

RECOMMENDATIONS

**FOR SUSTAINABLE INDUSTRIAL
DEVELOPMENT
IN THE LATIN AMERICA AND CARIBBEAN
REGION**

Rio de Janeiro, 18-19 October 2001

The participants of the Regional Industry Consultation of the Latin American and Caribbean (LAC) region, meeting in Rio de Janeiro on 18-19 October 2001, having assessed the endeavours of industrial developments in the Region since the Rio Earth Summit in 1992 recognise the following:

1. The Industry sector has an important role to play in improving people's lives today and for generations to come and at the same time in preserving our natural resource base and the environment. This brings significant responsibilities for the industry sector to ensure it understands and meets the diverse needs both in the products and services it provides and the way in which it operates;
2. The increasing contribution of the Industrial sector to the overall Gross National Product (GNP) in the Region and the need to expand the region industrial capacities based on the sustainability concept, separate economic growth from pollution and the exhaustive use of natural resources.
3. The continuous effort to create more employment opportunities in the industrial sector, which requires focussed attention on education, applied research and training;
4. The sector has on-going opportunities for improving its resource productivity and decrease its waste intensity (life cycle management and cleaner production are tools to be used in this context). Encouragement to do this is required from leading business partners and governments. Effective and fair application of the polluter-pays principle, reliance on precautionary approaches and the implementation of existing international framework agreements are central to this;
5. The finance sector (especially commercial banks) should be involved in incentive programs to redirect gradually larger parts of their credit to sustainable investment;

6. The Micro, Small and Medium Enterprises (MSEs) need more attention and support in order to continue providing opportunities for job creation. The development needs of MSEs, in terms of technology, finances and access to environmental services should be addressed. For instance, providing capacity building in the area of advanced technologies and the development of indigenous appropriate technologies, to increase competitiveness;
7. The globalization process may provide promising opportunities for the industries in the region but it needs to be adapted to the sustainable needs of LAC. A reduction in the percentage of highly pollutant industries and an increment of high added value products in the export sector should be promoted;

Furthermore, the industrialists of Latin America and the Caribbean acknowledge the need to:

8. Address the impact of climate change in the region by giving high priority to the Kyoto Protocol, in particular to the concept of Clean Development Mechanism, and to call upon developed countries to honor their commitments by complying with the “common but differentiated responsibilities” principle;
9. Embrace a Cleaner Production Strategy and the transfer of environmentally sound technologies to prevent industrial pollution and its consequences, supporting Cleaner Production and Renewable Energy Centers;
10. Promote the adoption of sustainable production and consumption practices that comply with the principles of eco-efficiency. In addition to this, promote the implementation of corporate programs based on the business philosophy of optimizing and generating wealth, while providing better social and environmental performance;
11. Introduce appropriate procedures to minimise adverse health and environmental effects by: a) developing safer packaging and labeling standards, b) considering the concept of life cycle of products through the use of Environmental Management Systems, Cleaner Production Techniques and Integrated Waste Management, and c) developing voluntary procedures for self-evaluation, monitoring and reporting to assess performance and take self-corrective measures;
12. Promote Energy Saving, Energy Efficiency and the use of Renewable Energy;
13. Prioritize the use of clean fuels in transport;

14. Develop mechanisms that assure quality and sustainable availability of water resources, including waste water treatment, in order to contribute to the industry competitiveness in a socially responsible manner;
15. Stimulate the management and reduction of toxic waste and materials;
16. Promote a broader discussion about the criteria for the sustainable use of bio-diversity and the access to bio-technology, including the industry sector as an important stakeholder;
17. Ensure the proactive participation of the industrial sector with the governments and with non-governmental organizations to develop and perfect regulations and environmental standards in both national regulations and international agreements;
18. Promote an appropriate economic and political environment for savings and investment. Sustained periods of stability and growth should be generated to avoid recurring crises;
19. Expedite de-regulation; consolidate the financial system; guarantee public and legal safety to the people, and the safety of their patrimony and property rights;
20. Articulate World Trade Organization's (WTO) agreements with multilateral environmental provisions contained in multilateral agreements to harmonize trade measures with environmental objectives;
21. Avoid the use of environmental regulations as trade barriers in international commerce;
22. Develop and/or review policies for promoting technological change and stimulating the environmental market and the utilization of fiscal incentives for environmentally sound investments;
23. Promote openness to competition in those areas where monopolies still exist, in order to overcome underdevelopment and to expand, modernize and make the operations of these areas more efficient;
24. Develop the internal market of each country, promote the manufacturing of high value-added products and increase regional economic cooperation to improve LAC's competitive edge within the international market;
25. Foster tourism that is in harmony with nature so as to reduce the environmental impact that has been on the rise, as well as the most serious threats that are related to the modification and destruction of habitat;

26. Increase the participation of LAC enterprises in the implementation of joint-venture projects and actions, in collaboration with UN agencies, that will lead to sustainable development;
27. Promote the dissemination of voluntary initiatives that include social, environmental and economic aspects of sustainable development and that aim at improving quality of life;
28. Adopt transparency as a standard attitude optimizing the access to information to decision making processes and to justice;
29. Foster the implementation of high-quality education and capacity building programs for the development of leadership and human resources in accordance with the economic and social requirements of a sustainable global market.

Note:

For the preparation of these Recommendation the following documents were considered:

1. Environmental Performance of the Industrial Sector in Latin America and the Caribbean, 10 Years after the Rio Agreement, UNEP, UNIDO, CONIECO, 2001.
2. Proposition for Corporate Compromise, The Latin American Standpoint for the World Summit, Brazilian Business Council for Sustainable Development (CEBDS), 2001
3. Recommendations of the Industrial Sector to the XIII Forum of Environmental Ministers of LAC, Brazilian National Confederation of Industry (CNI), 2001

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