



**Swiss
Confederation**

SWITZERLAND

CSD 15

May 1, 2007

Comments on policy options and possible actions contained in the Chairman's draft negotiating document

Mr. Chair,

Switzerland likes to refer to the policy options of the Chairman's draft negotiating document.

- Political and macroeconomic stability has to be in place before issues as capabilities to comply with quality standards have to become relevant. Property rights – particularly intellectual ones – have to be guaranteed.
- Economic development requires diversification, less concentration, not specialization in few or even only one industrial activities. Countries have to try to be engaged in a broad range of economic activities.
- Because of the rapid decline in transportation costs in the last decades, goods are not necessarily produced anymore close to its consumers. This gave the developing countries – with their relatively lower labour costs - the opportunity to be more stronger engaged in labor-intensive production. Labor-intensive industrial development is essential to reduce poverty reduction and takes into account comparative advantages of developing countries.
- Good transportation infrastructure is key for developing countries to be competitive. Products have to come rapidly to the destination point, unnecessary stops and transshipments have to be avoided.
- Continuous innovation, high levels skills, an efficient communications and transport infrastructure are also essential factors for successful industrial development. Companies need to be fast imitators and this is based on its technological capabilities and new forms of business organization (logistics, marketing, organization, production and distribution systems).

- We have to strive for a reduction of the amount of energy used per unit in the production of goods and services which contributes both to alleviation of environment stress and to greater economic and industrial productivity. Another win-win policy option should be mentioned in the outcome document: through a better use of waste - to make it recyclable and reusable – economic benefits and less environmental degradation can be achieved.
- Industrialized countries have to take the lead – according to Chapter 4 of the Agenda 21 and the Johannesburg Plan of Implementation - to change unsustainable consumption and production patterns. This is being taken up by the Marrakech process and its Task Forces. CSD-15 should strengthen this important work and promote eco-labeling criteria that take into account life-cycle-thinking.
- Industry support institutions such as the UNIDO/UNEP cleaner production centers play an important role in enterprise's efforts to adopt sustainable production practices and therefore should be mentioned in the negotiating text.
- One of the most promising instruments for the implementation of Sustainable Consumption and Production is Sustainable Public Procurement. By applying environmental and social criteria to filter and prioritise tenders, authorities send clear signals to the market that products and suppliers that are sustainable will achieve a competitive advantage.
- Initiatives for Corporate Social and Environmental Responsibility and Accountability like the UN Global Compact should be promoted. Through the Global Compact companies are asked to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption.

Thank you, Mr. Chair