

**For Official Use**

**ENV/EPOC/MIN(2004)10/FINAL**



Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

**27-Aug-2004**

**English - Or. English**

**ENVIRONMENT DIRECTORATE  
ENVIRONMENT POLICY COMMITTEE**

**ENV/EPOC/MIN(2004)10/FINAL  
For Official Use**

**DRAFT SUMMARY RECORD OF THE STAKEHOLDER CONSULTATION WITH ENVIRONMENT  
MINISTERS**

**19 April 2004**

Contact: Helen Mountford, Counsellor, OECD Environment Directorate  
Tel: +33 (0)1 45 24 79 13 ; Email: [helen.mountford@oecd.org](mailto:helen.mountford@oecd.org)

**JT00168337**

Document complet disponible sur OLIS dans son format d'origine  
Complete document available on OLIS in its original format

**English - Or. English**

### Welcome by the Chair and Vice-Chair

1. The **Chair** of the Consultation, **Martin Cullen**, T.D. (Minister of Environment, Heritage and Local Government, Ireland) opened the discussions. He welcomed participants, including Ministers or their representatives and the representatives from the three stakeholder groups – business, trade unions and environmental NGOs – to this special Ministerial Consultation with Stakeholders.

2. The **Chair** noted that this is the first time that stakeholders are invited to participate in part of an official OECD Ministerial Meeting. This represents an important step forward in terms of increased transparency and more open dialogue with civil society and business. He emphasised the importance of increased co-operation and dialogue with stakeholders to realise our shared goals for a clean, healthy environment. He also stressed the role of partnerships in addressing environmental and sustainable development challenges, as highlighted through the WSSD process.

3. The **Vice-Chair** of the Consultation, **Lena Sommestad** (Minister for Environment, Sweden) welcomed participants to this important meeting, recalling that stakeholder partners were actively engaged in the process to develop the *OECD Environmental Strategy* in 2001. She called on the stakeholder groups to continue to support OECD member countries in their efforts to implement the *Environmental Strategy*. She highlighted the important role they have to play through raising the awareness of consumers, shareholders, and workers, and reminded them of the need to engage others as well, such as women and youth.

4. A representative of each of the three stakeholder groups introduced the members of their delegations.

### Climate Change and Energy

5. The **Chair** opened the discussion, reminding participants that climate change is one of the main environmental challenges and that few OECD countries have actually managed to stabilise their Greenhouse gas (GHG) emissions so far. He welcomed this dialogue, highlighting that, while governments are responsible for policies and frameworks, stakeholders have a key role to play in supporting and implementing government policies.

6. **Jeff Fiedler** (Climate Policy Specialist at the Natural Resources Defense Council) introduced the topic on behalf of environmental NGOs. Mr Fiedler stressed that there is now enough scientific evidence for prompt action on climate change, in particular if we wish to limit global temperature increase to 2°C above pre-industrial levels. He highlighted that early action will be less costly than delayed action, and that the impacts of climate change policies on jobs and competitiveness should not be overestimated. **Lucien Royer** (Senior Policy Advisor, Trade Union Advisory Committee to the OECD) introduced the topic on behalf of trade unions. Mr Royer stressed that the vast majority of trade unions support climate change policies, but that there is a concern for the loss of jobs that result from both climate impacts and climate change mitigation actions. He stressed the need to address the equity effects of climate change policies, and asked the OECD to do further work to study, monitor, and measure employment impacts and to identify means to implement transition measures for workers. He emphasised the importance of changing attitudes at the workplace level. **Thierry Chambolle** (Adviser to the President on Sustainable Development Issues, Suez) introduced the topic on behalf of business and industry. Mr Chambolle highlighted that climate change is a key issue, not just in its own sake, but also for the role that energy plays in our economies. He stressed the need for a long term, predictable framework for climate change policies, which includes both developed and developing countries. He emphasised the role of technology, as well as the importance of voluntary commitments by industry, which already exist.

7. The discussion initially focused on the need for mandatory policies. Business and industry participants suggested that most energy efficiency improvements in industry that have already taken place were not a result of mandatory climate change policies, but instead a reaction to competitiveness pressures. Environmental NGO participants emphasised that mandatory policies have proved to be effective in limiting GHG emissions, and are needed to create a carbon price to provide the necessary incentives for climate change actions. While supporting the use of mandatory policies, trade union participants stressed the need for goals and policies with realistic timeframes, and for mechanisms to deal with the impacts on workers. Ministers stressed the need for a mix of approaches, with an appropriate balance between the short and long term and between voluntary and mandatory policies.

8. Participants further stressed the need for a more positive message on climate change, including the potential to develop economic activity and create new jobs while addressing climate change. Environmental NGO representatives, as well as Ministers, mentioned several examples of progressive policies that foster economic activities that are both climate and employment-friendly, in particular policies that promote the development and use of renewable energy.

9. Finally, participants highlighted the importance of a better understanding of climate change among the wider public, as well as engagement and participation by all stakeholders. Trade union participants stressed that the more people understand climate change, the more likely they are to support climate change policies.

### **Globalisation, Trade and Environment**

10. The **Chair** opened the discussion, highlighting that trade and investment objectives and environmental objectives can be mutually reinforcing. He reminded participants of two key OECD products: the OECD Guidelines for Multinational Enterprises and the OECD Council Recommendation on Common Approaches to Officially Supported Export Credits.

11. **John Evans** (General Secretary of the Trade Union Advisory Committee to the OECD) introduced the topic on behalf of trade unions. Mr Evans stressed that governments should be able to expect more of business than what is included in legal requirements, but that corporate social responsibility is not an alternative to good government regulations. He noted that the TUAC user guide to the OECD Guidelines for Multinational Enterprises is in high demand, and is now available in 18 languages. He proposed a joint OECD meeting with business, trade unions and governments on investments in China and their social and environmental impacts. He called on the OECD to work together with ILO and WTO on the interface between Multilateral Environmental Agreements (MEAs) and trade. **Tony Juniper** (Vice-Chair of Friends of the Earth International) introduced the topic on behalf of environmental NGOs. Mr Juniper highlighted that efforts by OECD countries to “manage the environmental impacts of globalisation” are not yet sufficient, and insisted that more needs to be done. He stressed the importance of political signals through the ratification of key MEAs. He called for a strengthened role for UNEP in the examination of environment and trade conflicts, as environmental issues are often not well reflected in the WTO. Mr Juniper called on OECD countries to reject the use of trade rules to “chill” the development of environmental legislation. He advocated an independent review of WTO rules and their role in promoting sustainable development and poverty alleviation.

12. Business and industry participants agreed with several of the points raised, highlighting that forward-looking businesses already recognised the need to be accountable. They stressed that OECD has a role to play in helping to make trade and environmental policies mutually supportive and in promoting a rational dialogue on these issues.

13. The discussion focused on how environmental issues could be fully reflected in WTO discussions. Environmental NGO participants stressed that the UN, which has the mandate to co-ordinate MEAs, should take the lead on this important issue of international governance. They stressed the usefulness of the OECD Guidelines on Multinational Enterprises, but suggested their coverage should be expanded beyond investment.

### **Decoupling and Resource Efficiency**

14. The **Chair** opened the discussion, reminding participants that decoupling environmental pressures from economic growth is one of the main objectives of the *OECD Environmental Strategy*.

15. **Bill Duncan** (Managing Director of the Association for the Sustainable Use and Recovery of Resources in Europe) introduced the topic on behalf of business and industry. Mr Duncan stressed that decoupling will not be a single event, but multiple processes over time, requiring a sound and predictable policy framework. The aim is not to produce and consume less, but to do it smarter. He emphasised that policies should promote sustainable economic growth, without constraining economic growth itself. He highlighted that technological innovation has a key role to play in reconciling economic, social and environmental objectives. **John Hontelez** (Secretary-General of the European Environmental Bureau) introduced the topic on behalf of environmental NGOs. Mr Hontelez stressed the major changes that are needed, particularly in agriculture and transport. He highlighted the importance of environmental fiscal reform and, more generally, political leadership and vision as a precondition for substantial decoupling. He emphasised that OECD governments should adopt ambitious targets for eco-efficiency and should lead by example by greening public procurement. **Bjorn Erikson** (of the Norwegian confederation of trade unions) introduced the topic on behalf of trade unions. Mr Erikson highlighted the role that trade unions can play at the workplace, in particular by promoting effective awareness among workers, who are also consumers. Providing useful and trustworthy information could help to increase the role of workers in delivering decoupling, for example through “workplace assessments”. He called for transparent processes with stakeholders to agree on the overall resource efficiency goals and translate them into concrete and measurable workplace targets and timetables.

16. The discussion initially focussed on how trade unions, businesses and environmental NGOs can work together in partnerships. All participants emphasised the usefulness of such partnerships, with both business and trade union participants highlighting the positive role that environmental NGOs can play though their concrete criticisms and proposals. Trade union participants pointed out that, while there may be diverging views on some issues between trade unions and environmental NGOs, there are also many examples of good co-operation between them. They also stressed that there are opportunities for co-operative activities but, for these to be successful, integrated approaches and targets, with a link to the community, need to be established.

17. The discussion also dealt with issues of social justice, both between countries and within countries. Environmental NGOs stressed the importance of resource efficiency in developed countries to create some ecological space for developing countries. Trade union participants emphasised that development models promoted by some developing countries may also have a negative impact on worldwide efforts to improve resource efficiency.

### **Technology Innovation to Address Environmental Challenges**

18. The **Chair** opened the discussion, highlighting the importance of environmental technology.

19. **Matthias Dürr** (Head of Corporate Affairs Germany, Alcan Europe) introduced the topic on behalf of business and industry. Mr Dürr highlighted the important role that technology can play in

addressing environmental challenges, and the ways in which governments can better support development and diffusion of the “right” technologies. He stressed that industry needs a sound regulatory framework to promote environmental innovation world-wide, across sectors and stakeholders. He reminded participants of the role of communities. In the discussion, several other examples were given of industry innovations that support environmental improvements and health benefits.

20. The discussion focussed on the framework conditions needed to support technological innovation for the environment. Environmental NGO participants stressed that necessity was the mother of innovation and therefore that governments need to regulate the process by which targets are set and innovations are promoted. Tools such as subsidy reform, taxes, corporate reporting, and extended producer responsibility can help to promote innovation. They also called for application of the precautionary principle and reversal of the burden of proof on product safety before products are launched. Ministers stressed the need for governments to provide the right frameworks, for example through MEAs, to generate global markets and demand for environmental goods and technologies. They stressed the role that public procurement can play in generating such markets.

21. Participants from trade unions expressed concern that new innovations and technologies can have negative social impacts, such as occupational health impacts of new work processes. They encouraged workers and employers to assess the impacts of new technologies together, including through workplace assessments. Ministers pointed out that, while business has an important role to play in technological innovation, community-level innovations are also important especially in water and sanitation technologies.

### **Concluding Remarks**

22. The **Chair** highlighted some of the common themes in the discussions, including the need to work together from an early stage to highlight the “win-win” opportunities of environmental policies. He stressed the need for stakeholders to take a broader perspective when engaging with Ministers, rather than focussing on a single issue. For example, he suggested that trade unions could also address environmental issues when talking with labour ministers, while industry associations could do the same when talking with industry ministers. He recognised the need for political leadership, but also stressed that politicians need to be reassured that stakeholders are truly engaged on environmental issues. He highlighted the commonality that existed between stakeholders, and suggested that this could be better used in a political context. On climate change, the discussions indicated the clear necessity to act now. The Chair reminded the participants that stakeholders were invited to participate in part of the Ministerial Meeting the following day, and looked forward to another interesting political discussion then.