

needed to create an international environment that is strongly supportive of national development efforts are thus vital. International cooperation in this area should be designed to complement and support - not to diminish or subsume - sound domestic economic policies, in both developed and developing countries, if global progress towards sustainable development is to be achieved.

2. The international economy should provide a supportive international climate for achieving environment and development goals in the following ways:

(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.

(2 bis) See attached

PROGRAMME AREAS

A. Promoting sustainable development through trade

Basis for action

3. An open, equitable, secure, non-discriminatory and predictable multilateral trading system, consistent with the goals of sustainable development, and which leads to the optimal distribution of global production in accordance with comparative advantage, is of benefit to all trading partners. Moreover, improved market access for developing countries' exports in conjunction with sound macroeconomic and environmental policies would have a positive environmental impact and make therefore an important contribution towards sustainable development.

4. Experience has shown that sustainable development requires a commitment to sound economic policies and management, an effective and predictable public administration, the integration of environmental concern into decision-making and progress towards democratic Governments, in the light of country-specific conditions, which allows for full participation of all parties concerned. These attributes are essential for the fulfilment of policy directions and objectives listed below.

5. The commodity sector dominates the economies of many developing countries in terms of production, employment and export earnings. An important feature of the world commodity economy in the 1980s was the prevalence of very low and declining real prices for most commodities in international markets and a resulting substantial contraction in commodity export earnings for many producing countries. The ability of those countries to mobilize, through