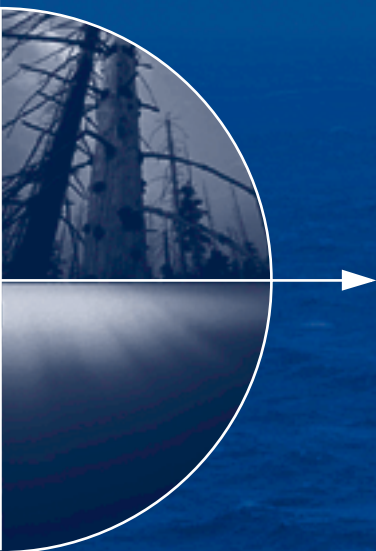


International Environmental
Policymaking and
Transatlantic Co-operation

Setting the Agenda
for the World Summit on
Sustainable Development



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Background and Objectives

The international community needs to improve the current system of environmental policymaking if the challenges set out in the sustainable development paradigm are to be met. In the past thirty years, the number and scope of multilateral environmental agreements have expanded rapidly as has the number of international institutions that facilitate and oversee the implementation of international agreements. As a result, the contemporary system of international environmental policymaking is characterised by institutional fragmentation and the involvement of a multitude of actors at various levels of governance. While this framework has proved dynamic, it also poses policymakers with new challenges when it comes to co-ordinating international environmental reform efforts.

At the 1992 United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, governments and non-governmental organisations alike committed themselves to the paradigm of sustainable development as the shared goal of future environment, development, trade and investment policies. So far, however, achievements in sustainable development and the implementation of Agenda 21 – the common framework for international and national action – have fallen short of expectations. The results of the Agenda 21 review carried out by the UN General Assembly in 1997 – five years after the 1992 Rio Conference (and thus dubbed “Rio +5”) – are generally considered meagre and inadequate.

In order for the World Summit on Sustainable Development, scheduled for 2002, to be more successful than Rio +5, effective global environmental leadership is essential to set a progressive agenda for the conference. This agenda needs to lay out well defined targets, a specific set of issues and effective policy strategies. Transatlantic co-operation between the US and EU Member States has an important role to play in this process. As a result of both their historic contribution to global environmental degradation and their unparalleled political, technical and financial capacities, the US and the EU Member States have a responsibility to exercise effective leadership in setting the international agenda for the WSSD.

In the past, effective US and EU co-operation and therefore potential leadership have often been obstructed by domestic hindrances and differing approaches to dealing with global environmental problems. There is an urgent need to identify potential areas of consensus and make use of existing ‘windows of opportunity’ so that concrete international policy goals can be pursued in a consensual and co-ordinated way. Greater transatlantic leadership coupled with extensive consultation of developing countries would greatly enhance policymaking capacities in the contemporary system of international environmental governance.

To address these challenges Ecologic, the Institute for International and European Environmental Policy, with the support of the German Marshall Fund of the United States and the Luso-American Development Foundation brought together a group of distinguished environmental

policy practitioners and researchers for an expert workshop held in Lisbon, February 10-12, 2000. The purpose of the workshop was to develop strategies for enhancing transatlantic co-operation in the area of international environmental policymaking.

To this end, the workshop focused on identifying possible elements of a common transatlantic environmental agenda by concentrating on a select number of important international environmental issues. In addition to an opening and concluding session, the workshop was divided into seven substantive sessions dedicated to the following topics: **1)** international environmental governance and transatlantic co-operation, **2)** environment and trade policies, **3)** environment, investment and finance, **4)** environment, agriculture, biotechnology and food security, **5)** environment and natural resource management, **6)** environment and energy policies and **7)** environment, foreign and security policies. During each session participants discussed the issues of most relevance to the present situation, strategies for overcoming current obstacles, and potential measures for enhancing transatlantic co-operation.

This Policy Briefing Note seeks to convey the main recommendations developed during the workshop to a wider audience of decision-makers and the interested public. In addition to feeding these recommendations into international environmental negotiating processes, it will also be distributed to key intergovernmental institutions, international NGOs/ research institutes, international business fora and the ministries for environment, development, economic affairs and finance of relevant countries. It is hoped that the Lisbon Workshop on International Environmental Policymaking and Transatlantic Co-operation will contribute to current efforts being made to improve the quality of transatlantic leadership in international environmental policymaking processes. In so doing, it seeks to help facilitate and support current preparatory efforts taking place within numerous national, regional and international fora for the upcoming World Summit on Sustainable Development.

International Environmental Policy-Making and Transatlantic Co-operation

The importance of EU-US co-operation and leadership to international environmental policymaking processes cannot be overstated. Given the two regions' disproportionate use of the world's resources and their unique capacities for encouraging other governments to engage in international environmental reform efforts, EU Member States and the US government – as well as their citizens – share a unique responsibility for combating global environmental degradation. It has become increasingly clear that a strong and effective system of international environmental governance will only emerge and persist with the active support of the EU and the US.

Since 1990, a number of policy initiatives have been undertaken to help facilitate transatlantic co-operation across a broad range of issues. These initiatives were, in part, institutionalised with the publication of the New Transatlantic Agenda in 1995. In addition to laying out various economic and security goals, this agenda calls for greater co-operation in the area of environmental protection. Most of the activity carried out thus far under the auspices of the NTA has taken place in the area of trade liberalisation and business co-operation. This largely economic agenda has been invigorated by the establishment of the non-governmental Transatlantic Business Dialogue which has had a strong influence on the economic agenda of the NTA process. The creation of the governmental Transatlantic Economic Partnership in 1998 has further contributed to the economic bias of the NTA. While other non-governmental dialogues such as the Transatlantic Environment Dialogue and the Transatlantic Consumers Dialogue have been created, they are much younger and at the present time exert much less influence over EU-US policymakers than the TABD.

The Lisbon workshop recommends a progressive transatlantic agenda that includes the following elements:

Build a Genuinely Environmental Transatlantic Agenda

To gain credibility and legitimacy amongst civil society groups in the EU and the US – as well as in other multilateral fora – closer transatlantic co-operation urgently needs to build a genuinely environmental agenda. The workshop also suggests that decision-makers explicitly commit themselves to integrating issues of sustainable development into all relevant areas of transatlantic co-operation. Progress is important. Transatlantic co-operation in areas with so-called 'low-hanging fruit' will help build the confidence necessary to deal with other more problematic issues.

Respect Developing Country Interests

In many areas, closer transatlantic co-operation directly affects developing country interests and is, therefore, viewed somewhat ambiguously by these countries. Joint EU-US leadership is needed, but agreement between the EU and the US also tends to narrow or even close off the 'negotiating spaces' that exist for developing countries in international fora. One key message for the environmental policy community is therefore that it needs to take measures to ensure that developing country interests are represented within transatlantic negotiating fora. A transatlantic initiative to improve the transfer of clean technology to developing countries would also help convince developing countries that closer transatlantic co-operation is not intended to marginalise these countries. Additionally, these transfers could facilitate technological 'leap-frogging' in developing countries so as to avoid a repetition of the unsustainable growth patterns found in the industrialised world.

Re-Balance the Current Economic Bias of Transatlantic Co-operation

Policymakers must invigorate and give higher profile to policy areas outside of the trade agenda to increase the legitimacy and credibility of transatlantic co-operation. In this respect, it is promising that the original New Transatlantic Agenda goes far beyond economic issues. Credible steps towards re-balancing the current economic bias of transatlantic institutions should include improving the transparency of governmental decision-making processes on both sides of the Atlantic, and strengthening the role of the non-business transatlantic dialogues.

Establish Multi-Stakeholder Fora to Advance Transatlantic Environmental Co-operation

As the environmental policy community is well aware, some of the most important environmental issues in transatlantic relations are complex and cross-cutting in nature. Most of these issues are, therefore, of relevance to a large range of different governmental, business and civil society actors (e.g. climate change, sustainable agriculture, biotechnology, sustainable forestry). The Lisbon workshop stresses that multi-stakeholder fora, which bring together representatives of the various interested groups, are best-suited to addressing such issues in a transparent and balanced way.

Environment and Trade

Increased economic globalisation has resulted in greatly expanded global markets and the creation of powerful MNEs. A broad consensus exists that unless paralleled by adequate environmental safeguards, the increased production and resource use that results from expanded economic activity will accelerate rates of environmental degradation. In the wake of this environmental crisis, the past twenty years have also seen a rapid expansion in the number of international environmental agreements. However, as the rules of global environmental governance have become more complex, they have increasingly come in conflict with rules governing the international trade regime. The questions of how to balance MEA and WTO rules and the extent to which trade measures should be used for MEA purposes have not yet been resolved. In the transatlantic context, US and EU domestic environmental and public health measures are often perceived as being “green” barriers to trade which have increased transatlantic trade tensions (e.g. hormone-treated beef, aeroplane noise regulation, GMOs in food, legislation on electronic wastes, etc.). Many observers expect these tensions to increase in the future if no decisive political steps are taken to improve the situation.

A transatlantic agenda in the area of trade and environment should include the following elements:

Establishing a Common Methodology for Sustainability Assessments

In the run-up to the Third WTO Ministerial Conference in Seattle, both the US and the EU committed themselves to assessing the environmental and sustainability implications of future economic liberalisation. Current efforts to further trade liberalisation in global, transatlantic and other regional fora increase the need of establishing a common methodological approach for conducting sustainability assessments. The Lisbon workshop recommends that this common methodology be based on a quantitative approach as quantitative data is generally more effective than qualitative data in making a strong case for the need to balance trade liberalisation with effective international environmental and development policies. NGOs have done important conceptual work on sustainability assessments in recent years and it is therefore imperative that they remain actively engaged in this process.

Pushing for Mutual Recognition of Progressive Environmental Standards

One important outcome of recent transatlantic co-operative efforts is the 1998 Agreement on Mutual Recognition. This agreement specifies the conditions under which the EU and US governments can delegate the administration of their own product standards to the administrative bodies of the other. Decisions either by EU or US agencies then become the criteria on which market entry in both the US and the EU is based. Establishing common standards substantially reduces market-entry costs for products and services. While it is true that much attention has been devoted to the potential application of mutual recognition agreements to politically sensitive areas (e.g. standards for GMO products), the environmental policy community has yet to consider the mutual recognition of cutting-edge environmental

standards (e.g. energy efficiency, clean technology). This step is essential, as mutual recognition of such standards would enhance the marketability of green products and services as well as demonstrating the importance that governments place on including environmental protection measures in transatlantic economic liberalisation processes. The workshop proposes that companies involved in developing and marketing advanced environmental technology support these efforts by establishing a working group on progressive environmental standards under the Transatlantic Business Dialogue. This group would focus on exploring the possibility of applying the Mutual Recognition Agreement to this important sector.

Establishing International Ecological and Ethical Labelling Schemes

International trade rules on the labelling of products and services are not compatible with most ecological and ethical labelling schemes. In particular, they do not allow labelling schemes to refer to the process and production methods used in the manufacture of goods and services. These processes are, however, absolutely essential from an environmental and sustainable development perspective. It is crucial that the international legal framework be clarified in order to enhance the market impact of ecological and ethical labelling schemes. The US and EU must establish a common approach to ecological and ethical labelling schemes to build political momentum for a reform of the international legal framework. The workshop strongly recommends that a conducive international negotiating environment be created by linking this transatlantic initiative to credible steps for enhancing the capacity of developing countries to fulfil the standards laid out in these labelling schemes

Supporting the Development of Integrated Product Policy Standards

Integrated product policies help provide companies with the incentives necessary to ensure that they address environmental concerns when designing their products. Recent transatlantic trade tensions over the End-of-Life Automobile Regulation, the forthcoming EU Directive on Electronic Wastes and the standards developed for the IPPC Directive demonstrate that domestic process standards are often regarded as “green protectionism”. The environment policy community needs to counter these charges by developing and implementing integrated product policies in a transparent manner. Agreement between the EU and the US on a transparent approach to developing environmental product standards in the field of integrated product policy would go a long way towards reducing trade and environment tensions in this field.

Setting a Positive Trade and Environment Agenda for the Post-Seattle Landscape

After the failure of the Third WTO Ministerial Meeting in Seattle, the future trade and environment agenda needs to include the following priority issues: **1)** reform of the TRIPS Agreement, **2)** sustainable agriculture and environmental services, **3)** increased transparency of WTO procedures, **4)** enhanced participation of developing countries, parliaments and NGOs in the international trade regime, and **5)** clarification of the relationship between WTO and MEA rules.

Environment, Investment and Finance

The rapid growth of international capital flows in recent years has caused many observers to fear that national regulatory policies will become increasingly less effective and less flexible. These fears have been increased by the nature of the discussions which have surrounded negotiations over a Multilateral Agreement on Investment. These negotiations have largely failed to consider such long-term goals as sustainability. At the same time, the potentially harmful effects of investment flows on the environment have greatly increased. Consequently, issues at the interface of international environmental, development and financial policy will play an increasingly important role in shaping the conditions for sustainable development. The collapse of the Multilateral Agreement on Investment negotiations within the OECD and the failure to re-launch these negotiations at the Third WTO Ministerial Conference in Seattle has created a “window of opportunity” which progressive governments and the NGO community should use to help design future international rules for sustainable investment. Further liberalization and harmonization initiatives in the financial sphere will require careful oversight from NGOs and progressive governments if sustainable development is to be taken seriously.

To facilitate multilateral developments in this area, a forward looking transatlantic agenda in the area of environment, investment and finance policies needs to include the following elements:

Ensuring that Future International Investment Rules Include Sustainability Issues

International rules on investment arguably represent the most important area of international co-operation for the achievement of sustainable development. At its core, sustainability is about the investments that we make and how we allocate scarce capital for housing, production and infrastructure. At the heart of an investment regime are rules which ensure that investment risks are calculable to investors and that all investors – be they foreign or domestic – are exposed to risk in a non-discriminatory way. Against this background, it is essential that future international investment rules provide foreign investors with a set of obligations to fulfil as well as a set of rights to protect their interests. As the environmental and socio-economic conditions for achieving sustainable development vary from sector to sector and from country to country, national investment rules that include sustainability issues need to vary accordingly. Experience gained from negotiating MEAs could be helpful in approaching these regulatory challenges. In order to properly address the complex issues involved in combating environmental degradation, governments negotiating environmental agreements have often begun by establishing organisational frameworks for identifying particular problems. Once these problems are better understood, protocols dealing with specific issues are adopted. Consensus between the EU and the US on a “framework-protocol” approach to crafting international investment rules would help ensure that such rules address sustainability issues. Additionally, designers of an international investment regime should draw lessons from investment related provisions within MEAs.

Reforming Environmentally Perverse Subsidies and Expanding Green Procurement

Unsustainable patterns of industrial production and resource use are often encouraged by the subsidies governments give to environmentally harmful activities. Environmentally perverse subsidies must be curtailed if these destructive practices are to be stopped. The Lisbon workshop considers it vital that environment and finance ministries as well as NGOs do more to draw public attention to this problem. Increased NGO involvement in this area is particularly fertile ground for transatlantic co-operation as American NGOs have experience organising public campaigns against such subsidies. The most prominent example of these is the ‘Green Scissors’ Campaign which is run by a consortium of American NGOs who publish yearly statistics revealing the amount of tax revenues Congress directs towards environmentally damaging projects. It is essential that American and European NGOs engage in a greater number of such campaigns in order to move this issue forward. Similarly, all stakeholders need to put more political pressure on governments to restructure their procurement programmes to favour green goods and services. Both of these reforms would greatly strengthen and expand markets for green goods and services. Furthermore, such efforts would ensure that incentives structures created by modern environmental policy instruments (e.g. ecological taxes) are rendered more effective.

Promoting the Development of Green Investment Programmes

The past few years have seen a rapid expansion in green investment opportunities. This growth can be traced to three drivers: **1)** the growth of green markets **2)** greater attention to resource use within firms (eco-efficiency) and **3)** government regulation. The workshop feels that governments and NGOs could be doing a great deal more to enhance the importance of business markets for green products and services even further. Proposed efforts include establishing guidelines for eco-labelling schemes, generating revenues for ecosystem services such as watershed management, supporting small and medium size enterprises that provide green goods and services and facilitating green public-private partnerships. Additionally, it is vital that information about green investment success stories and future investment opportunities be widely communicated to business and institutional investors. In particular, information about ‘hyper growth’ areas such as organic farming, sustainable forestry and green energy needs to be widely disseminated. Finally, efforts should be made to link sustainable consumption initiatives in industrialised countries with schemes for the sustainable management of natural resources in developing countries.

Environment and Natural Resources Management

Biodiversity is the basis of environmental health for all terrestrial and aquatic ecosystems and thus is the key issue linking all matters of natural resource management. Despite the growing recognition of the importance of biodiversity, species and ecosystems have never been more threatened than they are today, with species extinction occurring at alarming rates. Growing concern at the international level over the unprecedented loss of biological diversity inspired the negotiations that led to the adoption of the Convention on Biological Diversity. The CBD is the first international agreement on natural resources management which establishes an ecosystems approach to the conservation and sustainable use of biological resources. Its implementation has, however, met with certain difficulties and these problems must be addressed. Additionally, numerous other species or habitat-specific regimes exist which urgently require support.

It is of the utmost importance that closer transatlantic co-operation concerning sustainable resources management focus on the following tasks:

Improving the Coherence of Rules Relevant for Natural Resources Management

The CBD is the most comprehensive international natural resources regime in existence. Numerous other species or habitat-specific regimes, which contain their own sets of goals and strategies, have, however, been adopted. Crafting an effective division of labour between these regimes and the broader CBD represents one of the key challenges for preserving biodiversity in the future. Furthermore, the environmental policy community must address potential conflicts between the goals laid out in the CBD and those contained in other MEAs outside the natural resources rubric. One current example can be found in the conflict between the CBD and the possible inclusion of fast-growing forests – which contain low levels of biodiversity – as carbon sinks under the UNFCCC. Finally, the Lisbon workshop strongly recommends that the relationship between sustainable resources management regimes and the international trade regime (as well as future investment rules) be clarified so that environmental protection does not remain a secondary goal to economic liberalisation.

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Establishing a Synergetic Relationship between the IFF and the CBD

The world's forests are under attack from a number of different sources including over-harvesting, climate change, mining and uncontrolled land development. The loss of forests threatens not only certain species of trees but all the untold numbers of plant and animal species housed in these forests. To address this problem, the Intergovernmental Forum on Forests was formed in 1997. It remains unclear, however, the extent to which the non-binding decisions adopted by the IFF should be incorporated into the CBD. While forest management is essential to preserving biodiversity, it is important not to overload the already very broad negotiating agenda of the CBD. The workshop strongly advises that the EU and US work jointly towards establishing a synergetic relationship between these two international processes.

Supporting a Robust Implementation of the CBD through Transatlantic Co-operation

Most of the world's biodiversity is found in developing countries. Therefore, the role of transatlantic co-operation lies in supporting developing country governments, NGOs, indigenous communities and progressive parts of the business community in their efforts to implement the CBD. There is a great deal that the US and the EU can do to enhance the effectiveness of natural resources management in developing countries. These efforts include helping to develop scientifically sound schemes for the sustainable use of these resources, establishing workable programmes of technology transfer, making financial assistance available for promising projects and disseminating information about conservation success stories and best practices. Additionally, it is essential that green investment funds and progressive parts of the business community develop schemes that ensure an economic return for local governments, local communities and indigenous groups engaged in implementing the CBD 'on the ground'.

Linking Green Markets to Sustainable Resources Management Schemes

The importance of making greater efforts to link green consumerism in industrialised countries to sustainable resources management in the developing world must be underlined. In order to develop effective strategies to accomplish this goal, a transatlantic, multi-stakeholder forum made up of green NGOs, business groups, potential investors, governmental and independent standards agencies as well as representatives from development organisations should be formed. Among the issues which this forum needs to address are the roles that effective supply chain management and ecological/fair trade labels can play in this context.

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Environment, Agriculture, Biotechnology and Food Security

The importance of food security issues and its linkages to environmental degradation is best illustrated by the fact that there are over 800 million undernourished people in the world. Conflicts relevant to sustainable food production arise when pressures on natural resources from agriculture and livestock management (i.e. stress on land and water resources, limited and/or degradable land, etc.) result in the deterioration of environmental quality. The challenge for international agriculture policies, therefore, is to meet the nutritional needs of the growing global population while at the same time conserving the natural resource base. Additionally, issues of environment and agriculture have become particularly important to the transatlantic context given the recent conflicts between the EU and the US surrounding the marketing of agricultural products and the use of biotechnology in agriculture.

These transatlantic tensions profoundly affect patterns of agricultural production and distribution in developing countries. Better transatlantic co-operation in this area is urgently needed to live up to the EU's and US's global responsibility for sustainable development.

A transatlantic agenda on environment and agriculture should include the following strategies and elements:

Addressing Specific Issues within the Agriculture Rubric

The term 'agriculture' encompasses a wide range of activities and actors. Political discussions about 'agriculture' as such tend to ignore the diversity of issues involved in this policy area and are, therefore, often confusing. Transatlantic political dialogues need to focus on specific issues within the agriculture rubric. At the very least they should distinguish between small- and large-scale agriculture producers, retailers of agricultural products, the agrochemical industry and the respective interests of each group within various forms of agricultural production. Another recommended approach would be to address the entire product chain of important agricultural commodities. To allow for a more constructive discussion on specific issues within the agriculture rubric, the influence of narrow and vested interests in this sector needs to be curbed. To this end, issue-oriented, multi-stakeholder fora that bring representatives of progressive groups together and which include representatives of developing country interests should be formed. Potential topics for these fora include: **1)** organic farming, **2)** preserving agricultural biodiversity, **3)** multi-functional agriculture which includes the cultural importance of (small-scale) agriculture, **4)** farm animal welfare.

Supporting the Implementation of the Cartagena Protocol on Biological Safety

The Cartagena Protocol on Biosafety to the Convention on Biological Diversity was adopted on 29 January 2000. The agreed-upon objective of the protocol is to ensure an adequate level of protection for biological diversity and human health from risks associated with the transfer, handling and use of living modified organisms. The agreement is based on the precautionary principle and mainly focuses on the transboundary movement of LMOs. Transatlantic co-operation is crucial here to ensure that the Protocol's provisions are defined specifically and implemented well. It is particularly important that a synergetic relationship between the Protocol's provisions and relevant WTO rules is established. Additionally, developing countries will need support in developing the necessary domestic capacities for the successful implementation of the Protocol's risk assessment and risk management provisions. Such support needs to include information sharing through the Biosafety Clearing House and development of effective monitoring procedures.

Conducting a More Constructive Debate about the Use of Agricultural Biotechnology

The issue of biological safety has become very important to the transatlantic context in the last few years. The strong negative reaction of European consumers to the use of agricultural GMOs represents a serious setback for the major bio-tech companies who expected to reap enormous gains from this emerging industry. The attention being paid to this very public debate has, however, distorted larger issues surrounding biotechnology use. In the present political climate food safety (including the use of GMO foodstuffs) is often confused with the larger issue of food security for the world's growing population. These misunderstandings are particularly worrying given the potential benefits of certain biotechnology applications for food production in developing countries, i.e. potential reduction of pesticide and fertiliser use as well as increased crop yields. A more constructive debate which addresses all types of biotechnology applications is needed to ensure that useful and safe technologies do not get disregarded. At the same time, however, urgent attention needs to be paid to the socio-economic impact of intellectual property rights for seeds and other important agricultural commodities which currently are held by a few international companies. Such assessment needs to include analysis of the effects that implementing the WTO's TRIPS Agreement has had on traditional farming practices and indigenous communities in developing countries.

Devoting More Attention to the US Practise of Agriculture Export Dumping

The US government and American farmers have done a great deal to make the issue of European agriculture subsidies a focal point of trade negotiations. At the same time, however, Europeans have done very little to draw public attention to the US practise of agricultural export dumping and need to do a great deal more.

Environment and Energy Policies

The issue of climate change first appeared on the international political agenda at the end of the 1980s and beginning of the 1990s. Given the seriousness of the expected impacts of climate change, the cross-cutting nature of this issue area, and the potential effects of climate change abatement measures on industry, it is not surprising that this issue has become a matter of 'high politics'. An important first step towards the establishment of an international framework for combating climate change was taken with the adoption of the UN Framework Convention on Climate Change at the Rio Conference in 1992. This Framework Agreement was followed by the signing of the Kyoto Protocol in 1997. The latter is the first international agreement in which industrialised countries have committed themselves to achieving quantitative reductions in greenhouse gas emissions. Despite the signing of the Kyoto Protocol in 1997, however, most countries have made very little progress in reducing or even stabilising greenhouse gas emissions. The agreement itself faces an uncertain future. It currently looks unlikely that the US will ratify the Kyoto Protocol and there seems to be little political will in Europe to bring the Protocol into force without US participation.

A transatlantic agenda in the area of climate change should include the following elements:

Pushing for the Entry into Force of the Kyoto Protocol by Rio +10

The signing of the Kyoto Protocol in 1997 represented a major step forward in international efforts to combat climate change. The commitments made to reduce greenhouse gas emissions will mean very little, however, if the Kyoto Protocol never comes in force. To save the climate change regime from failure, the EU should push for the entry into force of the Kyoto Protocol by the WSSD Summit due to be held in 2002. Concerted NGO action is needed to create the political will necessary within the EU for ratification. This EU leadership initiative would help to overcome the political deadlock over this issue in the American Congress. It would also increase the political leverage of a growing segment of the US business community which hopes to reap substantial gains through the development of clean energy technologies. To help ensure that EU ratification has a positive influence on the American domestic political situation, it is essential that the EU maintains a constructive dialogue with the US government on this issue.

Forging Strategic Alliances with Progressive Segments of the Business Community

In many ways, the business community has been more proactive in moving climate change issues forward than most governments. Certain companies such as BP Amoco and Shell have made real commitments to developing renewable energies. Other companies are already operating

company-internal emission trading schemes that facilitate a cost-effective implementation of greenhouse gas emission policies. Additionally, the globalisation of MNE corporate structures and cultures has had a positive influence on several large US corporations. For example, the third largest US auto maker, Chrysler, withdrew from the so-called Global Climate Coalition – an industry lobby which opposes the ratification of the Kyoto Protocol – after it merged with Daimler-Benz. In a globalised world, European sensibilities toward climate change can have an effect on American business practices. The Lisbon workshop strongly recommends that NGOs and governments in the EU draw on this experience, seek to form strategic alliances with progressive segments of the business community to increase the political impact of an EU initiative for ratification of the Kyoto Protocol.

Developing Energy Efficiency Programmes and Promote Renewable Energies

It is vital that governments do more to support the development of renewable energies and the promotion of efficient energy use. Information exchange is essential to this processes. As such, governments need to take an active role in both compiling and disseminating information about energy efficiency 'best practices'. For example, transatlantic co-ordination in the development of energy efficiency standards would help reduce individual household consumption of energy which has continued to rise in western countries in the last ten years. At the same time, it would help to harmonise the implementation of domestic policies and measures and thereby reduce competition controversies. This is an area where greater transatlantic co-operation could bring great rewards.

Identifying Synergies and Addressing Conflicts Between UNFCCC and Other MEAs

Measures taken to combat climate change could potentially conflict with goals laid out in other MEAs. In particular, the climate change regime faces problems with the ozone protection regime and the CBD. Several replacement chemicals for CFCs recognised under the Montreal Protocol are known greenhouse gases addressed in the Kyoto Protocol. Similarly, provisions for the use of forests as carbon sinks under the Kyoto Protocol could lead to the planting of fast-growing forests which have low levels of biodiversity. These problems need to be worked out if the goals of all three MEAs are to be met. Additionally, synergies between the UNFCCC and other environmental regimes which address problems affected by climate change – such as the Convention to Combat Desertification – must be used more effectively.

Environment and Foreign and Security Policies

In recent years a great deal of research has been carried out examining the complex interrelationship between environmental change, resource scarcity, ecological degradation and their larger security implications. Global environmental problems such as climate change, deforestation, soil erosion, the marginalisation of arable land and increasing water shortages or unequal distribution of water are seen as major contributing and accelerating factors to conflict. Building on the 1987 World Commission for Environment and Development Report, preventing environmental conflicts and managing environmental crisis have become top priorities in the international environmental and development policy arena. The environmental policy community needs to focus on the occurrence and prevention of environmental conflicts and needs to give major attention to the confidence- and peace-building mechanisms which result from local, regional and international environmental management and co-operation.

To contribute to this important field of discussion, closer transatlantic co-operation should include the following elements:

Creating Dialogues to Discuss and Refine Concepts of Environment and Security

Concepts of environment and security provide a tractable way of communicating the immediacy of environmental threats that affect the security of both individual humans and nation states. The concept has also been used to encourage a wider array of NGOs and policymakers to become engaged in international environmental issues. In the US, for example, security institutions have devoted considerable attention to gaining a better understanding of the environment's role in contributing to conflict. However, because environment and development NGOs have traditionally not worked closely with security institutions, they have not been very involved in the development of these concepts. Given that environment and security mostly deals with environmental crises in the developing world, it is essential that both green NGOs and representatives from less developed countries be fully integrated into these discussions. Greater involvement by these groups would help support a potentially very fruitful policy area.

Finding Synergies Between European and US Conceptions of Environment and Security

Although environment and security has become an increasingly important area of research and policymaking in both the US and Europe in the past 10 years, the concept has developed differently on the two continents. In the US environmental advocates have encouraged security institutions to integrate environmental challenges into definitions of security and war gaming. In Europe peace researchers provided the early leadership in pursuing the environmental conflict thesis. The compatibility of the various concepts of environment and security used on both sides of the Atlantic needs to be determined. These findings should be used to develop joint EU-US initiatives which will move the topic forward.

Developing Strategies for Effective Resources Management and Sustainable Peace

In order to effectively integrate environmental concerns into foreign and security policy, policymakers need to develop concepts of environment and security into concrete policy programmes and strategies. The aim of these strategies should be to reduce conflict over natural resources and create long term peace. Given the attempts of several international and regional institutions (UNDP, UNEP, OSCE, NATO) to develop appropriate concepts to address these new challenges and the initiative by the European Union and its Member States to reintroduce this issue onto the international agenda at the Rio+10 Summit, it is important that policymakers put forward concrete policy proposals for the development of a coherent agenda on environment and sustainable peace within the next two years.

Integrating Environmental Concerns into European Foreign and Security Policy

The Common Foreign and Security Policy of the European Union is still in a process of institutionalisation as the new European Security and Defence Policy continues to develop. The 1999 European Parliament Report on Environment, Security and Foreign Policy identifies areas such as agricultural food production, water shortages, trans-frontier water supply problems, deforestation, climate change, desertification and population growth as major potential security risks in the European context. These challenges have to be carefully assessed and appropriate strategies need to be developed to effectively integrate these issues into Europe's Foreign and Security policy.

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List of Abbreviations

CBD	Convention on Biological Diversity
DG Environment	European Commission, Directorate General for the Environment
LMO	Living Modified Organism
GMO	Genetically Modified Organism
IFF	Intergovernmental Forum on Forests
IPPC Directive	EC Directive 96/61/EC on Integrated Pollution Prevention and Control
MEA	Multilateral Environmental Agreement
MNE	Multi-National Enterprise
MRA	1998 EU-US Mutual Recognition Agreement
NAACE	North American Agreement on Environmental Co-operation
NATO	North Atlantic Treaty Organization
NGO	Non-Governmental Organisation
NTA	New Transatlantic Agenda
OECD	Organisation for Economic Co-operation and Development
OCSE	Organisation for Security and Co-operation in Europe
TABD	Transatlantic Business Dialogue
TEP	Transatlantic Economic Partnership
TRIPS	Trade-Related Aspects of Intellectual Property Rights
UNCED	United Nations Conference on Environment and Development
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
WSSD	World Summit on Sustainable Development in 2002 in Johannesburg/South Africa
WTO	World Trade Organisation

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