Keynote Address Environmental Priorities in Southeast Asia By Anand Panyarachun

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Mr. Chairman, Distinguished Guests, Ladies and Gentlemen,

It is a great pleasure for me to address this distinguished gathering. At the outset, I would like to acknowledge the role of the American Bar Association and the Ministry of Science, Technology and Environment of Thailand, in the organisation of this timely conference.

The theme of this conference demands not only our own attention, but also that of the world at large. The scale and pace of economic growth in Southeast Asia are beginning to affect the balance of major global environmental issues. This influence can only increase in the future as development expands and spreads across the entire region.

The leaders of the ASEAN member countries, meeting in Bangkok last December, shared the common vision of a Southeast Asian community by the year 2000. Cooperation on this scale would be a powerful force for sustainable development in the region, and it would also vastly increase the international influence of Southeast Asia. It is therefore of the utmost importance that we establish our priorities for environmental protection now, before, it becomes too late for us to take effective action.

With respect to major global issues, one can think immediately of biodiversity - the variation within and between living organisms and ecosystems. The importance of this region's biological resources cannot be denied. The inhabitants of Southeast Asia fall into a diversity of racial, religious, social and political systems, yet they are all heavily dependent on direct harvesting from nature.

Most of the Southeast Asian nations are also important storehouses for noneconomic biological resources. Although society may not derive any direct economic benefit from such resources, they are essential components of ecosystems and vital for proper ecosystem functioning.

Here in Thailand we are blessed with a wide range of tropical evergreen and monsoon habitats, with a rich large mammal fauna, and valuable marine areas. The statistics are impressive: Thailand harbours about six per cent of all known vascular plants, seven per cent of all known terrestrial vertebrates, and almost ten per cent of all fish. Our neighbours, for example, Indonesia, Malaysia,

Vietnam and Myanmar, have equally rich biodiversity resources. These countries are all characterised by a diversity of geographical regions and habitats, with correspondingly high levels of species richness and endemism. The biological endowments of the region have not been bestowed lightly, however. We fully recognise that with them comes the burden of responsibility for sustainable developing and conserving their potential. Our aim should be, in the words of the World Commission on Environment and Development, "to meet the needs of the present, without compromising the ability of future generations to meet their own needs."

This admirable expression of intent serves as the guiding spirit for our endeavours. Yet it offers us no rules, or guidelines, for accomplishing our objectives. Indeed, it presents us with potentially conflicting aims, the reconciliation of which will no doubt involve much political soul-searching, and perhaps many compromises.

To illustrate my point, I would like to turn to another global environmental concern; that of climate change.

In November of last year, the Inter-governmental Panel on Climate Change (IPCC) released its Second Assessment Report on the status of global climate change and the influence of human activities. The Report provided conclusive proof those human activities, and industrial activities in particular, are contributing to the increases in global temperatures that have been observed over the past century.

In the absence of effective mitigation policies, the continued acceleration of "the greenhouse effect" is expected to result in further temperature increases, as well as fluctuations in the intensity and distribution of rainfall, and rises in sea level. The consequences for our society could be potentially catastrophic. The IPCC's Report foresaw losses of biological and land resources, with adverse consequences for health and food security in some of the most vulnerable regions of the world.

These effects would combine to threaten and undermine sustainable economic and human development.

As subscribers to the precautionary principle, the nations of Southeast Asia and the rest of the world have placed their faith in the United Nations Framework Convention on Climate Change (UNFCCC) as a forum for tackling global environmental change. In the three and a half years since the Convention was signed, we have progressed from debate to negotiation and, in the wake of the first Conference of the Parties last year, to partial agreement and action.

But are we doing enough? Can we claim to be taking the necessary steps to halt the continued deterioration of the Earth's climatic system?

Regrettably, I am not sure that we can. My doubts are based on the way in which the international community has assigned its priorities. I have argued before that the nations of Southeast Asia must avoid reiterating the

development patterns of the industrialised West, both to prevent intense local pollution, and to avoid becoming producers of global pollution on a scale in direct proportion to their human numbers. Yet, given the justifiable importance we have placed on economic development, it is inevitable that our present levels of resource consumption will increase.

The challenge for us, therefore, is to moderate the rate of this increase. The challenge for the industrialised nations, on the other hand, is to reduce consumption and pollution to offset inescapable increases in developing regions. Our common goal should be to create a new, equitable balance in the global economy; one which will prevent catastropic disruptions of our climatic and biotic systems, while at the same time allowing sustainable economic and human development to continue.

Yet there appear to be significant differences between this aim and the priorities of both industrialised and developing countries as seen today. The ultimate objective of the Climate Change Convention is the "stabilisation of greenhouse gas concentrations...at a level that would prevent dangerous...interference with the climate system". While this aim currently involves no legally binding commitments, the action that has been taken so far is not fully in the spirit of the Convention. Industralised countries are only nominally committed to reducing emissions of greenhouse gases to 1990-levels, while other Parties to the Convention have simply to produce an inventory of greenhouse gas sinks and sources.

Clearly more action is needed on climate change, and needed soon if we are to achieve a global balance within a realistic time-frame. One potential avenue opened at the first Climate Convention Conference in Berlin last year was international cooperation to reduce emissions, otherwise known as "Joint implementation". Joint implementation provides cost-effective opportunities for reducing or sequestering greenhouse gas emissions across international boundaries. Most importantly, joint implementation could promote technology and information transfers between countries, and therein lies its real promise.

By promoting the redistribution of technologies designed to reduce our dependence on natural resources, joint implementation could improve our chances of preventing more serious environmental damage. Moreover, the transfer of modern technologies to developing countries, provided those technologies were suited to local conditions, could promote sustainable economic development.

Clearly technological cooperation, whether under the Climate Convention, the Biodiversity Convention, or any other international agreement, is an important priority. Under such a regime, the new global balance of which I spoke earlier becomes a more realistic and attainable goal. Indeed, our progress towards environmentally-sustainable regimes of cooperation has already been considerably furthered by the development of ISO 14000 environmental management standards.

I would like to discuss ISO 14000 in greater depth because to me it represents an important priority in both global and national terms.

The emerging set of ISO 14000 standards is one of the most comprehensive environmental quality management initiatives ever undertaken. Once adopted, this standard is expected to become the benchmark of environmental quality for all future international trade. Achievement of this goal will involve implementation of environmental management systems (EMS), environmental audits, environmental performance evaluations, product life-cycle assessments, and product labeling.

The ISO 14000 series of standards emerged primarily as a result of two major events: the Uruguay round of the GATT negotiations which began in 1986 and the Rio Conference on Environment and Development held in 1992. The GATT talks addressed the need to avoid or remove non-tariff barriers to trade, while the Rio 'Earth Summit' established an international commitment to protection of the global environment.

With careful implementation, the ISO standards should prove capable of uniting both trade and environmental concerns. If the international community can succeed, as I believe it must, in avoiding non-tariff trade barriers, while honouring its environmental commitments, the ISO standards will represent a new position of consensus for business and the environmental community. With the potential to promote world trade, whilst at the same time encouraging and assisting industries and other organizations to be more environmentally responsible, the standards should allow economic development, but not at the expense of a degraded environment.

In the work of the ISO, we have an important link between common global priorities and our own regional and national priorities. The private sector in Southeast Asia is rapidly becoming a major environmental influence through its financial resources and its export drive. Through education and promotion of the ISO 14000 standards, as well as the earlier ISO 9000 series, the environmental community is beginning to build partnerships with the private sector. These partnerships are proving invaluable in the process of tapping the potential of the private sector as a force for environmental improvement.

Here in Thailand, the Thailand Environment Institute (TEI) is investigating ways of garnering private sector support for a national environmental foundation or trust. Already working closely with members of the Thailand Business Council for Sustainable Development (TBCSD) on the ISO 14000 series, TEI is now studying the role that a national fund could play in leading the private sector down the path of sustainability by using its capital to create ventures that both realise a profit and use resources in a responsible way.

Mobilising additional resources in this fashion represents a crucial priority if we are to finance not only the immediate costs of environmental protection, but also the recurring costs. Furthermore, the partnerships that are formed in this way draw a wider range of players into the environmental arena, and meaningful participation is enhanced. The success of a national fund will be in direct

proportion to the number of constituencies it addresses. With representation from the private sector, government, non-governmental organisations and people's groups, a collective effort to improve national environmental quality would have a strong chance of succeeding.

I have touched on the issue of public participation, and would like to develop this further with respect to our urban environments. It is undeniable that one of the least desirable side-effects of rapid economic development in Southeast Asia has been the emergence of vast, largely unplanned, urban conurbations. The haphazard nature of urban development in cities such as Bangkok, Manila or Jakarta is contributing to worsening traffic chaos, air and water pollution, and a general reduction in the quality of life.

Coupled with these negative trends is a rapidly growing sense of frustration amongst the urban population, who feel that they have little control over their environment, and must suffer without recompense the adverse effects of rapid economic growth and development.

Environmental management in the urban areas of Southeast Asia has almost always been the responsibility of governments, both central and local. In 1992, my administration undertook a wide-ranging revision of environmental legislation intended to lead towards sustainable development in Thailand. The National Environmental Quality Act, as the centrepiece of this legislation is known, now provides us with the tools of environmental management, and the power needed to wield them effectively.

For urban dwellers, the benefits of these changes have already become apparent. For example, unleaded gasoline was first imported into the domestic market in 1992. Rapid acceptance of the new fuel led to competition between local refineries to produce unleaded formulae. At the beginning of this year, the spread of unleaded fuel culminated in a complete phase-out of all leaded gasoline. As a result of these developments, the level of airborne lead pollution has dropped dramatically in Bangkok.

However, as urbanisation has increased, and environmental problems multiplied, safeguarding the environment has become an almost overwhelming task. Here in Thailand, privatisation and sub-contracting have recently been initiated by several government agencies in an effort to alleviate the burden. However, another potential option is to encourage individual communities to protect and manage their own immediate environments.

There is a growing awareness of environmental issues amongst the people of Southeast Asia, and urban dwellers in particular. The responsibility for this can be attributed largely to the mass media, who time and time again have demonstrated their commitment to environmental values. It seems that almost every environmental crusade can trace its origins to an article in the newspapers, or story on television.

Now surely is the time to give the people of Southeast Asia some say in the future of their environment, and to recognise the role of the media as a force for

education and enlightenment. By empowering local populations we can accomplish several things. Firstly, the ability of local people to manage their environment will be enhanced. Secondly, a sense of community can be instilled in often-disparate urban groupings. Thirdly, an on-going dialogue can be created between government authorities and local communities, which will help to strengthen trust and cooperation. Finally, and perhaps most importantly, truly sustainable development can be achieved because it is based on consensus, and has the legitimacy that only consensus can confer.

Up to now, I have been considering priorities for the development and protection of our natural environment and its resources. I cannot help thinking, however, that we risk neglecting one of the most important elements of the human experience; namely, our culture.

I firmly believe that when we talk of environmental priorities we should include our cultural environment and particularly the material remnants of our history which do so much to convey and foster national identity. Southeast Asia is a region of great antiquity, and the treasures of the past such as Ayutthaya and Sukothai here in Thailand, Angkor Wat in Cambodia, and Borobudur in Indonesia, still have the power to enrich our lives tremendously.

It is regrettable; however, that the levels of attention, interest and even funding are far lower for cultural protection then they are for other developmental issues. Development and conservation plans for our natural and cultural heritage progress in different directions and are no longer mutually sustaining or even inter-related.

In recognition of the relationship between society, nature and culture, the Thailand Business Council for Sustainable Development (TBCSD) has been sponsoring the preservation and development of the island city of Ayutthaya, one of Thailand's most important historic sites.

Founded in the mid-14th century, Ayutthaya was for over 400 years the capital of a flourishing and prosperous kingdom situated in the Chao Phraya River basin. In recognition of its historical significance, Ayutthaya was designated a UNESCO World Heritage Site in 1991. Restoration work under a master plan prepared by the Fine Arts Department of the Ministry of Education began last year.

The TBCSD has been active in promoting the implementation of the Ayuttaya master plan, which seeks to meld environmental, cultural and social considerations into a cohesive whole. We recognise that success will depend on all groups in the government, private sector, academia, non-governmental organisations, as well as the local community, lending their support to the initiative. To this end, an on-going process of consensus-building and open dialogue has been initiated.

I hope I have demonstrated that the assignment of environmental priorities must start from a full understanding of those elements, which comprise our environment. To all, consideration of the natural environment must be added that of our social and cultural environments. Once we have taken this holistic approach, we will be in a stronger position to identify those factors, such as public participation, which cross over boundaries and are therefore of the greatest importance.

The nations of Southeast Asia are perhaps best placed to realise this approach towards environmental protection. We are now at the stage where the benefits of economic growth can allow us to conserve and sustainable development our still abundant natural resources. National governments are introducing environmental legislation based not on command and control measures, but on market-based instruments. Our people are becoming more informed and aware of environmental values and the need for effective protective measures. Moreover, they have the potential to make their own real contribution to environmental management. The potent force that is the mass media can serve us well as our environmental watchdog. All these factors inspire me to think that Southeast Asia can, and will, be a model for truly sustainable economic development.