

Recommendation

Strong public environmental assessment criteria should be applied to all international assistance programs, including those focused on debt relief and economic adjustment. The Government should devote greater attention and resources to supporting environmental efforts in indebted countries, including debt for nature transactions.

Response

The Government agrees that environmental assessment criteria should be applied to all development assistance programs. CIDA reviews the environmental impact of its project activities during the project preparation process and is currently reviewing its entire policy on the environment to further emphasize environmental programming.

As a result of an initiative by the Minister of Finance in 1988, environmental assessments and country environmental programs are being prepared by the World Bank. As well, the terms of the ninth replenishment of the concessional resources of the International Development Association, again reflecting Canadian leadership, called on the World Bank to prepare country action plans, develop guidelines for sensitive ecosystems, consult affected populations and have early executive board consideration of environmentally sensitive projects. We have supported the formation of a Global Environment Facility, on an interim, pilot basis, by the World Bank, which would develop programs in co-operation with the United Nations Environment Program and the United Nations Development Program.

The Government is actively supporting environmental concerns in regional development banks and UN agencies.

The debt overhang places additional burdens on the ability of debtor countries to respond to environmental concerns. The Government will consider debt-for-nature swaps, on a case-by-case basis, where the conversion of debt is linked to use of local resources for environmental purposes. Policies designed to achieve sustainable development will help overcome the problems of environmental degradation and over-population.

Canada played a key role in the negotiation of the Montreal Protocol for the Ozone Layer and the subsequent decisions both to expand its scope and to establish a fund for developing countries. Canada's contribution will be approximately C\$15 million for the first three years. The question of additional resources to support international environmental efforts in developing countries will be addressed in the Government's Green Plan.

Recommendation

Ways must be found to convert some of the dividends of East-West peace into North-South co-operation and to convert capacities for war into capacities for human development and conservation that add real security to our shared global environment.