperscript{15}

In this environment ministerial conference the developing countries took the final decision of third world for "Earth Summit". At this important last preparatory meet before the summit, the developing countries had been able to harmonize their approach on at least ten issues considered to be of vital importance for the success of the Rio Summit.\textsuperscript{16}

The 'Kuala Lumpur Declaration' has called upon the developed countries to come out with firm commitments as regards "new and additional funding", distinct from Overseas Development Assistant (ODA) commitments. Although the participating countries at the meet got feelers from the USA, Australia, Britain and EEC that they would be willing to share the cost of cleaning the environment with the developing countries, the fact remained that fundamental differences continued to persist. The developed countries still insist on the mechanism or GEF functioning within the ambit of the World Bank for funding purposes, whereas the G-77, the biggest grouping of the developing countries, asked for a "green fund" which would be more democratic and transparent. India's Minister of Environment and Forests, Mr. Kamal Nath argued at the meet, echoing the opinions of several developing countries, the GEF is completely donor weighted in relation to major policy decisions as such is not acceptable to the developing countries.\textsuperscript{17}

India favoured the imposition of "environmental tax" on the developed countries to pay for the global environmental clean up. Enunciating the Indian position, Mr. Kamal Nath said the tax should be largely of a

\textsuperscript{15} \textit{Tribune}, Chandigarh, 30 April, 1992.
\textsuperscript{16} \textit{The Times of India}, New Delhi, 28 April, 1992.
\textsuperscript{17} \textit{The Observer}, London, 29 April, 1992.
compensatory nature and would predictably ensure the transfer of financial resources to the developing countries to take up environmental programmes.

As regards the transfer of technology, the meet had called for the transfer of appropriate environmentally sound technology from the North to the South on a non-commercial and preferential basis. Here the US and other developed countries strike a fundamentally different role. The US is advocating partnership for sustainable development that in reality means the setting up of joint ventures in the developing countries employ western technology.\(^\text{18}\)

India asked the industrialized countries to provide appropriate environmental friendly technologies to developing nations and not to dump obsolete ones discarded by the West. Initiating a discussion at the transfer of technology session of the ministerial conference of the developing countries, Mr. Kamal Nath said, developing countries today required technology in four major areas. These are for cleaner and more efficient production, minimizing energy requirement, waste and pollution, implementation of obligations under specific conventions for agreements such as Montreal Protocol and for mitigation of the adverse impact of environmental damage caused by the industrialized world, specifically concerning waste disposal and management.

He said, “the new global partnership required distinct and separate mechanisms to ensure the transfer of new and additional financial resources and environmentally sound technology on preferential and concessional and non-commercial terms to enable developing countries to make the technological transition”.\(^\text{19}\)

Malaysia, which had taken the lead in defining the third world viewpoint, particularly on tropical forestry, had given the conference some

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\(^\text{18}\) The Times of India, New Delhi, 30 April, 1992.

\(^\text{19}\) The Times of India, New Delhi, 29 April, 1992.
significance. The Malaysian Prime Minister, Dr. Mahathir Mohammad, attacked the North for claiming ownership of the natural heritage of the South. “If it is the interest of the rich that we do not cut down our trees, then they must compensate us for the loss of income”, he said. The extraction of timber could be halved if the West doubled the prices if paid for it. He called upon Europe and America to restore their farmlands to their original condition before the trees were hacked down to make way for agriculture. In doing so they are ignoring the hundreds of thousands of people whose lives depend on the timber industry. They ignore the loss of government revenue with which we subsidize and support our people particularly the poor. In other words, they want to preserve the tropical forest in their interest for them at the cost of developing countries, Dr. Mahathir also pointed out, “If we sincerely believe in equity and burden-sharing, why not reforest the deserts and those vast farms in Europe and America which subsidized to limit food production. After all, all trees provide oxygen not just tropical hardwoods”.

India’s Minister for Environment and Forests, Mr. Kamal Nath, told the conference on behalf of the third world strategy for Rio Conference that the establishment of a new global partnership in tackling environmental issues should be based on sound principles and not on charity or on unilateral action.

The new global partnership should be based on common concern, transparency, responsibility and credibility. For this there are four essential ingredients for building the new global partnership;

- **Thrust** – giving equal weightage to the concern of all nations;

- **Goal** – focussing on the restoration for the entire environment through a massive programme of regreening the earth;

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Nature – requiring the UN a stronger role in dealing with these matters; and

Continuity – of the new partnership calling for separate mechanisms to ensure transfers of technology and finance for sustainable development.

He said, there can be no partnership without equity, there can be no agreement ignoring realities and there can be no credibility without responsibility.21

In all the negotiations in the run-up to the UNCED meet, developing countries had made it clear that the central issues would be protection of sovereignty of the individual countries, economic and social development and poverty alleviation and there would be no compromise on these. All the developing countries have spoken almost with one voice on these issues in all the preparatory committee meetings.

The developing countries are fully conscious of the responsibility to conserve the environment and believe that every nation in the world has a similar responsibility. However, it is also necessary to stress the fact that environment should not and cannot be used as an instrument for setting up a new global hierarchy. An unjust international economic order cannot be replaced by an equally unjust environmental order.

The UNCED Conference

After more than two years of hectic negotiations between developed countries and developing countries on global environmental issues, they finally met at Rio de Janeiro, Brazil from 3-14 June 1992, for the historic United Nations Conference on Environment and Development (UNCED) or known as "Earth Summit".

21 The Times of India, New Delhi, 28 April, 1992.
As an event in itself, the UNCED – the Earth Summit – in Rio de Janeiro in 1992 was clearly remarkable, indeed historic. Never before had so many of the world’s political leaders come together in one place, and the fact that they came to consider the urgent question of our planet’s future put these issues under an enormous international spotlight. This was helped by the presence at Rio, both in the conference itself and the accompanying Global Forum, of an unprecedented number of people and organizations representing every sector of civil society, and more than double the member of media representatives that had ever covered a world conference.

The Earth Summit validated the concept of sustainable development, which had been articulated by the Brundtland Commission, not as an end in itself, but as the indispensable means of achieving, in the 21st Century, a civilization that is sustainable in economic and social as well as environmental terms.

But the Earth Summit also made it clear that sustainability in physical terms can only be achieved through new dimensions of cooperation among the nations and people of our planet and, most of all, a new basis for relationships between rich and poor both within and among nations.22

UNCED was divided into two main parts: the conference proper and the ‘summit segment’, although there were also pre-conference sessions on 1 and 2 June, 1992 at which the agenda and rules of the conference were agreed. The work needed to complete Agenda-21, the Declaration of Forest Principles and the Rio Declaration was done in the earlier part of the conference, between 3 and 11 June, 1992. National policy statements mainly took up the summit segment (12 and 13 June) by heads of government and state. UNCED concluded on 14 June with a meeting at which the texts were formally adopted.

The first section of the conference (3 to 11 June) was conducted in two separate parts. First, there were plenary debates at which the delegates gave speeches. As the summit segment approach it was the senior delegates and the environment or development ministers who gave speeches. The President of the conference, President Fernando Collor de Mello of Brazil, authoritatively chaired the debates. Concurrently with the plenary debates, 'Main Committee' meetings were held at which the final details of Agenda-21 were negotiated. These meetings were attended by at least one delegate from each nation and chaired by the Singaporean Ambassador, Tommy Koh, who had also run the Prepcoms.

During the first week of the conference the two Conventions were opened for signing and representatives of more than 150 states had signed each of them by 14 June 1992. This was a major achievement but was rather soured by the USA failing to sign the Convention on Biological Diversity. The US had reasonable reservations concurring ambiguities in the agreement, as did the UK. However, the UK signed the agreement with a caveat, or rather a statement of what it understood by the agreement. A more conciliatory US administration could have done the same and received substantial praise for doing so, particularly from developing countries. In a similarly politically inept way Malaysia also failed to sign the Convention.

The most important single meeting, in terms of achievements, was the final session of the plenary discussions on Sunday 14 June 1992 at which Agenda-21, the Rio Declaration and the Declaration of Forest Principles were formally agreed. 23

Agreeing that the cost of not acting could outweighed the financial costs of implementing the programmes; the conference adopted three major texts, Agenda-21 a comprehensive blueprint for global action in all areas of

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sustainable development. The Rio Declaration on Environment and Development, a series of principles defining the rights and responsibility of states in this areas, and a set of principles to underlie the sustainable management of forest worldwide.

Two legally, binding conventions, aiming to prevent global climate change and eradication of biologically diverse species was opened for signature in Rio. During the conference, representatives of more than 150 countries, including many heads of states and governments signed them each.

In the backdrop of a world which has been starkly divided between the rich and the poor, between those who have carelessly exploited the resources of the earth to reach their present level of material comfort, and it continuing to callously exploit the resources in an effort to sustain a pattern of living that can only be termed as conspicuously wasteful, the realities of the developing countries have already gone far above and beyond what could be expected at the various preparatory meeting for UNCED cannot be overlooked.

Let us discuss how the developing pursued countries their goal at the Summit meeting on different issues by negotiating with the developed countries.

**Agenda-21: The Programme of Action**

In Nairobi, during the first Prepcom meeting in August 1991, Maurice Strong Secretary- General of the UNCED proposed a master plan, to be called Agenda-21, to put the planet on a sustainable footing in time for the 21st Century – hence the number 21. Though non-binding for the signatory states, the idea was that, after adopting Agenda-21 in Rio, the governments would
implement this master plan, or at least be inspired by it when taking environment and development related decisions.\textsuperscript{25}

The programme areas that constitute Agenda-21 are described in terms of the basis for action, objections, activities and means of implementation. Agenda-21 is a dynamic programme. It will be carried out for the various actors according to the different situations, capacities and priorities of the countries and regions. It could evolve over time in the light of changing needs and circumstances. This process marks the beginning of a new global partnership for sustainable development.\textsuperscript{26}

Most of the Agenda-21 had been finalized during sessions of the preparatory Committee March 1991. Agenda-21, adopted by the UNCED on 14 June 1992, is the instrumentally sound development. It is a comprehensive programme of action to be implemented from now and into the 21\textsuperscript{st} Century – by governments development agencies, United Nations Organizations, and independent sector groups in every area where human (economic) activity affects the environment.\textsuperscript{27}

Some of the important chapters of the Agenda-21, headings are given below:

a) Social and Economic Dimensions.

b) Conservation and Management of Resources for Development.

c) Strengthening the Role of Major Groups.

d) Means of Implementations.\textsuperscript{28}


\textsuperscript{26} Drafts, Agenda-21, Rio Declaration, "Forest Principles UN Conference on Environment and Development", Rio de Janeiro, 3-14 June, 1992, p.4

\textsuperscript{27} "Earth Summit, Final Text, Press Summary of Agenda-21", Department of Public Information, UN, New York, 1992, pp. 1-3.

\textsuperscript{28} Dunn, H.D., no.23, pp. 229-230.
Financing

It was at the fourth Prepcom in the New York that the issue of the follow-up to the much anticipated Rio agreements on climate changes, biodiversity and Agenda-21 came into the fore. Days before the Prepcom started, Maurice Strong kicked off the discussions by telling reporters that a lot of money would be needed to finance the draft plans for saving the planet. When a Reuters correspondent asked how much the total cost would be – aid plus local financing – Maurice Strong said perhaps US $600 billion a year. Solving the global environmental crisis basically boils down to a matter of money.29

Preparatory meetings pitted rich nations against poor over how to halt destruction of the environment while encouraging economic growth. The 15,000 delegates hoped to salvage a number of key agreements on global warming, protecting the diversity of plant and animal life, and other issues. The developing countries also want more aid to help foot the cost of environmental protection and to conquer poverty, which the developing world argues is the root cause of environmental degradation. “We cannot have an environmentally sound planet in a socially unjust world”, Brazil’s President Mr. Fernando Collor De Mello, said in his opening address.30

Jamsheed Marker, head of Pakistan’s delegation to the summit and the chairman of G-77, said, “what we want is a credible commitment on financial resources of good intentions and wait to see how it is going to be implemented.”31

The major stumbling block at the Rio Summit was the question of funding of Agenda-21 for environmental measures that need to be taken in the 21st century. Most funding for Agenda-21 is to come from each country’s

29 Chatterjee, P., Finger, M., no. 25, p. 137.
30 The Times of India, New Delhi, 4 June, 1992.
own public and private sectors. However, the provision of new and additional external finding is considered necessary if developing countries are to adopt sustainable development practices. Grants and loans in the form of official development assistance (ODA) would be the basis for this.

The G-77 group of developing countries proposed 2000 A.D. as the deadline for the North to pay 0.7% of its gross domestic product as overseas development assistance. The US which paid 0.23% of its GDP, had opposed any such deadline. Only European countries actually support this minimum level of assistance and had already a level of 0.5%, with Norway more than 1% of its GDP. Brazil which was trying to broker agreements in the hope of a successful Earth Summit put forward a compromise proposal on financing, which the G-77 rejected. The South also emphasized that the reform of GEF, run by World Bank on behalf of two UN agencies, should only be one of the mechanisms for funding environmental schemes, not the sole Brazil which like other Latin America countries was being seen as waging proxy war on behalf of its big northern neighbor had advocated the GEF as the single mechanism. Several developing countries criticized Brazil’s stand on financial mechanism.32

After protracted negotiations, including one eighteen hour sessions, agreement was reached on a compromised text whereby the “developed countries reaffirm their commitments to reach the accepted UN target of 0.7% of GNP for ODA and, to the extent that they have not yet achieved that target, agree to augment their aid programme in order to reach that target as soon as possible and to ensure a prompt and effective implementation of Agenda-21.” Some countries agreed or had agreed to reach the target by the year 2000. Most donor countries including most of the Nordic States, the Netherlands and France supported the 2000 target date. The UK and Germany did not. The US was not involved in these discussions since that country never made

32 The Times of India, New Delhi, June 7, 1992.
commitment to 0.7% of GDP to ODA and considered itself unable to “reaffirm” this figure.\textsuperscript{33}

It was decided that the commission on Sustainable Development (CSD) would regularly review and monitor process towards this target. This review process should systematically combine the monitoring of the implementation of Agenda-21 with a review of the financial resources available. Those countries which have already reached the target are to be commended and encouraged to continue to contribute to the common effort to make available the substantial additional resources that have to be mobilized.\textsuperscript{34}

Funding for Agenda-21 and other outcomes of the conference should be provided in a way which maximizes the availability of new and additional resources and which uses all available funding resources and mechanisms. These include, among others:

- The multilateral development banks and funds;
- The International Development Association (IDA) and regional and sub-regional development banks;
- Voluntary contributions from NGOs will be increased;
- GEF managed by UNDP, UNEP and World Bank should be restructured to encourage developing countries participation in decision-making;
- Increased private funding and direct investment encouraged through national policies and joint ventures;


\textsuperscript{34} Ibid., p. 10.
• Debt relief measures for low and middle income developing countries, including debt swaps;

• Innovative financing; new ways of generating funds should be explored, including fiscal incentives, trade table permits and reallocation of resources presently committed to military purposes.

The estimated annual costs of implementing the activities in Agenda-21 in developing countries over $600 billion, including $125 billion in international grants or confessional financing. It is likely that discussions on donor commitments would continue in other forum and at the UN General Assembly.\textsuperscript{35}

Transfer of Technology

The public position adopted by the Kuala Lumpur group was, “the implementation of Agenda-21 programme will depend on the availability of adequate, new and additional financial resources and the transfer of environmentally sound technology to the developing countries on preferential and concessional terms”.\textsuperscript{36}

While most developing countries fear that modern and environmentally friendly technology would not be readily accessible to them, a few examples suggest this can be achieved through the appropriate mechanism and negotiations, according to Ossama Abdul-Wahab, chairman ElNasr Company. He refers to ENC.'s new valve and pipefitting plant and design.

Mr. Kamal Nath, India’s minister for Environment and Forests, said, “When developing countries talked about technology transfer it was not transfer of those technologies from the North who has led to environmental

\textsuperscript{35} Earth Summit, Final Report Text, Press Summary of Agenda-21, pp. 32-33.
\textsuperscript{36} International Herald Tribune, Paris, 11 June, 1992.
degradation in their countries. Technology transfer meant transfer of clean technologies, which were economically viable.37

Desertification

The degradation of fragile dry lands threatens the livelihood of over 900 million people in some 100 countries. According to the United Nations Environment Programme the process affects some 25 percent of the Earth’s land area and seems to be occurring at an accelerated rate globally. Causes include overgrazing, over cropping, poor irrigation practices and deforestation, combined with climate variations.

The situation is especially serious in Africa, where 66% of the continent is desert or dryland, and 73% of the agricultural drylands are already degraded. Most of the world’s 800 million people without adequate food live in the drylands, according to the Food and Agriculture Organization of the UN. The United Nations Convention on Desertification, aimed at curbing the degradation of arid lands worldwide was called for at the UN Conference on Environment and Development – the Earth Summit held in Rio de Janeiro, Brazil in June 1992.38 The conference recommended that the General Assembly should establish an intergovernmental negotiation to combat desertification, with the aim of completing it by June 1994.

The Agreement was made possible by Europe’s efforts at obtaining backing from the US, which was locked in a struggle – to modify a controversial document on preserving the world’s forests. The African nations threatened to oppose a convention on forest unless an agreement on desertification was reached. So such a convention is important to many African countries.39

Atmosphere

To protect the atmosphere, Agenda-21 focuses on four programme areas:

- Uncertainties in related scientific knowledge;
- Sustainable development in regard to energy, transport, industry, land and marine resources;
- Stratospheric ozone depletion;
- Transboundary air pollution.

Proposals in Agenda-21—Chapter 9, do not oblige any government to exceed the provisions of the 1985 Vienna Convention for the protection of ozone layer, the 1987 Montreal Protocol and of 1990, London revisions, or the 1992 United Nations Framework Convention on Climate Change. Activities in this area will require an estimated $640 million per year (1993-2000) in international grants or concessional financing. 40

Ocean and Marine Resources

More than 70 percent of the earth surface is covered by water. The activities of humans on land are a major threat to sustaining the biological richness of oceans and coastal areas.

The Earth Summit Conference resolved a divisive issue by requesting UN General Assembly to convene an international conference on conservation and management of straddling and highly migratory fish stocks, consistent with UN Convention on the Law of Sea (UNCLOS). 41

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40 Final Text of Agenda-21, pp. 9-11.
41 Ibid., pp. 20-22.
The Rio Declaration.

The Rio Declaration on Environment and Development, a set of 27 principles outlining the rights and responsibility of states in that area, was adopted without change from the text negotiated at the final meeting of the preparatory committee in May 1992 (see annexure 7 for Rio Principles). The Rio Declaration was originally conceived as an "Earth Charter", a document the developed countries believed should stress the need to protect the environment. The Group-77 favoured a more detailed proclamation that reflected a greater balance between environment and development.

The Rio Declaration is not legally binding. However, it is anticipated that, as with the UN declaration on human rights, governments will have a strong moral commitment to adhere to its principles.42

The Agreement on Forest Principles

In the early stages of negotiations a group of six countries in the North (Canada, France, Germany, Italy, the United Kingdom, and the United States) hoped that a legally binding convention on forestry could be negotiated and ready for signing together with agreements on climate change and biodiversity at the conference.43 From the outset of the negotiations in late 1990 it was clear that few nations with substantial forests were prepared to agree to a treaty which would curtail rights to exploit their forests as they wished. This was particularly so for some developing countries, notably Malaysia. Negotiations were also made more difficult by some industrialized countries, such as the USA and the UK, which were unwilling to have the FAO play a leading role in either the negotiations or in the operation agreement. It was therefore decided to try to negotiate the treaty within the framework of the UNCED preparatory process. UNCED Preparatory Committees debated the

43 Chatterjee, P., and Finger, M., no. 25, p. 46.
forest issue but Malaysia expressed the same reservation as before and was joined in its objections by India, which also opposed a binding agreement.\textsuperscript{44}

The forests have clearly become a new symbol of the North-South conflict, and to a certain extend they have even become a 'hostage' of that conflict.\textsuperscript{45} In the Prepcom of developing countries for Rio Conference, they unanimously decided not to sign for a forest convention. In the conference also Malaysia and India objected.

India's Environmental Minister, Mr. Kamal Nath objected to the use of word "globalization" of forest wealth as it perceived it as a community resources used for fodder and fuel wood and did not see it as a timber resources.\textsuperscript{46}

Eventually, under pressure from the G-77, the concept of having a treaty was abandoned and the Forest Convention was replaced by a non-binding agreement called the 'Declaration of Forest Principles' which, as its name suggests, lays down some important principles but is no substitute for a legally binding agreement. Even in this form, however, the UNCED negotiations were unable to agree on a text by the time that the Earth Summit began.\textsuperscript{47}

The Framework Convention of Climate Change

The Framework Convention on Climate Change is the second major international legal instrument to address a problem of global environmental change before the worst impacts have been clearly documented or measured. (The first was the Vienna Convention for the protection of Ozone Layer with its Montreal Protocol on Substances that deplete the Ozone layer). After more than ten years of intense scientific research and nearly two years of

\textsuperscript{44} Dunn, D.H., no. 23, p. 228.
\textsuperscript{45} Chatterjee, P., and Finger, M., no. 25, p. 47.
\textsuperscript{46} Chatterjee, P., and Finger, M., no. 25, p. 47.
\textsuperscript{47} *The Times of India*, New Delhi, 7 June 1992.
intense diplomatic negotiations, more than 150 countries agreed to cooperate on measures to reduce the risks of rapid climate change. The Climate Convention institutionalizes the debate on environment and development in a way, which will strongly influence North-South relations in the near future.\textsuperscript{48}

The two years of negotiations leading to the signing of the Climate Convention resulted in agreement on a number of specific points. It was opened for signature at the UNCED – the Earth Summit in Rio de Janeiro, Brazil, on 4\textsuperscript{th} June 1992.

The convention came into force on 21 March 1994; 90 days after the necessary 50 countries had ratified it. As of 1 August 1994, 83 countries, including the European Union had ratified it.

The aim of this agreement is to stabilize atmospheric concentration greenhouse gases at levels that will prevent human activities from interfering dangerously with the global climate system. In ratifying the Convention, governments agreed to reduce emissions of the warming greenhouse gases to “earlier” levels by the end of the 2000. States are required to report periodically on their level of emissions and efforts to slow climate change. The target of reducing carbon dioxide emissions to 1990 levels by the end of 2000 – which was advocated by the European Community, Japan and most other countries but opposed by the United States – stated as a goal to be met voluntarily.\textsuperscript{49}

Article 4, Paragraph 3 is one of the most controversial sections of the Convention. This section concerns the commitment by developed countries to provide new and additional financial resources to developing countries in order to cover the costs of action taken by developing countries to achieve the


\textsuperscript{49} Earth Summit Convention on Climate Change, UNCED, Rio de Janeiro, Brazil, 3-14 June, 1992, p. intro.
objectives of the Convention. This commitment was an essential element of the compromise, which led many developing countries to sign the Convention.  

Such assistance is, for the time being, to be channeled through the Global Environmental Facility (GEF), a fund administered jointly by the World Bank, the UN Environment Programme.

**The Convention on Biological Diversity**

The bio-diversity convention, like the climate change convention, was actually negotiated separately from the UNCED process in International Negotiating Committee (INC). Though both INCs met different times to the UNCED Prepcoms and had different national representatives, the issues, the stakes, and the conflicts turned out to be very similar to those that congregated around the same questions in Agenda-21. This was particularly the case after these two negotiations were declared part of the UNCED process. As a matter of fact, when the United Nations Environment Programme (UNEP) initiated the negotiations for such a convention in 1990, the bio-diversity convention was to become a separate convention, and nobody planned that it would be ready to be signed in June 1992.

The origin of the convention go back to the concern for the destruction of the tropical rainforest, voiced mainly by Northern Conservationist NGOs, in particular International Union for the Conservation of Nature (now World Conservation Union) and Worldwide Fund for Nature, the World Bank, and UNEP, who drafted the original text. They mainly dealt with the protection and conservation of bio-diversity along a quite traditional, i.e. resource management approach.  

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51 Chatterjee, P., and Finger, M., no. 25, p. 41.
Many developing countries felt strongly that the diversity of their species had been, and was being, unfairly exploited by developed countries. This feeling of injustice was particularly keenly felt by developing countries, such as Brazil, that are home to a wide range of biological species. Many of these species had been used to make highly profitable products in developed countries, with little or no payment being made to the country of origin. Many modern drugs, often from tropical forests, but once the key compounds of medical importance are isolated, they can often be artificially synthesized in developing countries. The same increasingly applies to products made by genetic engineering, where developing countries feel strongly that if biological material originated in their countries then they should have a share of the profits of any sales of genetically manipulated material. 52

It was only during Prepcom III in August 1991 in Geneva that the G-77 comprising most developing countries asked that the issue of biotechnology be included in the convention on bio-diversity. Finally, a compromise document was drawn up in Nairobi a month before Rio and taken to the Summit. Negotiations had, in fact, been delayed because the USA had demanded substantial changes, which they got. Despite these concessions, the USA refused to sign the convention in Rio. 53

The Biological Diversity Convention was opened for signature of the UNCED in the Rio de Janeiro, Brazil on 5 June 1992. At Rio 157 countries signed the convention including 71 heads of state and government. For the convention to become law, it must be ratified by at least 30 countries, usually by the national legislature. 54

53 Chatterjee, P., Finger, M., no. 25, p. 41.
Indeed, despite many critical notes from some NGOs, the bio-diversity convention was generally considered the biggest success of the entire UNCED process.55

India’s Diplomacy at Rio

Much of the latter half of 1991 was spent in preparing an Indian response to the conference. India, which led the Third World initiative, was advocating strongly the “polluter pays principles” under which the developed countries that cause most of the environment problem will help clean up the world. The government appointed an inter-ministerial group to help prepare a detailed Indian paper for the conference. Besides, the UNCED Secretary General, Maurice Strong and Deputy Secretary-General, Dr. Nitin Desai, visited India and consulted the government and industries on the subject.56

Mr. Anil Agarwal, Director of the Centre for Science Environment (CSE) in New Delhi, who as an NGO’s representative had helped the Indian delegation negotiate on the forestry draft, said, “We are reasonably satisfied. It’s the best of a bad bargain, which we achieved after a tremendous fight. There was extraordinary pressure from a number of countries which were standing in for the United States.” The Indian delegation sought to leave little wording in the statement, which would leave room for a forestry convention. It also wanted to exclude any justification of external intervention.57

India’s Minister for Environment and Forests, Mr. Kamal Nath in his opening remarks recognized that the “road to Rio” had been very difficult, and the developing countries had to resist all kinds of pressures. He reiterated India’s stand which laid emphasis on the recognition of the principle of sovereign rights of the nations over their natural and biological resources, and that the developed countries not only had a responsibility to bear the costs for

55 Chatterjee, P., and Finger, M, no. 25, p. 42.
57 The Times of India, New Delhi, 14 June 1992.
corrective action in the field of environment, but also had the capability to foot the bill. He felt that the US wanted the Third World countries to develop and conserve their forests (which are co-sinks in American jargon) to absorb the excessive emissions of toxic gases and greenhouse effects generated in the US. He pointed out that, at one stage, the EEC (European Economic Community) countries, though agreed with the view of the developing countries, said there was no point in going to Rio unless the US agreed to convention. Dr. Karan Singh, chairman of the People's Commission on Environment, however, struck a dissenting note on this issue. He felt that while it was all right to take pride in establishing national sovereignty, there would be no purpose in going to UNCED if the room for give-and-take was not left open. He felt India should look beyond its national interest and plead the cause of survival and protection of the "mother earth" as a universal.

Environment Secretary, Raja Mani said the focus at UNCED would be on issues like protection of atmosphere, resources, oceans and seas, and on action plan to protect life against toxic materials and hazardous wastes, and for improvement of the quality of life. 58

India told the UNCED at Rio early June 1992 that developing countries could not be expected to compromise their efforts towards development and poverty eradication while tackling environment problems.

Listing the achievements at Rio, Mr. Kamal Nath said the conference resulted in the Rio declaration, Agenda-21, signing of the Climate Change and Bio-diversity Conventions and Forestry principles. According to him the Rio conference was not meant to be a pledging conference resulting in firm financial commitments or a conference to initiate legally binding agreements. Neither was the conference meant to negotiate any agreements nor there was no question of a gain or loss for a particular country. What India gained at the conference was a better understanding by the international community of the

great efforts that we have made in our country not only on the development front but also towards environmental protection despite scarce resources.

“Our policy initiatives have been highlighted and appreciated. There was an agreement that the developing countries would soon achieve the desirable level of external development assistant which is 0.7% of their GNP annually. The level of Official Development Assistance (ODA) to the Third World is about $55 billion. If the 0.7% level is reached, the ODA would then become $125 billion. Most countries are willing to achieve this target by the year 2000 A.D. We can expect substantial new funds to boost our development efforts,” Mr. Kamal Nath said it had also been agreed that an environmentally sound technology was a prerequisite for sustainable development and even be purchased by compulsory requisition from companies by Western Governments and then supplied to developing countries. This is a positive and useful step forward he observed. Hailing the decision to establish a high level commission on sustainable development, Kamal Nath said it would have a regionally balanced representation. Its exact functioning and modalities are to be decided by the UN General Assembly.

This will be an extremely important institution to access and review the progress of the implementation of Agenda-21, he said.

Talking about the statement on forestry principles which was adopted at the Rio Summit, Mr. Kamal Nath said there was a great deal of pressure from Western countries to begin negotiations on a legally binding agreement on forests.59

India actively participated at the Earth Summit. According to Indian Prime Minister Mr. Narashimha Rao, India’s single biggest achievement at the Earth Summit was that its approach had been endorsed and it had been recognized as an activist country. However, India could not be taken for a

ride in the matter of technology imports and it knew what technology suited it best. As regards forests, he pointed out that though satellite imagery had established that the depletion of forests in India had been arrested, still lot more needed to be done on that front. Although the United States refused to sign the bio-diversity convention, at no time did the of United States President Goerge Bush indicated the rejection of any of the basic characteristic of the Earth Summit. "There are two things wrong with the bio-diversity treaty. One is that it does not protect technology and the other, the financing arrangements are wrong", Mr. Bush said.

Regarding the financial problem, Prime Minister Mr. Narashimha Rao said that environment protection programme had also to be self-dependent. "We just cannot say that we will not protect our environment because somebody else has not given us the money for the same". Regarding technology transfer, he said the matter was very complex. "A lot of macro planning had to be done and it was to be made sure that only environment-friendly technology was to be taken. In this respect many developed and developing countries were not different in the sense that even some developed countries may not possess the right kind of environment-friendly technology," Mr. Rao said.

About the attitude of some developed countries, Mr. Rao said something done unknowingly was one thing while doing it deliberately was another. Asked about his reaction to President Bush's stand, Mr. Rao said, "What he felt was right, he told us".60

The UNCED was significant because of the fact that for the first time, the governments of the world jointly acknowledged the threat of ecological crisis and to formulate common obligations for conducting politics in the future. For many involved in the two-year preparations for the conference,

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60 The Hindustan Times, New Delhi, 15 June 1992.
optimism was high for the summit, by this measures some found the result disappointing.

Agenda-21 with over 2500 national and international policy commitments in over 150 programme areas, made by over 170 states, comprised the most specific undertaking of its kind ever negotiated.\textsuperscript{61} Although compromises and negotiations had weakened Agenda-21, it is still a remarkable document in many respects. The Rio Declaration and the statement of forest principles need to be evolved further towards a "truce" earth charter and legal instrument on forests. On the finance and technology transfer there had been agreements but not sufficient commitment.

The implementations of the sustainable development programmes of Agenda-21 require the provision for developing countries substantial new and additional financial resources. Grants or concessions should be provided according to sound and equitable criteria and indicators. The progressive implementation of Agenda-21 should be matched by the provision of such necessary financial resources.\textsuperscript{62} Actual financial commitments from the developed countries were rare. This is the reason for the deep disappointment during and at the end of the summit.

The significant achievements of the summit plenary sessions included the adoption of a legally binding Framework Convention on Climate Change and a similarly binding convention on Biological Diversity. Letting concessions to American views weakened the former. Despite the European consensus on limiting carbon dioxide emissions in line with '1990 by 2000' formula the American insisted on deleting any quantitative or time-limit commitments.

\textsuperscript{61} Imber, M.F., no. 3, p. 102.
\textsuperscript{62} Ibid., p. 104.
The convention on Biological Diversity also attracted American hostility. It was not signed by President George Bush's delegation. The administration objected to certain legal and financial implications. The United States revised its opinion in the following year after President Clinton's inauguration in 1993. Some developed countries, for example, particularly USA remain adamant in refusing to commit themselves to change their unsustainable patterns of life style which is very unfortunate for the success of Rio Declaration.

The developing countries response in UNCED was that the developed countries really does not care about the needs of the developing countries and worse that in a unipolar new world order, the developing countries is too weak to fight for recognition and respect. Many senior officials and experts from the developing countries were also apprehensive that the position of the developing countries would be worsen further after the summit. Gamani Corea, a Sri Lankan who was many years Secretary-General of UNCTAD (United Nations Conference on Trade and Development) said, "Earth Summit held little or no promise for success". These days it is a great achievement to agree on what to say, not on what to do", was his wry comment. 63 Malaysian envoy to the UN, Tan Sri Razak Ismail said that Rio would not mark a watershed. After the summit, there would be more of the same with the existing power structures being perpetuated, G-7, the OECD and the rich and not the South or poor will inherit the world.

Despite these legitimate fears arising from the lack of developed countries’ commitment at the summit, most participants could not help to also holding glimmers of hope at the end. The year long UNCED process has after all brought both (the developed and developing countries) back on the same table, the first time in almost two decades that the North has shown serious interest in talking about the world affairs with the South.

63 "Disappointment and Hope at Rio", Third World Economics, 16 July, 1992, p. 3.
At the final session speech, Mr. Maurice Strong put: "This process has been a profoundly human experience from which we cannot emerged unchanged. The world will not be the same, international diplomacy and United Nations will not be the same and the prospects for the Earth's future cannot be the same".  

Overall, however the summit did succeed in its main aims of getting an agreement on sustainable development off a good start and the tremendous upsurge in consciousness regarding the environment. Thus than specific sums or targets, this achievement will be one of the long lasting impacts of the Earth Summit.

64 Ibid., p. 5.