

## WORKING GROUP ON ENVIRONMENT

### Partnerships Between Civil Society And the Private Sector: Impacts on Sustainability

#### Introduction

According to the Nigerian poet Ken Saro-Wiwa, “The environment is humanity’s first right.” To the extent that our lives are intertwined with our environment, ecological damage is a violation of human rights. A recent World Watch study (World watch paper 127 Eco-Justice: “Linking Human Rights and the Environment”) argues that the most effective strategy for guaranteeing a healthy environment is to adopt the human rights approach and protect the basic civil liberties that allow communities to defend and determine their affairs.

At this 36<sup>th</sup> annual Graduate Study Programme, each member of the environment panel is involved in some way in confronting what we term “the challenge of sustainability”. The great challenge is designing a process through which stakeholders can work together in defining sustainability thresholds for their respective societies. Our goal as a working group is to examine how cooperative endeavours between the various stakeholders involved in developments concerning the environment can be fostered. Within the greater context of Human Rights, the Environment group will focus on **partnerships** in three different domains: Health<sup>1</sup>, Biodiversity and Corporate Citizenship.

#### **Building Partnerships**

Given the caveat that partnerships may not always be the most viable, feasible or even desirable approach to addressing environment and sustainability issues, they can nonetheless be very powerful tools in providing wider perspectives as to how to reconcile the challenge of sustainability.

Partnerships as methods of achieving sustainability are now being brought to the forefront of projects, not only under the auspices of the UN agencies but also through lateral (both binary and multiple) linkages at local, national, and global levels. Therefore our recommendations will demonstrate how to assure that such a partnership approach supports sustainability.

On a pragmatic level, the most effective way to encourage civil governments to engage the private sector in partnerships is for civil societies/governments to articulate the desired performance outcomes for sustaining the areas of health, education, human rights and environmental quality. These desired outcomes or targets for sustainability must ultimately be defined in consultation with all stakeholders in a society. One can think of this in terms of sustaining natural, human, social and financial/economic capital under the same definition of sustainable development by the Brundtland Commission. Once defined, these targets or desired outcomes for sustainability become the basis for civil society and businesses engaged in their respective activities.

#### Summary of Issues

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<sup>1</sup> The term is used in the broadest sense possible. It is not restricted to physical health, but includes also the health or status of ecosystems, regions and the social environment as well.



Partnerships form so mutual benefits may be derived for the parties concerned. However these benefits, quite often run contrary to the health of the environment and eventually the living beings that make-up and depend upon the ecosystem. There needs to be a push for education, promotion, and exploration of the various linkages that can or should exist between the various sectors, both private and public.

It is becoming increasingly clear that the environmental factors that most effect health are in turn affected by underlying pressures on the environment. These pressures are determined by driving forces such as population growth, inequitable resource distribution, consumption patterns, technological development and economic development. Since these pressures and subsequent health hazards are associated with the activities of several sectors, effective action to protect health will require co-ordination and collaboration between them (WHO).

The challenges in the health sector today are to forge partnerships that can benefit the sectors involved as well as protect/promote the well being of the environment and its inhabitants. The problems such partnerships face are increasingly complex, multidisciplinary in nature, often ill-defined, and unpredictable. There needs to be a clear recognition of the responsibility of the private sector to contribute to health and well being through its operations, and a commitment by the private sector (in consultation with civil society organizations to obtain a complete overview and to effectively implement actions) to increasingly operate in a manner that meets the ethical principles inherent in health promotion and in human rights. Such partnerships are not merely possible, but are actually desirable if we are to achieve health for all the people of the world as indicated in the WHO Declaration for the 21<sup>st</sup> Century.

The health sector must serve as a guide and a partner so that health concerns are represented appropriately at all stages of implementation. With this in mind, the following recommendations have been put forth.

## **Recommendations**

1. Mutually beneficial partnerships should be created between those sectors that have articulated and whose mandates compliment and are enhanced by health promotion. In other words, those sectors whose productivity or sales will increase by healthier environments and persons. Obvious examples include eco-tourism, and the recreational activities that are associated with them, as well as organizations/companies whose business involves insurance of real-estate, life and health, and unions that may want safer working conditions and so forth.
2. Mutually beneficial partnerships should be created with industries that promote "health" directly or indirectly in conjunction with the health sector. These can include partnerships such as UNEP's Financial Institution Initiative, which holds the institutions accountable for monies lent out to support various activities. These activities have to be environmentally friendly. Other candidates include industries dealing with natural resources (agricultural, fisheries, livestock, mining, water, oil etc.) whose operational methods stand to benefit from minimal impacts to the environment as the trend in legislation is making it more expensive to pollute.
3. In order for healthy communities to be formed at local, regional, national and global scales, partnerships should be formed in a holistic fashion. However, there are various sectors that stand to lose substantially from health promotional activities. More research, dialogues and



studies concerning organizational change and holistic approaches to partnerships should be conducted.

## **Biodiversity**

### **Partnerships for Biodiversity:**

#### **Summary of Issues**

The concept of biodiversity, as described in the Convention on Biological Diversity, leads to the assumption that civil society organizations and private companies in addition to public agents share the responsibility for the promotion of more environmentally sound activities. Hence, the idea of partnerships between countries, agencies, the public and private sector, as well as civil society organizations is not only compatible with but also necessary to achieve successful results concerning the protection of biodiversity and the promotion of sustainable development. Therefore, two recommendations were formulated on the basis that the two main conditions to build effective partnerships are political coordination and more intensive, democratic and intensive participation of all parties concerned.

#### **Recommendations**

**\*Political co-ordination of UN Agencies:** To turn partnerships into a successful and durable concept, conciliating a large spectrum of legitimate interests which suffer from a context of faulty communication, the UN agencies shall give the example of political coordination. It is mandatory that agencies with environmental issues in their agendas adopt a clearer environmental policy through their own specific approach before they intervene as “bridges” to call together different stakeholders from private and public sectors for the achievement of more environmentally sound activities.

**\*Engaging societies at the national level through environmental education:** Once United Nations agencies have a policy to present to the public and private sectors (for example, a strategy based on the concept of **partnerships** between both sectors, starting with agro-industry and their financing agencies), they should invest in the environmental education of society, with the aim of turning public opinion into a sort of “tribunal” for States and companies that do not honour their commitments. For that purpose, we recommend partnerships between private companies and academia, which could contribute to the dissemination of valuable information and innovative technology.

**\*Participatory Mechanism and Transparency:** The concept of partnerships is twofold, for it means responsibility of actors and their participation in negotiations that concern their interests. How can we assure that all parties will have access to the discussion fora? And to negotiations that concern them directly? The first condition to integrate such a huge array of different stakeholders is to make them know each other at smaller fora, beginning at the national level before they meet at the international level. If more transparency in decision-making processes is one of our targets, then every representative of a group must have clear interests, sponsors, and representees. We recommend that national delegations include representatives of the communities directly concerned with the subjects of discussion, or at

## Intellectual Property Rights of Local and Indigenous Communities:

### Summary of Issues

We are on the verge of a new century where an increasing number of indigenous and local communities still experience barriers in developing their modes of life, traditions and knowledge in a sustainable way. Why is this happening? A constant abuse of their weaker position by foreign actors regarding natural resources and traditional knowledge is taking place with the consent or inaction of national governments. Given the conflicts that arise between them and outside agents, the Environmental working group has recommended several measures. These measures may provide a template to improve the state of affairs of these communities and may create feedback mechanisms that the private sector (as a key player) along with these local communities can participate in.

### Recommendations (Do not kill the goose that lays the golden egg)

\*Having an equity of partners (profit sharing, joint planning, fair compensation, goal setting informed consent and full disclosure of all aspects of a project including results) can be a good platform for the protection of local and indigenous communities' culture and resources as well as maintaining their richness. This has already been achieved to some small extent by the establishment of royalties to be paid by those actors interested in partnering with communities and marketing their products. However, it is not practised enough and should be encouraged and promoted.

In this direction, the academic world could take the lead. Following the partner-cities example and the success of academic exchanges (e.g. Erasmus or Socrates' European Union programmes), interested national universities, could participate in the creation of a standardized partnership with local and indigenous communities plus a third actor, a foreign university (so that different research programmes would be embodied under the auspices of both national and foreign universities) and the United Nations. In addition, such collaborations could have independent speakers or valid moderators of communities to represent local and indigenous interests and to facilitate building partnerships (such as NGOs).

Such a triangular arrangement would have the following advantages:

\*Transparency of the coordinated programmes embodied thanks to the indirect control of students, other academics who may be up to date as to what work is being done (through reviews or conferences) and a specific committee which could coordinate the actions to avoid duplications.

\*Financing would be overcome if universities, using their reputations, could attract financial institutions and the private sector. Such sectors could explore the potential for profit under the framework and guidelines of sustainability.



\*Creation of international geographical indications or trademarks<sup>2</sup> which would benefit consumers, indigenous communities and favour the international respectability of those countries that possess "rare and endangered species". It could be shared with multinationals, which already have mechanisms and systems to market the products, the scientific world, with their requisite expertise, and the "owners" of the traditional knowledge and natural resources. In addition special labels could be used and held by indigenous friendly companies and financial institutions that have the ability to see in a more enduring fashion the unknown potential that exists in the "mine" and also the responsibility to not exhaust it.

### **Agroforestry: a means for the protection of biodiversity:**

#### **Summary of Issues**

Great concern for deforestation emerged with the debate on biodiversity, which comprises one of the major natural resources of developing countries. Its preservation and promotion could be achieved through partnerships. On this issue, agroforestry<sup>3</sup>, a form of soil management which has been traditionally used in many developing countries and which uses the soil's nutrients more efficiently than agriculture, can be usefully implemented in two different situations. Firstly, in accordance with the Convention on Biological Diversity, art. 8, as an environmentally sound forest management in an area next to a protected zone (buffer zone). Secondly, as a soil management that preserves the soil fertility and thus save forests from being cut down and used as new farm land. This means a programme of tree planting on the existing farm domains, and the practise of agroforestry on that land.

In order to protect forest and thus biodiversity, the local and indigenous populations practising agroforestry and the farmers could work in partnership with the government, the civil society or the private sector. In Asia, for example, forest protection contracts through agroforestry between the forest management agencies and local communities have proven to be a successful form of partnership. The growing sector of micro-financing, however, could play a relevant role in supporting farmers who want to become involved in agroforestry. Micro-finance institutions offer small loans for the upstart of projects. Today, several international agencies (eg. UNDP, UNCTAD, World Bank) are pushing for the development of microfinance institutions in developing countries. They are, however, not working tightly together. In this context, three recommendations were made to encourage the partnerships in agroforestry.

#### **Recommendations**

\*Economic: Partnerships between microfinance institutions and farmers and indigenous communities that practice agroforestry, should be strengthened.

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<sup>2</sup> indications that identify good as originating in the territory of a country or a region or locality in that territory, where a given quality, reputation or other characteristics of the good is essentially attributable to its geographical origin.

<sup>3</sup>In agroforestry, agricultural crops, trees and/or domestic animals are all managed in a single piece of land management unit.

\*Social: Governments and other partners could provide technical support to the agroforestry sector with tree planting programmes, free technical assistance respecting local community knowledge and training courses.

\*Ecological: The use of native trees and crops should be encourage as well as the growing of fruit trees as a source of vitamins and other nutrients.

### **Corporate Citizenship:**

#### **Summary of Issues**

Everyone has the right to a clean and safe environment, the right to work for an organization, which promotes such an environment, and the right to know the impact of an organization's operations on the environment. The private sector has the freedom to pursue its own rights of profit seeking only within the boundaries of these legitimate rights of the various sectors of society.

The partnership between the private sector and civil society is based on a common long-term interest of sustainable development and a difference of capabilities that each has to offer the other. The private sector's financial, managerial, innovative, and global network capabilities are resources that civil society can benefit from in pursuing its goals in environmental sustainability. On the other hand, legitimacy, wealth of information, and profit opportunities of civil society provide incentives for the private sector to join hands with civil society.

#### **Recommendations**

\*Promote dialogue and information exchange between civil society, academia, and the private sector to identify opportunities for businesses. Recognizing that the private sector is by nature a profit seeking organization, efforts must be made to channel private incentives into environmentally sustainable projects. In this light, UN agencies can bring these two sectors together into win-win relationships by organizing joint projects and hosting conferences.

\*Build awareness and transparency on the impact of the private sector's activities on the environment by actively promoting the reporting and disclosure of environmental information through widespread use of environmental accounting systems. Considering the huge amounts of private capital flows, firms and financial institutions should play their part in partnerships with other stakeholders by ensuring that resources and capital are used in a sustainable manner and environmental considerations are integrated in all their operations.

\*Reward environment-friendly organizations by strengthening systems of certification and legislations and by promoting universally recognized standards, such as the ISO 14001. Publicity and prestige-building into systems of certification or environmental initiatives can be used as a vehicle for channelling consumers into environment-friendly behaviour and in turn providing incentives to the private sector to engage in sustainable practices.



## Conclusion

The issue of the "challenge of sustainability" and the forging of effective partnerships can be difficult. Our recommendations demonstrate the possibilities where such partnerships create a productive milieu to achieve sustainability. The key is to maintain a system that is flexible and adaptive as new information and realities may lead to new understanding of the current state of the environment, assuring more participatory decision-making mechanisms through partnerships. There should be more representation of CSO's at all levels, especially internationally when dealing with governments. One example of this is the upcoming Partners for Development in Lyon in November, 1998, which is UN organized, but allows more open dialogue between CSO's, governments, international organizations, and the private sector as equal partners.

Education and stewardship need to be emphasized, especially with local and indigenous communities as to their rights to participate in the decision making process as well as all actors obligations towards more environmentally responsible activities. Opportunities for dialogue and information flows should be promoted by UN agencies (such as UNCTAD and UNEP) and other relevant organizations between the private, public, and local sectors.