

- CHAPTER 3
- (a) Promoting sustainable development through trade liberalization;
 - (b) Making trade and environment mutually supportive;
 - (c) Providing adequate financial resources to developing countries and dealing with international debt;
 - (d) Encouraging macroeconomic policies conducive to environment and development.³⁰

Witnesses before the Committee called for a renewal of the institutions of the United Nations, and of international funding agencies, such as the International Monetary Fund (IMF) and the World Bank. Of prime importance, the traditional approaches and ways of thinking and doing things must be adjusted. Decision-making at all levels must now be assessed against the international goals of sustainable development. It was pointed out that the IMF and the World Bank are institutions of the North. They do not necessarily reflect the needs or goals of the South. This statement was reinforced by Mahbub ul Haq, who informed the Committee that in 1992 the World Bank transferred \$22 billion to the Third World, but in turn collected debts of \$23.7 billion. Tim Draimin called for democratization and reform of the IMF, the World Bank, and the General Agreement on Tariffs and Trade:

These supranational institutions must have accountability to southern as well as northern populations.³¹

Recommendation No. 4

The Committee recommends that the Government of Canada assist in addressing the problems of developing nations (external indebtedness, restricted access to markets, depressed commodity prices and inequitable terms of trade) by pressing in the international arena for reforms in the United Nations and international financial institutions which would fulfil the Agenda 21 goal of promoting sustainable development through trade, foreign aid, and other economic policies.

³⁰ Agenda 21, Chapter 2. Final advanced version of the chapter, as adopted by the Plenary in Rio de Janeiro, on 14 June 1992.

³¹ *Minutes of Proceedings and Evidence of the Standing Committee on Environment*, Issue No. 46, 17 November 1992, p. 12.