

**Basis for action** Because so many of the problems and solutions being addressed by Agenda 21 have their roots in local activities, the participation and cooperation of local authorities will be a determining factor in fulfilling its objectives. Local authorities construct, operate and maintain economic, social and environmental infrastructure, oversee planning processes, establish local environmental policies and regulations, and assist in implementing national and subnational environmental policies. As the level of governance closest to the people, they play a vital role in educating, mobilizing and responding to the public to promote sustainable development.

#### Objectives

- a By 1996, most local authorities in each country should have undertaken a consultative process with their populations and achieved a consensus on "a local Agenda 21" for the community;
- b By 1993, the international community should have initiated a consultative process aimed at increasing cooperation between local authorities;
- c By 1994, representatives of associations of cities and other local authorities should have increased levels of cooperation and coordination with the goal of enhancing the exchange of information and experience among local authorities;
- d All local authorities in each country should be encouraged to implement and monitor programmes which aim at ensuring that women and youth are represented in decision-making, planning and implementation processes.

**Activities** Each local authority should enter into a dialogue with its citizens, local organizations and private enterprises and adopt "a local Agenda 21". Through consultation and consensus-building, local authorities would learn from citizens and from local, civic, community, business and industrial organizations and acquire the information needed for formulating the best strategies. The process of

consultation would increase household awareness of sustainable development issues. Local authority programmes, policies, laws and regulations to achieve Agenda 21 objectives would be assessed and modified, based on local programmes adopted. Strategies could also be used in supporting proposals for local, national, regional and international funding.

Partnerships should be fostered among relevant organs and organizations such as UNDP, the United Nations Centre for Human Settlements (Habitat) and UNEP, the World Bank, regional banks, the International Union of Local Authorities, the World Association of the Major Metropolises, Summit of Great Cities of the World, the United Towns Organization and other relevant partners, with a view to mobilizing increased international support for local authority programmes. An important goal would be to support, extend and improve existing institutions working in the field of local authority capacity-building and local environment management. For this purpose:

- a Habitat and other relevant organs and organizations of the United Nations system are called upon to strengthen services in collecting information on strategies of local authorities, in particular for those that need international support;
- b Periodic consultations involving both international partners and developing countries could review strategies and consider how such international support could best be mobilized. Such a sectoral consultation would complement concurrent country-focused consultations, such as those taking place in consultative groups and round tables.

Representatives of associations of local authorities are encouraged to establish processes to increase the exchange of information, experience and mutual technical assistance among local authorities.

**Financing and cost evaluation** It is recommended that all parties reassess funding needs in this area. Estimated average total annual cost about \$1 million on grant or concessional terms.

**Basis for action** Efforts to implement sustainable development will involve adjustments and opportunities at the national and enterprise levels, with workers foremost among those concerned. As their representatives, trade unions are vital actors in facilitating the achievement of sustainable development in view of their experience in addressing industrial change, the extremely high priority they give to protection of the working environment and the related natural environment, and their promotion of socially responsible and economic development. The existing network of collaboration among trade unions and their extensive membership provide important channels through which the concepts and practices of sustainable development can be supported. The established principles of tripartism provide a basis for strengthened collaboration between workers and their representatives, Governments and employers in the implementation of sustainable development.

**Objectives** The overall objective is poverty alleviation and full and sustainable employment, which contribute to safe, clean and healthy environments – the working environment, the community and the physical environment. Workers should be full participants

in the implementation and evaluation of activities related to Agenda 21.

To that end the following objectives are proposed for accomplishment by the year 2000:

- a To promote ratification of relevant conventions of ILO and the enactment of legislation in support of those conventions;
- b To establish bipartite and tripartite mechanisms on safety, health and sustainable development;
- c To increase the number of environmental collective agreements aimed at achieving sustainable development;
- d To reduce occupational accidents, injuries and diseases according to recognized statistical reporting procedures;
- e To increase the provision of workers' education, training and retraining, particularly in the area of occupational health and safety and environment.

#### Activities

##### A Promoting freedom of association

For workers and their trade unions to play a full and informed role in support of sustainable development, Governments and employers should promote the rights of individual workers to freedom of association and the protection of the right to organize as laid down in ILO conventions. Governments should consider

Amazon Rubber Tapper Union members vote in a new president. In view of their experience in addressing industrial change, trade unions are vital actors in facilitating the achievement of sustainable development.



ratifying and implementing those conventions, if they have not already done so.

**B Strengthening participation and consultation**  
Governments, business and industry should promote the active participation of workers and their trade unions in decisions on the design, implementation and evaluation of national and international policies and programmes on environment and development, including employment policies, industrial strategies, labour adjustment programmes and technology transfers.

Trade unions, employers and Governments should cooperate to ensure that the concept of sustainable development is equitably implemented.

Joint (employer/worker) or tripartite (employer/worker/Government) collaborative mechanisms at the workplace, community and national levels should be established to deal with safety, health and environment, including special reference to the rights and status of women in the workplace.

Governments and employers should ensure that workers and their representatives are provided with all relevant information to enable effective participation in these decision-making processes.

Trade unions should continue to define, develop and promote policies on all aspects of sustainable development.

Trade unions and employers should establish the framework for a joint environmental policy, and set priorities to improve the working environment and the

overall environmental performance of enterprise.

Trade unions should:

- a** Seek to ensure that workers are able to participate in environmental audits at the workplace and in environmental impact assessments;
- b** Participate in environment and development activities within the local community and promote joint action on potential problems of common concern;
- c** Play an active role in the sustainable development activities of international and regional organizations, particularly within the United Nations system.

**C Provide adequate training**

Workers and their representatives should have access to adequate training to augment environmental awareness, ensure their safety and health, and improve their economic and social welfare. Such training should ensure that the necessary skills are available to promote sustainable livelihoods and improve the working environment. Trade unions, employers, Governments and international agencies should cooperate in assessing training needs within their respective spheres of activity. Workers and their representatives should be involved in the design and implementation of worker training programmes conducted by employers and Governments.

**Financial and cost evaluation** \$300 million from the international community on grant or concessional terms.

## Chapter 30

### Strengthening the role of business and industry

Business and industry, including transnational corporations, play a crucial role in the social and economic development of a country. A stable policy regime enables and encourages business and industry to operate responsibly and efficiently and to implement longer-term policies. Increasing prosperity, a major goal of the development process, is contributed primarily by the activities of business and industry. Business enterprises, large and small, formal and informal, provide major trading, employment and livelihood opportunities. Business opportunities available to women are contributing towards their professional development, strengthening their economic role and transforming social systems. Business and industry, including transnational corporations, and their representative organizations should be full participants in the implementation and

evaluation of activities related to Agenda 21.

Through more efficient production processes, preventive strategies, cleaner production technologies and procedures throughout the product life cycle, hence minimizing or avoiding wastes, the policies and operations of business and industry, including transnational corporations, can play a major role in reducing impacts on resource use and the environment. Technological innovations, development, applications, transfer and the more comprehensive aspects of partnership and cooperation are to a very large extent within the province of business and industry.

Business and industry, including transnational corporations, should recognize environmental management as among the highest corporate priorities and as a key determinant to sustainable development. Some enlightened leaders of enterprises are already



*The Rio Conference was a milestone in human history. The declaration on environment and development expresses the responsibility of all countries to take their share in achieving a sustainable world. The preparation of the declaration, Agenda 21, the conventions on climate change and biological diversity made clear that the problems to be solved will have a significant impact on patterns of production and consumption of the industrialized countries. Opportunities should be created; possibilities for the developing countries to reach a better quality of life for their inhabitants in a sustainable world. No time should be lost after Rio in implementing Agenda 21 and securing a prompt start to the two conventions.*

**Mr Ruud Lubbers**  
Prime Minister  
The Netherlands

implementing “responsible care” and product stewardship policies and programmes, fostering openness and dialogue with employees and the public and carrying out environmental audits and assessments of compliance. These leaders in business and industry, including transnational corporations, are increasingly taking voluntary initiatives, promoting and implementing self-regulations and greater responsibilities in ensuring their activities have minimal impacts on human health and the environment. The regulatory regimes introduced in many countries and the growing consciousness of consumers and the general public and enlightened leaders of business and industry, including transnational corporations, have all contributed to this. A positive contribution of business and industry, including transnational corporations, to sustainable development can increasingly be achieved by using economic instruments such as free market mechanisms in which the prices of goods and services should increasingly reflect the environmental costs of their input, production, use, recycling and disposal subject to country-specific conditions.

The improvement of production systems through technologies and processes that utilize resources more efficiently and at the same time produce less wastes – achieving more with less – is an important pathway towards sustainability for business and industry. Similarly, facilitating and encouraging inventiveness, competitiveness and voluntary initiatives are necessary for stimulating more varied, efficient and effective options. To address these major requirements and strengthen further the role of business and industry, including transnational corporations, the following two programmes are proposed.

#### **A Promoting cleaner production**

**Basis for action** There is increasing recognition that production, technology and management that use resources inefficiently form residues that are not reused, discharge wastes that have adverse impacts on human health and the environment and manufacture products that when used have further impacts and are difficult to recycle, need to be replaced with technologies, good engineering and management practices and know-how that would minimize waste throughout the product life cycle. The concept of cleaner production implies striving for optimal efficiencies at every stage of the product life cycle. A result would be the improvement of the overall competitiveness of the enterprise. The need for a transition towards cleaner production policies was recognized at the UNIDO-organized Ministerial-level Conference on Ecologically Sustainable Industrial Development, held at Copenhagen in October 1991.

**Objectives** Governments, business and industry, including transnational corporations, should aim to increase the efficiency of resource utilization, including increasing the reuse and recycling of residues, and to reduce the quantity of waste discharge per unit of economic output.

**Activities** Governments, business and industry, including transnational corporations, should strengthen partnerships to implement the principles and criteria for sustainable development.

Governments should identify and implement an appropriate mix of economic instruments and normative measures such as laws, legislations and standards, in consultation with business and industry, including transnational corporations, that will promote the use of cleaner production, with special consideration for small and medium-sized enterprises. Voluntary private initiatives should also be encouraged.

Governments, business and industry, including transnational corporations, academia and international organizations, should work towards the development and implementation of concepts and methodologies for the internalization of environmental costs into accounting and pricing mechanisms.

Business and industry, including transnational corporations, should be encouraged:

- a** To report annually on their environmental records, as well as on their use of energy and natural resources;
- b** To adopt and report on the implementation of codes of conduct promoting best environmental practice, such as the International Chamber of Commerce’s Business Charter on Sustainable Development and the chemical industry’s responsible care initiative.

Governments should promote technological and know-how cooperation between enterprises, encompassing identification, assessment, research and development, management marketing and application of cleaner production.

Industry should incorporate cleaner production policies in its operations and investments, taking also into account its influence on suppliers and consumers.

Industry and business associations should cooperate with workers and trade unions to continuously improve the knowledge and skills for implementing sustainable development operations.

Industry and business associations should encourage individual companies to undertake programmes for improved environmental awareness and responsibility at all levels to make these enterprises dedicated to the task of improving environmental performance based on internationally accepted management practices.

International organizations should increase education, training and awareness activities relating to cleaner production, in collaboration with industry, academia and relevant national and local authorities.

International and non-governmental organizations, including trade and scientific associations, should strengthen cleaner production information dissemination by expanding existing databases such as the UNEP, International Cleaner Production Clearing House (ICPIC), the UNIDO Industrial and Technological Information Bank (INTIB) and the ICC/IEB, as well as forge networking of national and international information systems.

#### **B Promoting responsible entrepreneurship**

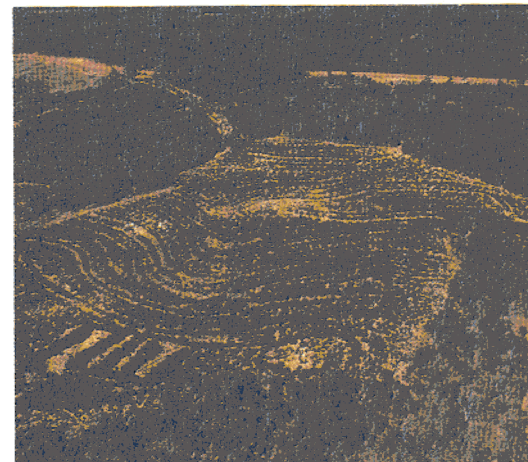
**Basis for action** Entrepreneurship is one of the most important driving forces for innovations, increasing market efficiencies and responding to challenges and opportunities. Small and medium-sized entrepreneurs, in particular, play a very important role in the social and economic development of a country. Often, they are the major means for rural development, increasing off-farm employment and providing the transitional means for improving the livelihoods of women. Responsible entrepreneurship can play a major role in improving the efficiency of resource use, reducing risks and hazards, minimizing wastes and safeguarding environmental qualities.

##### **Objectives**

- a** To encourage the concept of stewardship in the management and utilization of natural resources by entrepreneurs;
- b** To increase the number of entrepreneurs engaged in enterprises that subscribe to and implement sustainable development policies.

**Activities** Governments should encourage the establishment and operations of sustainably managed enterprises. The mix would include regulatory

Alcoa of Australia mining operation. Once bauxite has been extracted land is reshaped to blend in with surrounding forest. Contour banks, dykes and waterways are built to control run-off and soil erosion. Soil is prepared and seeded. The final result is carefully integrated forest with no scars from mining.



measures, economic incentives and streamlining of administrative procedures to assure maximum efficiency in dealing with applications for approval in order to facilitate investment decisions, advice and assistance with information, infrastructural support and stewardship responsibilities.

Governments should encourage, in cooperation with the private sector, the establishment of venture capital funds for sustainable development projects and programmes.

In collaboration with business, industry, academia and international organizations, Governments should support training in the environmental aspects of enterprise management. Attention should also be directed towards apprenticeship schemes for youth.

Business and industry, including transnational corporations, should be encouraged to establish world-wide corporate policies on sustainable development, arrange for environmentally sound technologies to be available to affiliates owned substantially by their parent company in developing countries without extra external charges, encourage overseas affiliates to modify procedures in order to reflect local ecological conditions and share experiences with local authorities, Governments and international organizations.

Large business and industry, including transnational corporations, should consider establishing partnership schemes with small and medium-sized enterprises to help facilitate the exchange of experience in managerial skills, market development and technological know-how, where appropriate, with the assistance of international organizations.

Business and industry should establish national councils for sustainable development and help promote entrepreneurship in the formal and informal sectors. The inclusion of women entrepreneurs should be facilitated.

Business and industry, including transnational corporations, should increase research and development of environmentally sound technologies and environmental management systems, in collaboration with academia and the scientific/engineering establishments, drawing upon indigenous knowledge, where appropriate.

Business and industry, including transnational corporations, should ensure responsible and ethical management of products and processes from the point of view of health, safety and environmental aspects. Towards this end, business and industry should increase self-regulation, guided by appropriate codes, charters and initiatives integrated into all elements of business planning and decision-making, and fostering openness and dialogue with employees and the public.

Multilateral and bilateral financial aid institutions should continue to encourage and support small- and medium-scale entrepreneurs engaged in sustainable development activities.

United Nations organizations and agencies should improve mechanisms for business and industry inputs, policy and strategy formulation processes, to ensure that environmental aspects are strengthened in foreign investment.

International organizations should increase support for research and development on improving the technological and managerial requirements for sustainable development, in particular for small and medium-sized enterprises in developing countries.

**Financing and cost evaluation** The activities included under this programme area are mostly changes in the orientation of existing activities and additional costs are not expected to be significant. The cost of activities by Governments and international organizations are already included in other programmes.