

CSD 14

Statement by the Norwegian Delegation

4 May 2006

Industrial development and sustainable natural resource management

Thank you Mr. Chair,

My Delegation agrees with what has been said by the EU and other speakers about the need to change unsustainable patterns of consumption and production and that the developed countries have to take the lead in achieving this shift. We acknowledge the important work within the Marrakech Process in which Norway will continue to take active part. We agree that capacity building plays an important role in promoting sustainable industrial development.

Mr. Chair – As very few delegates have referred to the carrying capacity of ecosystems I would like to draw your attention to the UN Millennium Ecosystem Assessment - “Living Beyond our Means” as I find it highly relevant for our discussion this afternoon.

The conclusion of this report is a stark warning: *Human activity is putting such strain on the natural functions of Earth that the ability of the planets ecosystems to sustain future generations can no longer be taken for granted.*

The reports puts it very clearly – “Protection of these assets can no longer be seen as an optional extra, to be considered once more pressing concerns such as economic growth or national security have been dealt with.”

Mr. Weizsaecher underscored in this presentation we need a strong state to deal with the tension between environmental protection and industrial development. Norway believes that good governance is vital for countries seeking to secure energy access, to promote industrial development, and to prevent air pollution and climate change. Good governance is also about taking the carrying capacity of ecosystems into account when developing industry.

One way of integrating ecosystem aspects into industrial development is to take the value of the nature into account and correct the historic bias against natural resources when it comes to weighing the costs and benefits of particular economic choices. By placing a more correct price on the ecosystem services, the price for alternative solutions becomes relatively cheaper and more likely to appear desirable to public or private investors.

Integrated management plans are another approach to ensure that economic activities are developed within the carrying capacity of the ecosystem. To illustrate this I would like to share with you an example from the Norwegian waters in the Barents Sea in the High North.

The Norwegian Government approved recently the Integrated Management Plan for the Barents Sea. This is a framework for balancing commercial activities related to fishing, sea transportation and the petroleum industry within the concept of sustainable development. The Management Plan will enable Norwegian authorities to consider the impact of the different economic activities in an inter-related manner, whereas until now they have been administered more separately.

The Plan assesses the needs for action to avoid undesirable impacts caused by different economic activities and, where necessary, recommends cost effective cross-sector initiatives. In this way the plan will contribute to ensuring the quality of the environment and also by providing firm guidelines for economic activity in the region.

Mr. Chair, in responding to your request of including Corporate Social Responsibility in our discussion Norway believes that the CSD 14/15 offers a good opportunity to promote corporate social responsibility. As pointed out in the Secretary General's report to CSD-14, capacity building in this field is crucial in poor countries that are unable to monitor and enforce environmental and social standards, and for small firms that lack the capacity to upgrade their own management systems.

Experience has shown that important achievements in this field can be made through processes that include corporations, governments and civil society. One such multi-stakeholder initiative is the Extractive Industries Transparency Initiative (EITI), which promotes transparency in revenue streams from extractive industries. We and other stakeholders in this initiative believe that transparency can have a catalytic effect in improving revenue management in resource-rich countries.

The EITI is gaining ground with more than twenty countries that have committed themselves to its principles and criteria. Norway would like these criteria to be accepted as international best practice. The consolidation of the EITI criteria as an emerging global norm is the main objective of the third EITI plenary conference to be held in Norway on 16 and 17 October this year.

Thank you!