



**G-7 Environment Ministers'  
Meeting**

**Hamilton, Canada  
April 30 to May 1, 1995**

**Réunion des ministres  
de l'Environnement du G-7**

**Hamilton, Canada  
les 30 avril et 1<sup>er</sup> mai 1995**

## **CHAIRPERSON'S HIGHLIGHTS**

**May 1, 1995**

**McMaster University  
Hamilton, Canada**



**Environment Canada    Environnement  
Canada                    Canada**



**REVISED AND FINAL VERSION, MAY 1, 1995**

**Informal Meeting of G-7 Environment Ministers  
Hamilton, Canada, April 30 - May 1, 1995**

**Chairperson's Highlights**

**Introduction:**

1. Environment Ministers from the world's seven largest industrial economies met at McMaster University in Hamilton, Canada on April 30 and May 1. Canada, France, Germany, Italy, Japan, the United Kingdom and the United States were represented, as were the European Commission and the United Nations Environment Programme.
2. The Hamilton gathering demonstrated the ongoing high level of commitment amongst G-7 countries to the global issues of the environment and sustainable development. It also illustrated the importance we place on continued and regular contact. This provides us with the ability to discuss issues of common concern in an open, vigorous and friendly way. As the environmental representatives of the world's industrialized economies, we feel a responsibility to maintain a high profile of environmental issues on the crowded public policy agenda. Our intention is to make a contribution to the discussions at the G-7 meeting in Halifax.
3. Discussion proceeded around three themes: International Institutional Arrangements for Sustainable Development; Environment-Economy Integration: What Governments Can Do; and, Taking Stock: Progress on Major Issues, including the Conventions on Biological Diversity and Climate Change.

**International Institutional Arrangements for Sustainable Development**

4. Recent progress has been made in clarifying the distinct and complementary roles of the key international institutions that are necessary to address global issues related to environment and sustainable development. The crucial bodies are the United Nations Commission on Sustainable Development (CSD) and the United Nations Environment Programme (UNEP). We welcome the results of the February 1995 informal meeting of Environment Ministers hosted by the United Kingdom at Brocket Hall, which has prompted a sharpening of mandates and clarification of responsibilities of UNEP and CSD. We look forward to working with all interested nations in building on this momentum and taking concrete steps to help these organizations become more mutually supportive, effective and responsive to the challenges of the 21st century.

5. The CSD should continue to evolve to be the high level global forum at which broad policy directions for sustainable development are set, and long-term strategic goals towards sustainable development are identified and agreed upon. The CSD should draw on appropriate UN and other international bodies to carry out its work and should not duplicate the work of the conventions. We are encouraged that progress is being made toward these objectives, as demonstrated by the results of the Third Session of the Commission recently held in New York, where in addition to ministers of environment, ministers responsible for forests, agriculture and development assistance were present. We hope that at future meetings this trend towards the inclusion of a wide range of ministers and departments concerned with sustainable development will be continued. The 1996 focus on oceans might, for example, draw ministers responsible for fisheries and marine science.
6. We look forward to the upcoming session of the UNEP Governing Council in Nairobi as an opportunity to confirm the mandate of UNEP as the primary environmental voice within the UN system, bringing the environmental perspective to broader sustainable development fora. In particular, we will encourage UNEP in its efforts to focus on sound science as a fundamental underpinning of its work, to monitor and assess the state of the world's environment, to catalyze regional and global responses to common environmental problems and in its key role of promoting the development of international environmental law. In addition, we endorse UNEP's efforts to facilitate effective partnerships for capacity-building and to establish effective links with the United Nations Development Program (UNDP). We continue to support UNEP's efforts to establish the management framework required to implement an effective and efficient work program that responds to the priorities of all its members.
7. We will provide ongoing support and advice to UNEP's governing structures as appropriate. Stronger political commitment and support by all interested countries to the work of UNEP between Governing Councils through the means of an Executive Committee or Extended Bureau, along the lines outlined at Bocket Hall, would be useful. We will work together to pursue this at the UNEP Governing Council.
8. The World Bank has made progress in establishing environmental policies for its decision-making and we support the Bank's work to this end. However, we believe much remains to be done, particularly in putting into practice the Bank's goals and policies, notably for improved transparency, including on the results of environmental assessments of projects in an early stage of the decision-making process. We look forward to working with the incoming

President of the World Bank to explore how the Bank can continue to make progress on environmental matters. We recognize the importance of providing input to our respective World Bank Executive Directors.

9. The World Bank should make sustainable development a top priority. This could provide a framework to reconcile the many goals the Bank is required to meet, such as maximizing economic growth, poverty reduction, and environmental protection. Plans for World Bank-funded projects should, in our view, demonstrate how these goals will be met in an integrated and complementary way and give attention to local participation and capacity building. This would help ensure greater emphasis on the quality of lending. We urge the Bank to continue to support the implementation of major international environmental agreements (eg. the Conventions on Climate Change and Conservation of Biological Diversity) by promoting integration of economic and environmental considerations in the energy, water and transportation sectors, as well as more sustainable agriculture and forestry.
10. Sustainable development should promote poverty reduction, a vital part of the work of the World Bank. The IMF also has a role to play in making sustainable development a reality, taking environmental consequences into account as it designs structural adjustment programs. We stress the need for continued efforts at debt relief, and the possibility of linking this to the promotion of sustainable development.
11. The importance of emerging institutions, notably the Global Environment Facility, (GEF) was noted. We encourage the work of the GEF, which focusses on problems of the global environment and is a welcome, innovative structure involving three existing international institutions: UNEP, UNDP and the World Bank.
12. The new World Trade Organization (WTO) is another recent institutional development with major implications for the world economy, global trade and the environment. We wish to work with the WTO to ensure that this new and still evolving body takes environmental factors into account in its work. We also urge that UNEP continue to strengthen its capacity to contribute to the environmental dimension of this issue.
13. Sustainable development cannot be made a reality unless the dialogue between key players is opened and broadened. In this regard, Ministers welcomed the World Bank's efforts to bring together environment and finance ministers at its next Conference on Environmentally Sustainable Development.

14. Private capital flows and innovative economic mechanisms, as complements to official development assistance, will be key components in financing sustainable development in the years to come. The efforts of UNEP to work with the financial and insurance industries to examine how this might be done will be useful.

#### **Environment-Economy Integration: What Governments Can Do**

15. The G-7 governments have a significant capacity to contribute to environmental improvements nationally and globally through their operations, individually and collectively. It was noted that much had been done within the G-7 governments, and although much more remains to be done, the shared experience of the G-7 provides a good basis for launching or furthering efforts to "green" government operations.
16. National governments in G-7 countries should set an example in their own operations for the private sector and for other governments. Examples of how our governments are working to improve their environmental performance include: steps to conserve energy and materials; reduce waste in the construction and renovation of government buildings and facilities; measures to prevent pollution and conserve energy, water, and materials in day-to-day operations, including reduction, reuse and recycling, and; policies leading to purchase of environmentally friendly products and services for use within government.
17. Ministers shared the opinion that it is essential to have in place mechanisms to allow measurement and reporting on progress. Better methods of analysis in order to help managers in government to set priorities for investment, incentives, and technologies for achieving improved performance were viewed as important.
18. There are general principles that will be helpful in guiding further G-7 efforts, These include:
  - that environmental concerns should be integrated with operational, financial, safety, health, economic development, and other relevant considerations in government decision-making about the nature and scope of operations;
  - that, in their operations, national governments should meet or exceed the letter and spirit of their own environmental laws, and where appropriate, international standards;

- that pollution prevention and sound environmental management principles should be applied at each stage of government facilities and operations, from initial design to termination and close-out, the "cradle-to-grave" philosophy;
  - that systematic analysis should apply to the selection of priorities for investment, behavioral incentives and disincentives, and technologies for achieving improved performance.
19. There is also a need for cooperation among G-7 and other OECD countries to:
- share data and information on the results of improving environmental performance, including awareness programs, incentive and award programs, codes of practice, directives, and legislation;
  - exchange views on the environmental performance of government facilities and operations as a regular agenda item of international meetings already scheduled for the next two years;
  - identify pilot projects which might productively be carried out on a cooperative basis among countries, and where minimal resources are required to exchange information and data;
  - prepare statements on the environmental performance of their respective governments for release as a part of ongoing OECD reviews of environmental performance.
20. It is proposed that OECD Ministers might consider at their next meeting in 1996 activities of member countries to improve environmental performance of government facilities and operations. OECD members should consider the utility of a workshop on this subject to exchange information, views, and practical experiences, and on inclusion of greening government operations as a topic in OECD environmental performance reviews.
21. Ministers discussed the integration of environmental and economic considerations into policy-making and decision-making. Resource management and environmental infrastructure require the application of economic instruments, innovative accountability mechanisms, environmental impact assessment, and voluntary measures. The application of the pollution prevention and polluter-pays principles and efforts towards the internalization of costs continue to be important priorities.

22. Systemic problems such as barriers and disincentives to sound environmental practices can promote unsustainable activities and behaviours. G-7 governments and others can make a useful contribution to dealing with these issues by exploring ways that unsustainable practices can be addressed. The OECD will be asked to review subsidies and tax disincentives to sound environmental practices in OECD countries.

### **Taking Stock: Progress on Major Issues**

23. We discussed progress in implementing the 1992 Convention on the Conservation of Biological Diversity, the principal mechanism for advancing the conservation of the world's species. The importance, value and benefits of biodiversity are global. However, biodiversity cannot be conserved without national action, and we were encouraged to learn from each other's experiences in such areas as building inventories of species and expanding protected spaces. We pledge to continue and enhance our domestic efforts to implement the Convention.
24. We recognize the need for capacity building, technology transfer and sharing of knowledge to enable developing countries to implement the Biodiversity Convention. The Global Environment Facility should continue to have a key role in financing its implementation and be the permanent financial mechanism with appropriate voting rules. The coming months will bring many events at which biodiversity will be discussed, including workshops on the International Coral Reef Initiative, and notably, the next Conference of the Parties (COP) to the Convention. We recognize the importance of the issue of biosafety, which will be discussed at the next COP. We understand the need to proceed with care on this matter, notably to reconcile legitimate concerns over safety with the encouragement of scientific innovation.
25. We welcome the results and decisions taken by the Conference of the Parties of the Framework Convention in Climate Change in Berlin earlier this year. The Conference marked a substantial step forward to implement and further develop the political objectives and measures of the Convention. We re-affirm our determination to fulfill our existing obligations under the Convention and our intent to meet the ambitious timetable to follow-up to the Berlin Conference of the Parties, including an early meeting of the Ad Hoc group on the Protocol.
26. A renewed spirit of cooperation between developing and developed country Parties emerged at Berlin and we will work with our colleagues to transform this spirit into action. Technology transfer and the pilot phase of joint implementation offer opportunities to do so.

27. We recognize that the G-7 and other developed countries share many challenges in reducing greenhouse gas emissions. We will find opportunities to cooperate more closely on our national approaches to implementing the convention, and ask the OECD to assist member countries in defining the basis for cooperation and comparability. Examples of the range of issues for potential cooperation include regional approaches, building standards, and transportation issues.
28. Since the United Nations Conference on Environment and Development in 1992, progress has been made in the management of toxic substances in many G-7 countries. We will continue to work towards the goals expressed in Agenda 21 on toxics, and agree that there is a need for increased international cooperation, particularly in the context of long-range transport of pollutants through air and water. We discussed approaches to addressing lead in the environment.
29. We are encouraged by the work of UNEP on prior informed consent (PIC) guidelines, and look forward to the upcoming UNEP Governing Council in Nairobi to continue this work. We will continue to work together in other appropriate fora, such as the OECD and UNEP, to address substances of common concern in a coordinated manner.
30. There is a need to explore the scope for cooperation in specific areas such as toxics emissions inventories, which some countries have found to be useful tools to enhance accountability in the private sector and to promote community control over their environment.

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