

UN CSD 14

5/9/2006

Workers and Trade Unions

Session : Enhancing the contributions of the private sector

Sustainable development is not only 'sustained economic growth', but aims to meet the basic needs of all people within the carrying capacity of the planet. We remind delegates that the CSD review must mainly focus on Agenda 21 and JPOI targets with the comprehensive input necessary for a successful outcome. There has emerged in CSD 14 and many other international fora overwhelming emphases on market-based and technologically-driven solutions as the only way to implement sustainable development.

Genuine sustainable development involves policies that promote self-reliance and local economies; that remove perverse subsidies; that implement participatory decision-making, implementation and follow-up; that internalize external costs; and that establish decentralized services (renewable energy production; access to water; ...). Review of national and international experiences should integrate these elements.

The private sector and markets are very important in SD, but they are not alone.

We need to encourage infant industry, local production and consumption, which can be threatened by trade deals and aid programmes that favour MNCs. We need to support local solutions to energy issues.

We need to recognise that much technology transfer actually comes from government laboratories.

Corporate social and environmental obligations are vital and we suggest that voluntary measures are not enough. Corporate accountability as expressed in JPOI needs to be revisited in CSD 14 and strengthened in CSD 15.

As for social obligations of all employers to their workers, these should be negotiated, as M. Saincy stated, within the context of ILO Core Labour Standards. As Austria indicated, decent jobs are fundamental to poverty reduction

Obligations of companies to public policies and regulations must also be more transparent and accountable, as we see too many violations and too much lobbying to weaken these. One must be careful of making government too business friendly... There is much evidence of state capture that questions the capacity of regulators to do their jobs.

Obviously, the corruption of public servants and politicians must be eradicated, and companies must be barred from public tendering if convicted. The IFIs and donors must enforce such measures.

We continue to question the ability of the private sector and market dynamics to provide the essential public infrastructure on which our societies depend.

Private sector is an important supplier to the public sector, but it can't replace the fundamental role of government in providing quality public services to all citizens, upon which sustainable development rests.

Chair, we congratulate the UN SG and UNEP on the Principles for Responsible Investment. Kofi Annan said that "while finance fuels the global economy, investment decision-making

does not sufficiently reflect environmental, social and corporate governance considerations..."

Chair, workers and their trade unions are important participants in this initiative, through our pension and retirement funds which account for 35% of total global investment.

Workers and their unions are committed to working with employers, with governments and with major groups, but we need an environment of trust, not intimidation. Then we will be able to deal with many of the issues that we see raised here by various delegations.

Thank you