



26 August - 4 September 2002



ASEAN REPORT TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT



JOHANNESBURG, SOUTH AFRICA
26 August - 4 September 2002

The Association of Southeast Asian Nations (ASEAN) was established on 8 August, 1967. The members of the Association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. The ASEAN Secretariat is located in Jakarta, Indonesia.

ASEAN Report to the World Summit on Sustainable Development

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FOREWORD

A decade ago, at the Earth Summit in Rio, we witnessed a historic moment in fostering global partnership for sustainable development. The event was symbolic, not only in giving new meaning to sustainable development – linking economic growth, social development and environmental protection; it also paved the way for concrete actions contained in Agenda 21, through effective collaboration among the developed and developing nations as articulated by the Rio Resolutions. Much more could have been accomplished if the spirit of Rio had been faithfully upheld.

Ten years after Rio, the environment has deteriorated, natural resources have been depleted on a larger scale, poverty has increased, social and health conditions have been degraded, the poor nations have become poorer even as the rich nations have become richer. The prospect for a sustainable future has become bleaker after the promise of Rio.

However, the ten years has taught us some valuable lessons. For one, we need to discard the business-as-usual mentality. The environment will not take care of itself. It does not have a chance against the onslaught of unsustainable trade practices, human over-consumption and production, a growing population, and environmentally unsound technologies and practices.

Two, the linkage among economic growth, social development and environmental protection is real and should be addressed in a holistic manner. In this respect, ASEAN, unlike any other region in the world, has felt the full impact of these factors over the last decade. Until the late 90's, ASEAN member countries experienced rapid economic growth, led by industrialization and export-led growth. Poverty levels were reduced, and less pressure was exerted on the natural resources. The financial crisis of 1997-98 reversed that beneficent trend and set back the gains achieved. Poverty increased, social and political unrest ensued, driving away business and investor confidence. The economic and social gloom was compounded by the severe forest fires of 1997-1998 in the region, which, apart from its environmental dimension, drove away tourists and curtailed other economic activities.

Third, resolutions, principles, declarations need to be translated into concrete programs and implemented. The political will has to be exerted to provide the means for implementation in terms of technology, finance and other capacity requirements. Based on the principle of common but differentiated responsibility, the haves and the bigger consumers and polluters should look upon this as a win-win situation. It is not just a moral obligation anymore. Unless environmental costs are internalized, through trade, pricing, etc., developed countries have an obligation to provide the necessary means to developing countries to conserve the environment for the common good.

It is in this vital aspect that the World Summit on Sustainable Development (WSSD) has to take up the challenge as a matter of priority. The Rio Resolutions and Agenda 21 have established

principles, strategies and action plans for sustainable development. They are valid today as they were ten years ago. What is needed is the successful implementation of those commitments. Since Rio, declarations, targets and commitments have been made at various fora, including the Millennium Declaration, the Monterrey Declaration on Financing for Development, WTO negotiations, in particular the Doha Declaration, United Nations Forum on Forests, and the annual CSD meetings. WSSD cannot and should not renegotiate the declarations and commitments made at these specialized sectoral fora. On the other hand, WSSD provides a unique opportunity to pull together all these sectoral resolutions to provide the impetus for holistic, action-oriented implementation measures for real progress towards sustainable development.

The ASEAN Report to the World Summit on Sustainable Development is presented partly in order to assist the WSSD to set in place targeted, time-bound, practical and implementable actions for achieving specific sustainable development goals. In particular, the report emphasizes the use of regional governance mechanisms and regional goals and plans as a vehicle to implement these efforts at the national and regional levels.

ASEAN believes that in setting up the sustainable development framework, WSSD should draw upon the lessons, experiences, institutional settings, mechanisms, realities and dynamics of regional inter-governmental frameworks. This report offers that for the Southeast Asian region.

It is within this framework that this report highlights ASEAN's challenges in realizing sustainable development, its efforts in addressing these challenges and its commitments to a sustainable Southeast Asia. The report also outlines key priority program areas for which ASEAN invites partnerships and collaboration for implementation in the region. The report concludes with recommendations that the WSSD could adopt to facilitate the achievement of national and regional imperatives through concrete and targeted measures at the global level.

I hope the international community will find this report useful in their deliberations for the World Summit on Sustainable Development.



RODOLFO C. SEVERINO, Jr.

Secretary General of ASEAN

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LIST OF ABBREVIATIONS AND ACRONYMS

ACE	ASEAN Center for Energy
AAEAP	ASEAN Environmental Education Action Plan
AAEID	ASEAN Environmental Education Inventory Database
AEGE	ASEAN Experts Group on the Environment
AEM	ASEAN Economic Ministers
AEY	ASEAN Environment Year
AFAS	ASEAN Framework Agreement on Services
AFMM	ASEAN Finance Ministers Meeting
AFTA	ASEAN Free Trade Area
AHMM	ASEAN Health Ministers Meeting
AIA	ASEAN Investment Area
AICO	ASEAN Industrial Cooperation
AIDS	Acquired Immune Deficiency Syndrome
AII	ASEAN Information Infrastructure
ALMM	ASEAN Labor Ministers Meeting
AMAF	ASEAN Ministers on Agriculture and Forestry
AMC	ASEAN Member Country
AMEM	ASEAN Ministers of Energy Meeting
AMM	ASEAN Ministerial Meeting
AMME	ASEAN Ministerial Meeting on the Environment
AMMH	ASEAN Ministerial Meeting on Haze
AMMST	ASEAN Ministerial Meeting on Science and Technology
AMMSWD	ASEAN Ministerial Meeting on Social Welfare and Development
AMMTC	ASEAN Ministerial Meeting on Transnational Crime
AMMY	ASEAN Ministerial Meeting on Youth
AMRDPE	ASEAN Ministers on Rural Development and Poverty Eradication
AMRI	ASEAN Ministers Responsible for Information
ARCBC	ASEAN Regional Center for Biodiversity Conservation
ASC	ASEAN Standing Committee
ASEAN	Association of Southeast Asian Nations
ASOEN	ASEAN Senior Officials on the Environment
ASP	ASEAN Surveillance Process
ATM	ASEAN Transport Ministers
AWGCME	ASEAN Working Group on Coastal and Marine Environment
AWGNCB	ASEAN Working Group on Nature Conservation and Biodiversity
AWGMEA	ASEAN Working Group on Multilateral Environmental Agreements
CEPT	Common Effective Preferential Tariff
C&I	Criteria and Indicators

CLMV	Cambodia, Laos, Myanmar and Viet Nam
CSD	Commission on Sustainable Development
EU	European Union
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
GEF	Global Environment Facility
HIV	Human Immunodeficiency Virus
HPA	Hanoi Plan of Action
HTTF	Haze Technical Task Force
ICT	Information and Communication Technology
IAI	Initiative for ASEAN Integration
MALM	Meeting of ASEAN Law Ministers
M-ATM	Meeting of ASEAN Tourism Ministers
MEA	Multilateral Environmental Agreement
MNE	Multinational Enterprise
MRA	Mutual Recognition Arrangement
NICEM	National Instrumentation Center for Environmental Management
NGO	Non-governmental Organization
ODA	Overseas Development Assistance
PIC	Prior Informed Consent
POP	Persistent Organic Pollutant
PPM	Process and Production Method
PSI	Pollutant Standards Index
R&D	Research and Development
RHAP	Regional Haze Action Plan
S&T	Science and Technology
SEAFDEC	Southeast Asian Fisheries Development Center
SEOM	Senior Economic Officials Meeting
SoER	State of the Environment Report
SFM	Sustainable Forest Management
SME	Small and Medium Enterprise
SOM	Senior Officials Meeting
SPAE	Strategic Plan of Action on the Environment
STD	Sexually Transmitted Disease
TELMIN	Telecommunications Ministers Meeting
UN	United Nations
UNEP	United Nations Environment Program
USEPA	United States Environmental Protection Agency
UNFF	United Nations Forum on Forests
WCED	World Commission on Environment and Development
WSSD	World Summit on Sustainable Development
WTO	World Trade Organization

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*The Association of Southeast Asian Nations (ASEAN) -
“a concert of Southeast Asian nations, outward looking,
living in peace, stability and prosperity, bonded together
in partnership in dynamic development and in a
community of caring societies”. (ASEAN Vision 2020)*

1

ASEAN'S SUSTAINABLE DEVELOPMENT FRAMEWORK

The Association of Southeast Asian Nations (ASEAN), established in 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand, has by 1999 grown to be an association of ten countries with the admission of Cambodia (Brunei Darussalam joined in 1984, Viet Nam in 1995, Lao PDR and Myanmar in 1997). The institutions and processes in ASEAN have evolved gradually, building upon member countries' great diversity - in size, levels of development, natural and human resources, histories, cultures, values and traditions, languages, religions, races, economic and social institutions, and political systems. Taking into account this diversity, ASEAN cooperates voluntarily and on a consensus basis for the common good, with peace and economic, social and cultural development as its primary purposes. This is reflected in the ASEAN Declaration of 8 August 1967:

“The Association of Southeast Asian Nations represents the collective will of the nations of Southeast Asia to bind themselves together in friendship and cooperation and, through joint efforts and sacrifices, secure for their peoples and for posterity the blessings of peace, freedom and prosperity”.

ASEAN continues to be a dynamic region despite the economic setbacks caused by the financial crisis of 1997–1998. As ASEAN faces the challenge of achieving sustainable development in the context of today's increasingly globalized world, it has recognized the need for greater integration and cooperation among member countries. No longer does ASEAN separate financial from commercial and investment concerns, nor the environment and social concerns or science and technology from the demands of economic growth.

In 1997, the Heads of State and Government of ASEAN (ASEAN Summit) reaffirmed their commitments to the aims and purposes of the Association and articulated a long-term vision, ASEAN Vision 2020, which reflects the desire of ASEAN to pursue a more sustainable path to development. The Vision calls for

“ ... a clean and green ASEAN with fully established mechanisms for sustainable development to ensure the protection of the region’s environment, the sustainability of its natural resources and the high quality of life of its peoples”.

ASEAN Vision 2020 forms the sustainable development framework for the ASEAN member countries to collectively pursue ASEAN’s goals, as set forth in the Vision, by the year 2020. The ASEAN Summit in adopting this Vision decided that the goals of Vision 2020 will be achieved through a series of medium-term action plans, which will set strategies and specific activities with measurable targets and outputs, including means of implementation and mid-term review mechanisms. The first of such action plans, known as the Hanoi Plan of Action (HPA) for the years 1999 to 2004, was adopted by the ASEAN Summit in 1998.

ASEAN shares and believes in the global vision for sustainable development and has the commitment and political will for integrating environmental considerations into development planning. ASEAN Vision 2020 and the HPA reflect ASEAN’s responsive integrated policy framework, which weaves together demographic dynamics, social development, economic growth, natural resource use and environmental protection, and other development initiatives.

This report to the World Summit on Sustainable Development (WSSD) highlights ASEAN’s sustainable development framework and describes how it contributes to and complements the global sustainable development framework. The world is now more integrated than ever, be it in the economic, financial, social, environmental or political arena. ASEAN with its strong political, institutional and policy mandate has the necessary clout to initiate and bring about change within the Southeast Asian region in response to member countries’ needs and the region as a whole. Only ASEAN is able to offer such a mandate in this region. Recognizing this, ASEAN leaders have committed themselves to “promote ASEAN awareness and its standing in the international community (HPA objective)”. To ensure responsiveness and effective delivery, the leaders have resolved “to improve ASEAN’s structures and mechanisms (HPA objective)” to meet national, regional and global imperatives.

ASEAN considers its Vision 2020 and the series of medium-term action plans, starting with the Hanoi Plan of Action, as part and parcel of the global effort to plan and implement national and regional sustainable development activities in the Southeast Asian region. It draws heavily upon, and ensures complementarity and synergy with, the Rio Resolutions, Agenda 21 and the various multilateral instruments agreed upon. ASEAN

BOX A:

The Hanoi Plan of Action (1999 – 2004)

The Hanoi Plan of Action aims to achieve the following 10 objectives:

1. Strengthen Macroeconomic and Financial Cooperation
2. Enhance Greater Economic Integration
3. Promote Science and Technology Development and Develop Information Technology Infrastructure
4. Promote Social Development and Address the Social Impact of the Financial and Economic Crisis
5. Promote Human Resource Development
6. Protect the Environment and Promote Sustainable Development
7. Strengthen Regional Peace and Security
8. Enhance ASEAN's Role as an Effective Force for Peace, Justice, and Moderation in the Asia-Pacific and in the World
9. Promote ASEAN Awareness and its Standing in the International Community
10. Improve ASEAN's Structures and Mechanisms

Each of these objectives is supported by a number of strategies, totaling more than two hundred, to set ASEAN on the path towards achieving sustainable development in accordance with ASEAN Vision 2020.

believes that in setting the future sustainable development framework, WSSD should draw upon the lessons, experiences, institutional settings, mechanisms, realities and dynamics of regional inter-governmental frameworks. This report offers that for the Southeast Asian region.

It is within this framework that the report highlights ASEAN's challenges in realizing sustainable development, its efforts in addressing these challenges and its future commitments towards a sustainable Southeast Asia that is able to meet "the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987).

Section 2 of this report reviews the three mutually reinforcing pillars of sustainable development - the major economic, social and environmental issues in ASEAN and the initiatives that ASEAN has taken to address these issues. It provides a brief overview of the progress in each of these areas, the current initiatives, plans and future activities. This section also briefly outlines key priority program areas in which ASEAN invites partnerships and collaboration.

Section 3 provides an overview of ASEAN's governing framework. It highlights the ASEAN and national institutional frameworks and the role of the ASEAN Secretariat and illustrates the governance and implementation mechanisms for regional initiatives in the Southeast Asian region.

The report concludes with recommendations that the WSSD could adopt to facilitate achievement of national and regional imperatives through concrete and targeted measures worked out at the global level.

2

ASEAN INITIATIVES ON SUSTAINABLE DEVELOPMENT

2.1 ECONOMIC DEVELOPMENT

Sustained economic growth is the key to sustainable development. It provides the means for nations and people to uplift their living standards and have a decent and healthy lifestyle, with adequate housing and education. More importantly, it allows measures to be taken to promote the conservation of natural resources and protection of the environment, which in turn fuels economic growth and sustains life. Conversely, economic retardation creates a vicious cycle of self-destruction - loss of jobs and income which leads to poverty, social unrest and conflicts over basic needs, over-exploitation and consequent depletion of natural resources.

Since Rio 1992, over the last decade, ASEAN, unlike any other region of the world, has experienced both these effects, in fact on a dramatic scale. ASEAN experienced rapid economic growth through industrialization and export-led growth. This enabled ASEAN to move away from resource-based industries to manufacturing and service industries. Rural communities were able to find jobs in these sectors, and thereby exerted less pressure on the natural resources. Member countries were able to devote more resources for environmental protection. The financial crisis of 1997-1998 set back all that. Poverty and social unrest increased. Being traditionally resource-based, member countries inevitably increased the exploitation of their natural resources to sustain their level of income. Confidence in the international economic and financial architecture to promote sustainable development took a big hit.

Nevertheless, ASEAN remained steadfast to economic integration and an open trading system. The financial crisis only increased ASEAN's resolve to accelerate these measures. ASEAN recognized that self-help, improved governance and transparency are equally important to achieve these goals.

This section outlines the major measures ASEAN has taken to promote economic growth, trade liberalization, investment, and to enhance the necessary infrastructure facilities. ASEAN hopes the international community could strengthen and sustain a conducive global economic and financial architecture that would complement and support the regional initiatives, and avoid the bitter lessons of the past.

The ASEAN region has seen high economic growth rates since the early 1990s, with many of the member countries pursuing rapid industrialization and export-led growth. This is attributed to the “remarkable savings rate, liberal trade and investment regimes, general freedom of capital movement, deliberate policies of attracting foreign investments into export industries, effective tourism programs, enlightened leadership, a skilled and industrious workforce, the importance given to education and health care, the so called ‘Confucian ethic’, [and] social discipline” (Severino, 2001). In light of the challenges posed by globalization, ASEAN leaders recognized early on that stronger regionalism is required to brace countries against the powerful winds of globalization.

Despite the setbacks and turmoil brought about by the financial crisis of 1997-98, ASEAN is committed more than ever to pursue economic liberalization, promote trade and investment regimes that are increasingly integrated in ASEAN, and open to the rest of the world. This is reflected in the 1998 ASEAN Summit reaffirmation of their commitment to “maintain an open trade and investment environment in ASEAN, including through the accelerated implementation of the ASEAN Free Trade Area (AFTA), the ASEAN Investment Area (AIA) and the ASEAN Industrial Cooperation (AICO) Scheme”.

BOX B:

ASEAN Facts and Figures

Combined Gross Domestic Product (2000)	US\$ 577.5 billion
ASEAN Economic Growth	
2000	5.5%
2001 (estimated)	2.8%
ASEAN Gross Domestic Product per capita (2000)	US\$ 1,124 (nominal)
range (nominal)	US\$ 141 – 23,071
range (purchasing power adjusted)	US\$ 1,271 - 27,571
National Income Levels*	
Low	Cambodia, Lao PDR, Myanmar and Viet Nam
Lower middle	Indonesia, Philippines and Thailand
Upper middle	Malaysia
High	Brunei Darussalam and Singapore

Reference: Adapted from SoER2, 2001:25

(* Per capita national income in 1998 as ranked by the World Bank)

ASEAN Free Trade Area (AFTA)

On 1 January 2002, the AFTA reached a major milestone with the six original members of ASEAN having cut their tariff barriers on almost all manufactured and agricultural products to between zero and five per cent. The remaining four countries were allowed to delay their tariff reductions until between 2006 and 2010. The AFTA agreement concluded in 1992, required the elimination of tariff barriers among the Southeast Asian

countries with a view to integrating the ASEAN economy into a single production base and creating a regional market of 500 million people. By lowering tariff rates, ASEAN hopes to enhance economic competitiveness and promote cross-border trade and investment in the region. The reduction of barriers in intra-regional trade also provides the ASEAN consumer with wider choices and better quality consumer products. The ultimate target of AFTA is the elimination of all import duties by 2010 for the six original members and by 2015 for the newer members.

Partly as a result of the successful implementation of the Agreement on the Common Effective Preferential Tariff (CEPT) Scheme for the AFTA, trade among ASEAN countries has grown from US\$44.2 billion in 1993 to US\$95.2 billion in 2000, representing an average annual increase of 11.6 per cent.

One of the desired outcomes of AFTA is the rationalization of industrial production in the region. The rationalization of production region-wide is expected to allow for product specialization and thus avoid duplication of expensive production facilities in ASEAN countries. ASEAN is currently undertaking a comprehensive ASEAN Competitiveness Study which would provide recommendations for regional industrial clustering. Regional clustering would enable better management of scarce resources and minimise negative impacts on the environment from uneconomical and uncontrolled industrial activities.

BOX C:

ASEAN's Response to the Financial Crisis

The 1997-1998 financial crisis prompted ASEAN to accelerate regional financial cooperation. The ASEAN Vision 2020 resolved to "maintain regional macroeconomic and financial stability by promoting closer consultations on macroeconomic and financial policies"; and "continue to liberalize the financial services sector and closely cooperate in money and capital market, tax, insurance and custom matters".

In response to the financial crisis in 1997-1998, the ASEAN Finance Ministers set up a regional surveillance mechanism called the ASEAN Surveillance Process (ASP) in early 1999. The ASP works as a crisis prevention mechanism for the region through close monitoring of global and regional economic and financial developments, and the semi-annual peer reviews by the ASEAN Finance Ministers. At these peer reviews, recent

developments and any emerging vulnerability are brought to the attention of the Ministers for their joint policy discussion and formulation. This is a part of an overall effort to promote greater macroeconomic and financial stability in the region, including the development of ASEAN capital markets, implementation of sound international financial practices and standards and orderly financial liberalization.

Since 1999, six peer reviews have been conducted and the discussions have focused on policy measures that contribute to sustainable economic recovery, such as stimulating domestic demand, maintaining prudent fiscal management and expediting bank and corporate restructuring.

The Asian Development Bank has provided substantial support to ASEAN in implementing the above measures.

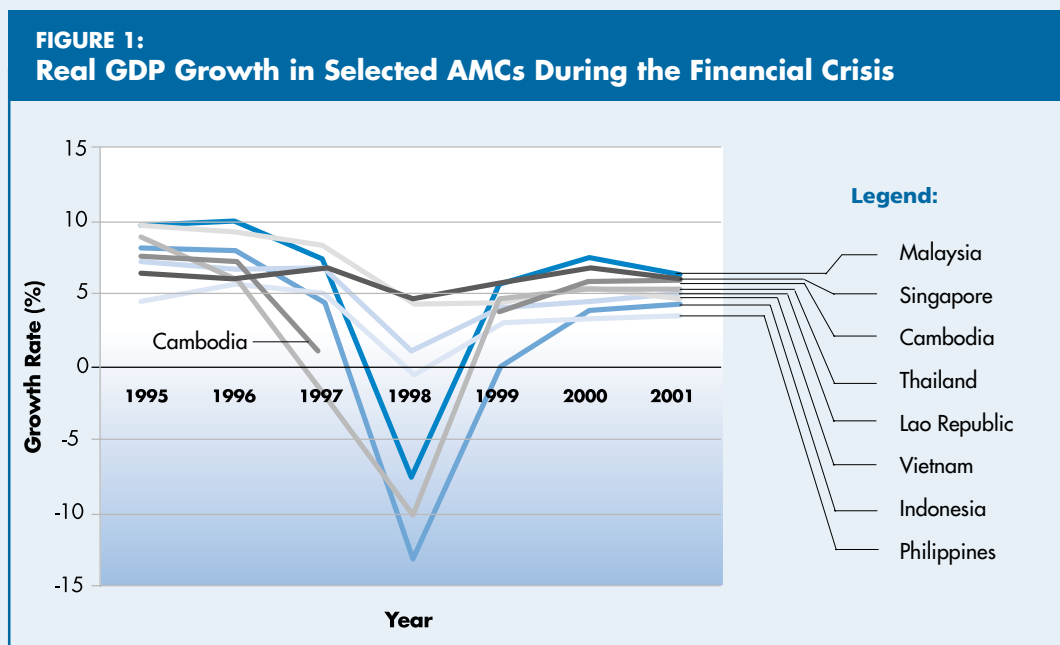
With the substantial realization of AFTA early this year, ASEAN further resolved to promote economic linkages among East Asian countries (China, Japan and the Republic of Korea) through the ASEAN+3 processes.

ASEAN Framework Agreement on Services (AFAS)

In addition to trade in goods, ASEAN committed itself to the liberalization of trade in services through the signing of the ASEAN Framework Agreement on Services (AFAS) on 15 December 1995. The objectives of AFAS are:

- to enhance cooperation in services among member countries in order to improve efficiency and competitiveness, diversify production capacity and supply, and distribution of services of their service suppliers within and outside ASEAN;
- to eliminate substantially restrictions to trade in services among member countries; and
- to liberalize trade in services by expanding the depth and scope of liberalization beyond those undertaken by member countries under the General Agreement on Trade in Services (GATS) with the aim of realizing a free trade area in services.

Figure 1 below illustrates the impact of the financial crisis on real gross domestic product (GDP) growth in selected AMCs before and after the crisis.



Reference: SoER2, 2001:27, figure 4.1

Note: Data for 2000 estimated; data for 2001 projected.

At present, the ASEAN Economic Ministers (AEM) have signed three packages of commitments under AFAS and concluded two rounds of negotiations on seven services sectors: air transport, business services, construction, financial services, maritime transport, telecommunications and tourism services. The AEM have launched the third round of negotiations to cover all sectors and modes of supply, beginning 2002 and ending 2004.

Liberalization of trade in services in ASEAN is carried out on the “GATS-Plus” principle, in which member countries are expected to schedule commitments that are better than their commitments under the General Agreement on Trade in Services (GATS) of the World Trade Organization (WTO), or schedule commitments in new service sectors yet to be made under their GATS’ commitments. For non-WTO members of ASEAN, the GATS-Plus principle requires them to schedule commitments to their ASEAN partners that are no less favorable than their existing services regime.

The benefits of liberalization of trade in services include: enhanced competitiveness of services providers in the region to support freer flow of goods, increased foreign direct investment in the services sectors, improved transfer of technology, freer flow of services professionals that would eventually catalyze economic development and the integration process throughout the ASEAN region.

ASEAN Investment Area (AIA)

ASEAN is also integrating itself as a single investment destination. In October 1998, the ASEAN Economic Ministers signed a framework agreement establishing the ASEAN Investment Area. Under this agreement, ASEAN countries are to open their industrial sectors to ASEAN investors to the extent of giving national treatment to such investments. Any exceptions to this are to be phased out according to a short and definitive schedule.

ASEAN Industrial Cooperation (AICO)

The AICO scheme provides for companies operating in two or more ASEAN countries to receive full AFTA treatment immediately. Since the AICO Scheme was introduced in 1996, a total of 146 applications were received, of which 90 were approved. The value of these approved AICO arrangements is expected to generate US\$ 1.09 billion intra-ASEAN trade transactions per year.

The major participating countries are Indonesia, Malaysia, Philippines and Thailand. More than 90% of the participating companies are from the automotive related sector with a handful from the electronics sector. The participating companies include Denso, Toyota, Honda, Volvo, Sony, Nissan, Nestle/Goya, Ford and Mitsubishi.

When the AFTA is fully realized in 2002/2003 for the six original signatories of the CEPT Scheme, the AICO Scheme would not bring any particular advantage to the

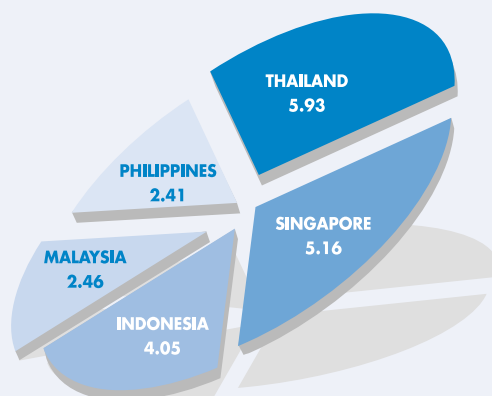
companies operating in these countries as the AICO tariff rates would be the same as the CEPT tariff rates. Therefore, to maintain the relevance of the AICO scheme beyond 2003, ASEAN is now working towards making the AICO rate more attractive than the CEPT rate.

The AICO Scheme has been well received by the private sector and in response to their request, ASEAN has agreed to extend the automatic waiver on the 30% national equity requirement until 31 December 2002.

Tourism

ASEAN recognizes the strategic role of tourism for economic growth and to sustain the rich and diverse social, cultural and historical heritage of ASEAN. ASEAN's rich cultural and natural heritage lends itself to being a major world tourist attraction. Tourism receipts contribute significantly to member countries' foreign exchange earnings (see Figure 2). Currently, ASEAN is developing an ASEAN Tourism Agreement that would facilitate quality tourism and strengthen the capacity of ASEAN to attract tourists within and from outside the region. Tourism, in particular nature and eco-tourism, has tremendous potential in promoting sustainable development in the region. ASEAN is committed to ensuring that adequate care is taken so that tourism does not degrade the very resource that it depends on.

FIGURE 2:
Tourism Receipts in Selected ASEAN Countries, US\$ Billion (1999)



Reference: SoER2, 2001:157, figure 10.3

ASEAN's Integrated Infrastructure Network

Economic integration requires good infrastructure facilities in the region, such as regional networks of highways, railways, telecommunications, power grids and water and gas pipelines. ASEAN Vision 2020 calls for the establishment of "interconnecting arrangements in the field of energy and utilities for electricity, natural gas and water within ASEAN through the ASEAN Power Grid and a Trans-ASEAN Gas Pipeline and Water Pipeline", and the promotion of cooperation in energy efficiency and conservation, as well as the development of new and renewable energy resources.

BOX D: **ASEAN Center for Energy (ACE)**

Established in January 1999, the ASEAN Center for Energy (ACE) envisions itself to be a catalyst for the economic growth and development of the ASEAN region by initiating, coordinating and facilitating regional as well as joint and collective actions on energy. To realize this vision, ACE will accelerate the integration of energy strategies within ASEAN by providing relevant information on state-of-the-art technology and expertise to ensure that over the long-term, necessary energy development policies and programs are in

harmony with economic growth and environmental sustainability in the region.

Its current work program is based on the ASEAN Plan of Action for Energy Cooperation, 1999-2004 which includes the ASEAN Power Grid; the Trans-ASEAN Gas Pipeline; Coal and Clean Coal Technology Promotion; Energy Efficiency and Conservation Promotion; New and Renewable Energy Development; and Energy Policy and Environmental Analysis.

A feasibility study has been completed for the Singapore – Kunming Rail Link, a project which envisions the linking of mainland Southeast Asia's railways to each other and to Kunming in Southern China. In terms of energy, the projected ASEAN Power Grid aims to make the delivery of energy more reliable, ensure a market for ASEAN suppliers of power, and provide energy security to the energy-deficit members. The trans-ASEAN gas pipeline network, parts of which are already in place, supports the same objectives. These infrastructure linkages will not only make trade easier but also represent enormous investment opportunities in the region.

e-ASEAN

Today, regionalism takes on a larger meaning and scope than market integration alone. The ASEAN countries are working closely together in other emerging areas in order to strengthen their national and the region's competitiveness. In no other area is this more vital than in acquiring technological prowess, without which the ASEAN nations cannot hope to move forward economically, much less flourish, in today's globally competitive world.

In 1999, the ASEAN leaders endorsed the e-ASEAN initiative. e-ASEAN aims to develop a broad-based and comprehensive framework, including physical, legal, logistical, social and economic infrastructure, to promote an ASEAN e-space, as part of the ASEAN positioning and branding strategy. e-ASEAN covers the economy, society and government.

A high-level e-ASEAN Task Force comprising government and private sector representatives is working on concrete measures to realize e-ASEAN. These include measures to put in place the necessary legal and policy environment, the encouragement of e-commerce, and the skills necessary to both develop and use the technology.

The e-ASEAN Task Force has identified pilot projects for each of these sectors and is working on guidelines to clarify policy issues involved in the establishment of an electronic marketplace in ASEAN.

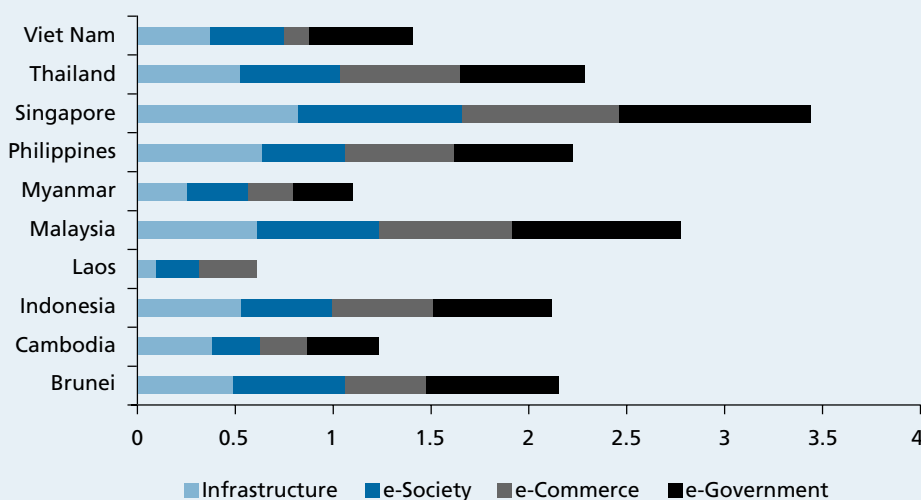
One of the projects being implemented is the ASEAN e-Farmers project, which seeks to address the challenges of improving the economic welfare of ASEAN's farming community. This project aims to allow farmers and producers direct access to critical market information and the market itself through the Internet or electronic marketplace. This marketplace is an e-Hub which will provide a comprehensive set of services to enable farmers and other producers to engage in trade and complete their transactions on-line.

In an effort to localize Internet traffic and encourage the growth of indigenous content and services in the region, the Task Force is working on establishing an ASEAN Information Infrastructure (AII) and has initiated consultative dialogues with the private sector to explore short- and long-term plans for the AII.

The Task Force has formulated plans to accelerate the development of e-commerce across the region and identified key factors, such as cyber laws, secure messaging infrastructure, payment gateways, and on-line services and products for regional development.

An e-Readiness Assessment was conducted in 2001 to assess ASEAN's preparedness to compete in the global networked economy. The assessment measured the member countries' readiness in terms of ICT infrastructure, e-Society, e-Commerce and e-Government as shown in Figure 3.

FIGURE 3:
Composite e-Readiness Level of ASEAN Countries



Reference: e-Readiness Assessment (Final report, Phase One), 2001:7

BOX E:**e-ASEAN Framework Agreement**

An e-ASEAN Framework Agreement was signed by the ASEAN Leaders at the 2000 Summit. This initiative represents a collective effort by member countries to reduce the digital divide and to plug into the global information network.

The objectives of this agreement are to

- promote cooperation to develop, strengthen and enhance competitiveness of the ICT sector in ASEAN;
- promote cooperation to reduce the digital divide within individual and amongst ASEAN member states;

- promote cooperation between the public and private sectors in realizing e-ASEAN; and
- promote the liberalization of trade in ICT products, ICT services and investments to support the e-ASEAN initiative.

The framework agreement spells out the mechanism for operation in six main areas, namely connectivity and inter-operability, local content, a seamless environment for electronic commerce, a common marketplace for goods and services relating to information and communications technology, development of human resources, and e-governance.

Initiative for ASEAN Integration (IAI)

ASEAN is committed to reducing the imbalances in economic and social development among countries in the region to enable them to act collectively based on common aspirations to attain regional goals. Towards this end, the 2000 ASEAN Summit launched the 'Initiative for ASEAN Integration' (IAI) aimed at narrowing the development gap within ASEAN member countries by assisting the newer members namely, Cambodia, Lao PDR, Myanmar and Viet Nam (the CLMV countries). A six-year IAI Work Plan (2002-2007) has been developed to expedite greater regional economic integration, promote equitable economic development and help alleviate poverty in CLMV. The IAI Work Plan focuses on four priority areas, namely:

- infrastructure development, covering transport and energy;
- human resource development;
- information and communications technology (ICT); and
- promoting regional economic integration in CLMV countries, covering trade and services, investment promotion, customs and standards.

The IAI Work Plan will be the principal guide for ASEAN regional cooperation with respect to narrowing the development gaps of Cambodia, Lao PDR, Myanmar and Viet Nam over the next six years.

Key Priority Areas for Partnership and Collaboration

ASEAN Free Trade Area

- Development of a consistent trade regime that will promote intra- and extra-ASEAN trade which would allow more effective agglomeration of production activities toward optimum scales of natural resource use.
- Support for the promotion of regional division of labour and build upon each member country's comparative advantage.
- Support for the implementation of the recommendations of the proposed ASEAN Competitiveness Study.

ASEAN Investment Area – Facilitating Foreign Direct Investment Flows into ASEAN

- Promote collaboration with multinational enterprises (MNEs) in the technology development process and the facilitation of technology transfer.
- Develop clear policy guidelines in promoting clean industries and technologies.
- Establish a capacity-building program to assist member countries to strengthen their institutional and policy framework (which include training on skills development, human resource development and outreach program).
- Develop a policy or framework to attract quality foreign direct investment to support development, generate employment and narrow the development gap.
- Develop a code of conduct, or best practices for MNEs to contribute to the sustainable development efforts of member countries and the region.

e-ASEAN

- Assist in the implementation of the e-ASEAN initiative, especially in establishing the ASEAN Information Infrastructure, and reducing the digital divide among ASEAN member countries, and between ASEAN and rest of the world.
- Promote the use of e-commerce in the trading of agricultural products through ASEAN e-Farmers initiative which would improve the market reach of small holders and fishermen.

Initiative for ASEAN Integration (IAI) Work Plan

- Support the implementation of the IAI Work Plan, especially in the areas of infrastructure development, human resource development, information and communication technology, and regional economic integration.
- Accelerate the integration of CLMV's markets through various economic initiatives.

Sustainable Energy

- Support the implementation of the ASEAN Plan of Action for Energy Cooperation, 1999-2004 which includes the ASEAN Power Grid; the Trans-ASEAN Gas Pipeline; Coal and Clean Coal Technology Promotion; Energy Efficiency and Conservation Promotion; New and Renewable Energy Development; and Energy Policy and Environmental Analysis.

2.2 SOCIAL DEVELOPMENT

Sustainable development is not only about generating wealth but also ensuring its equitable distribution. ASEAN recognizes that a decent quality of life for its people requires a high quality environment. Contrary to popular belief, the activities of the poor are not the main source of environmental degradation. However, they are the most affected by it in terms of quality of life and health. All ASEAN member countries, except Singapore, have a high percentage of rural population who depend on subsistence livelihood, relying on agriculture and natural resources for their sustenance. Declining productivity, pollution, erosion, natural calamities (such as floods and droughts), depressed commodity prices and the influx of cheap imports, impose formidable challenges to their livelihood. These challenges lead them to exploit the natural resources unsustainably. Those that have migrated to the urban areas in search of better opportunities are not doing any better. The heavily populated cities cannot cope with basic shelter and sanitation needs. Poverty levels and health conditions in the cities are worse than those of their rural counterparts.

This section deals with these two key issues of social development, poverty and health and their interrelationships with the environment.

Poverty

The poverty levels in ASEAN have been declining (see Table 1). However, the poverty levels in most of the newer member countries are still considerably high and a high percentage of population in ASEAN member countries (45 per cent) have incomes of less than US\$ 2 per day. It is the poor that lack or do not have the resources to cope with the impacts of environmental degradation, which often result in further environmental degradation and their continuing marginalization. Therefore, addressing poverty remains a high priority for ASEAN in its quest to achieve sustainable development.

In addressing the issue of poverty, ASEAN Vision 2020 envisions “a socially cohesive and caring ASEAN where hunger, malnutrition, deprivation and poverty are no longer basic problems, where strong families as the basic units of society tend to their members particularly the children, youth, women and elderly; and where the civil society is empowered and gives special attention to the disadvantaged, disabled and marginalized and where social justice and the rule of law reign”. The Hanoi Plan of Action calls for the implementation of the Plan of Action on ASEAN Rural Development and Poverty Eradication, and the implementation of the ASEAN Plan of Action on Social Safety Nets to ensure that measures are taken to protect the most vulnerable sectors of the society.

BOX F: ASEAN Facts and Figures

Average HDI* Ranking of AMCs	1993	1997	2000
(of 174 countries; lower is better)	96	92	89
Poverty Trends in AMCs	1987	1993	1998
Income under US\$1 per day	24%	16%	11%
Income under US\$2 per day	63%	52%	45%
Income Distribution in AMCs	Poorest 10%	Richest 10%	
Approximate share of household income, mid-late 1990s	2.2%	26%	
Illiteracy in AMCs	1990	1998	
Men (range among all countries)	5 - 49%	3 - 43%	
Women (range among all countries)	10 - 86%	6 - 80%	

Reference: SoER2, 2001:39

* HDI is UNDP's Human Development Index

**TABLE 1:
Poverty in Selected ASEAN Member Countries**

Country	Survey Years	% of people in poverty		
		Rural	Urban	National
Cambodia	1993-1994	43.1	24.8	39
	1997	40.1	21.1	36.1
Indonesia	1987	16.4	21.1	17.4
	1994	14.3	16.8	15.1
	1997	16.3	12.1	14.7
	1999	26.1	19.4	23.5
Lao PDR	1993	53	24.1	46.1
Malaysia	1989	-	-	15.5
	1997	16.1	4.1	16.1
Myanmar	1997	22.4	23.9	22.9
Philippines	1994	53.1	28	40.6
	1997	51.2	22.5	37.5
Thailand	1990	-	-	18.0
	1994	13.1	10.2	13.1
	1997	17.2	1.5	12.9
Viet Nam	1993	57.2	25.9	50.9

Reference: SoER2, 2001:42, table 5.3

Note: Data not strictly comparable as national poverty lines differ from country to country.

Framework Plan of Action on Rural Development and Poverty Eradication

In October 1997, a regional forum for ASEAN cooperation on rural development and poverty eradication was created through the inaugural meeting of the ASEAN Ministers on Rural Development and Poverty Eradication (AMRDPE). The creation of the forum was timely, as the economic crisis affecting the region in 1997-1998 had set back the achievements of ASEAN in reducing the number of people living below the poverty line during the years of economic growth.

ASEAN's vision for rural development and poverty eradication as adopted in 1997 is to promote "the development of progressive, prosperous, and self-reliant rural communities" which will contribute towards creating a caring society in the ASEAN member countries.

The Framework Plan of Action on Rural Development and Poverty Eradication was adopted by ASEAN in 1997. The key actions identified in the Plan were:

- building and/or enhancing capacities for research, assessment and monitoring of poverty in ASEAN countries;
- training of facilitators on rural development and poverty eradication; and
- developing a campaign for enhancing national and regional public awareness on rural development and poverty eradication.

To further address the adverse social impact of the financial crisis in ASEAN, an ASEAN Action Plan on Social Safety Nets was adopted in December 1998. Priorities in the Action Plan include (a) targeting and rapid impact assessment methodologies for social programs; (b) service delivery and related operational issues; (c) role of central and local governments in social safety nets; and (d) partnerships in social policy.

To promote sustainable rural development, ASEAN recognizes:

- that poverty eradication efforts should not be addressed in isolation but need to involve other sectors; and
- the need to look ahead into the longer-term impact of globalization on the poor and marginalized, to consider ways to promote meaningful participation of the poor and the marginalized in the new global economy, through improving access to social services in particular, and also by improving access to information technology and modern telecommunications, including the Internet.

TABLE 2:
Access to Health Services (Selected ASEAN Countries)

Country	% of population with access to									Child Immunization (% of children aged under 12 months)					
	Health care			Safe Water			Sanitation			Measles			DPT		
	1980	1995	2000	1980	1995	2000*	1980	1995	2000*	1980	1995	2000	1980	1995	2000
Cambodia	-	-	-	-	13	32	-	-	-	-	75	-	-	79	-
Indonesia	-	43	-	-	62	75	-	51	66	-	89	-	-	92	-
Lao PDR	-	-	-	-	39	44	-	19	46	-	65	-	-	54	-
Malaysia	-	88	-	-	88	94 ¹	75	91	98 ¹	11	81	-	58	90	-
Myanmar**	30	-	75	20	60	67	20	43	46	-	82	86	4	84	75
Philippines	-	-	-	-	-	87	-	-	83	9	86	-	47	86	-
Singapore	-	100	-	100	100	100	-	97	100	47	88	-	84	95	-
Thailand	30	59	-	-	81	76	-	70	96	-	86	-	49	94	-
Vietnam	75	-	-	-	36	56	-	21	73	1	95	-	4	94	-

Reference: SoER2, 2001:46, table 5.9

Notes: * United Nations Statistics, 2000.
 ** Data obtained from Myanmar.
 1 Rural areas only.

Health

The trends in health services in ASEAN in terms of access to health care, safe water, sanitation and child immunization are summarized in Table 2. Table 3 and Table 4 indicate the life expectancy and mortality rates, and the risk factors and potential future challenges for health services respectively.

The HPA strategies on health care include strengthening the ASEAN Regional AIDS Information and Reference Network, the implementation of the ASEAN Work Program to Operationalize the ASEAN Plan of Action on Drug Abuse Control by 2004, and the development and implementation of high-profile flagship programs on drug abuse control, in particular those related to prevention, education, treatment and rehabilitation for youth.

Healthy ASEAN 2020

In April 2000, the ASEAN Health Ministers adopted the Healthy ASEAN 2020 Declaration, which envisioned that by 2020, “health shall be at the center of development and ASEAN cooperation in health shall be strengthened to ensure that our peoples are healthy in mind and body and living in harmony in safe environments”.

The Declaration seeks to:

- strengthen and further intensify ASEAN cooperation in health to ensure that health concerns are mainstreamed in the development effort;
- ensure that health development concerns are effectively integrated into the larger scheme of regional cooperation;
- promote advocacy and enhance the state of public awareness of health-related issues;
- ensure availability and accessibility of safe, affordable, efficacious and quality health-related products and services to meet the needs of ASEAN;
- strengthen the national and collective ASEAN capacity on the issues of health implications from globalization and trade liberalization; and
- enhance the competitiveness of ASEAN health-related industries taking into account the strengths and diversity of ASEAN member countries.

In March 2002, the ASEAN Health Ministers adopted a declaration to intensify the regional effort to improve the lifestyles of the ASEAN Peoples so that by 2020 all ASEAN citizens will lead healthy lifestyles consistent with the values, beliefs and culture in supportive environments.

**TABLE 3:
Life Expectancy and Mortality Rates in ASEAN Member Countries**

Country	Life Expectancy at Birth		Infant Mortality (per 1000 live births)		Under-five Mortality (per 1000)		Child Mortality (per 1000)		Adult Mortality (per 1000)		Survival to Age 65 (% of cohort*)	
	1980	2000 ^a	1980	2000 ^a	1980	1998	Male	Female	Male	Female	Male	Female
	1980	2000 ^a	1980	2000 ^a	1980	1998	1988-89 ^{a/}	1988-89 ^{a/}	1998	1997	1997	1997
Brunei Darussalam	–	76	–	10.0	–	–	–	–	–	–	–	–
Cambodia	39	58	201	103.0	330	143	–	–	357	309	45	51
Indonesia	55	68	90	48.0	125	52	19	20	237	186	62	70
Lao PDR	45	55	127	93.0	200	–	–	–	376	320	43	50
Malaysia	67	75	30	7.7	42	12	4	4	186	113	71	82
Myanmar ^{b/}	52	62	N/A	79.0	–	72	–	–	–	–	–	–
Philippines	61	71	52	35.0	81	40	21	19	197	149	68	75
Singapore ^{b/}	72	79	8	2.5	10	5	–	–	131	75	80	88
Thailand	64	72	49	29.0	58	33	11	11	206	116	67	79
Viet Nam	63	70	57	38.0	105	42	–	–	225	153	65	75

Reference: SoER2, 2001:47, table 5.11

Notes:

- ^{a/} Data for most recent year available.
- ^{b/} Data from respective AMCs.
- * A cohort is a generational group as defined in demographics, statistics, or market research.
- [^] United Nations Statistics, 2000.

TABLE 4:
Risk Factors and Potential Future Challenges for Health Services in ASEAN Member Countries

Country	Prevalence of anaemia (% of pregnant women)	Low-birth weight babies (% of births)	Prevalence of child malnutrition (% of children under 5)		Consumption of iodised salt (% of households)	Smoking prevalence		Cigarette consumption (per smoker per year)	Tuberculosis		Prevalence of HIV	
			Weight for Age	Height for Age		Male (% of adults)	Female (% of adults)		Incidence (per 100,000)	Prevalence (thousands of cases)	Adults infected (%)	People infected (number, all ages)
	1985-99 ^u	1992-98 ^u	1992-98 ^a	1992-98 ^u	1992-98 ^u	1985-99 ^u	1985-99 ^u	1988-98 ^u	1997	1997	1997	1997
Cambodia	-	18	-	-	7	70	10	912	539	101	2.4	130,000
Indonesia	64	11	34	42	62	-	-	-	285	1,606	0.05	52,000
Lao PDR	62	18	40	47	93	62	8	949	167	17	0.04	1,100
Malaysia	56	8	20	-	-	-	-	-	112	30	0.62	68,000
Myanmar ^{b/}	58	16	36	37	80	N/A	N/A	N/A	83	20	0.11	29,636
Philippines	48	11	30	33	15	-	-	-	310	481	0.06	24,000
Singapore	-	-	-	-	-	32	3	5,110	55 (1997) 48 (1999)	2	0.15 ^d	1,325 ^d
Thailand	57	7	-	-	50	49	4	2,140	142	180	2.23	780,000
Viet Nam	52	17	40	36	65	73	4	730	189	89.7 ^{d/}	124 ^{d/}	8,302 ^{d/}

Reference: SoGER2, 2001:47, table 5.12

Notes: ^{u/} Data are for the most recent year available.

Prevalence of anaemia, or iron deficiency, is defined as haemoglobin levels less than 11 grams per decilitre among pregnant women.

Low-birth weight babies are newborns weighing less than 2,500 grams, with the measurement taken within the first hours of life, before significant postnatal weight loss has occurred.

Prevalence of child malnutrition is the percentage of children under 5 whose weight for age is less than minus two standard deviations from the median of the reference population.

Smoking prevalence is the percentage of men and women over 15 who smoke tobacco products.

Incidence of tuberculosis is the estimated number of new tuberculosis cases (all forms).

Adult HIV-1 seroprevalence is the estimated percentage of people over 15 who are HIV 1 positive.

The Declaration seeks to:

- strengthen ASEAN cooperation among member countries to promote healthy ASEAN lifestyles;
- strengthen the national and collective ASEAN capacity for research and policy development, implementation, monitoring and evaluation;
- enhance awareness and develop health literacy among ASEAN peoples about healthy lifestyles; and
- work together to build supportive environments and opportunities for healthy lifestyles choices.

Recognizing that demographic transition, urbanization, industrialization, globalization, environmental change and other socio-economic changes impacts on health, the Declaration on Healthy Lifestyles identified twelve priority areas for the promotion of healthy lifestyles, including environmental health.

A Regional Action Plan of the Framework for Promoting Healthy ASEAN Lifestyles was also adopted by the Ministers. The Action Plan calls for immediate action by member countries to address the following issues relevant to environmental health:

- safe water and healthy food – to scale up their actions to secure access by all households, workplaces and public places to sanitation, safe water and healthy food;
- road safety/physical safety – to incorporate healthy lifestyles issues into public planning systems, especially with regard to transport and land use, safe transportation, provision for pedestrian and non-motorized traffic, considerations about noise, green space for physical activity, for example; and
- to undertake analyses of social and environmental determinants of healthy lifestyles operating in an ASEAN context, and conduct research into investments for healthy public policy and the health of vulnerable groups.

ASEAN Healthy Cities Initiatives

The ASEAN Workshop on the Healthy Cities Implementation is scheduled to be held in Sarawak, Malaysia from 18 to 21 June 2002. The healthy cities project aims to improve the health of the city dwellers through improved living conditions and better health services in association with various urban development activities. It is intended to bring together the partnership of the public, private and voluntary sectors to focus on urban health and tackle health issues in a broad participatory way.

BOX G:**ASEAN Summit Declaration on HIV/AIDS**

One of the major issues in health is the human immunodeficiency virus (HIV) or the acquired immune deficiency syndrome (AIDS) pandemic. The HIV/AIDS is a threat to human security and a formidable challenge to the right to life and dignity that affects all levels of society without distinction of age, gender or race. The ASEAN Heads of State and Government recognize that at least 1.6 million people in the region are living with HIV/AIDS, and with the number rapidly increasing and if left unchecked will undermine social and economic development in ASEAN.

Therefore, at the 2001 Summit, the Heads of State and Government adopted the ASEAN Summit Declaration on HIV/AIDS. Acknowledging that prevention is the only effective way to combat the spread of HIV/AIDS, the ASEAN Summit pledged to

- lead and guide the national responses to the HIV/AIDS epidemic as a national priority to prevent the spread of HIV infection and reduce the impact of epidemic by integrating HIV/AIDS prevention, care, treatment and support and impact mitigation priorities into the mainstream of national development planning, including poverty eradication strategies and sectoral development plans;
- promote the creation of a positive environment in confronting stigma, silence and denial; elimination of discrimination; addressing the prevention, treatment, care and support needs of those in vulnerable groups and people at risk, particularly young people and women; and strengthening the capacity of the health, education and legal systems;
- intensify and strengthen multisectoral collaboration involving all development

ministries and mobilizing for full and active participation a wide range of non governmental organizations, the business sector, media, community based organizations, religious leaders, families, citizens as well as people infected and affected by HIV/AIDS in the planning, implementation and evaluation of national responses to HIV/AIDS including efforts to promote mutual self help;

- continue collaboration in regional activities that support national programs particularly in the area of education and life skills training for youths; effective prevention of sexual transmission of HIV; monitoring HIV, STDs and risk behaviors; treatment, care and support for people living with and affected by HIV; prevention of mother to child transmission; creating a positive environment for prevention, treatment, care and support; HIV prevention and care for drug users and strengthening regional coordination among agencies working with youths; and
- strengthen regional mechanisms and increase and optimise the utilization of resources to support joint regional actions to increase access to affordable drugs and testing re-agents; reduce the vulnerability of mobile population to HIV infection and provide access to information, care and treatment; adopt and promote innovative inter-sectoral collaboration to effectively reduce socioeconomic vulnerability and impact, expand prevention strategies and provide care, treatment and support.

A comprehensive ASEAN Work Program on HIV/AIDS (2002 – 2005) has been developed and adopted to support the implementation of the Declaration.

Key Priority Areas for Partnership and Collaboration

Health Services

- Support for the implementation of the Healthy Cities Project in order to improve the health and quality of life of urban dwellers through improved living conditions and better health services in association with various urban development activities.
- Support for the implementation of the Healthy ASEAN 2020 Declaration. Programs include availability and accessibility of safe and affordable health services and products; enhancing the competitiveness of ASEAN health related industries; capacity-building on the impact of globalization and trade liberalization on health related issues.
- Support for the Implementation of the ASEAN Regional Action Plan of the Framework for Promoting Healthy ASEAN Lifestyles

Poverty Eradication

- Support for the implementation of the Framework Plan of Action on Rural Development and Poverty Eradication and related programs. Actions include:
 - building and /or enhancing capacities for research, assessment and monitoring of poverty;
 - training of facilitators on rural development and poverty eradication;
 - enhancing public awareness on rural development and poverty eradication;
 - development of strategies for creating employment and income-generating activities;
 - developing mechanisms to allow for greater multisectoral participation and involvement of government, NGOs, private sector, international organizations, community based organizations and especially local communities in the delivery of social services;
 - providing the infrastructure to bring basic health and sanitation services to the poor and rural areas; and
 - building up technical and financial capabilities at the local and community levels.

HIV/AIDS

Support for the implementation of the ASEAN Work Program on HIV/AIDS II (2002-2005)

2.3 SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

ASEAN's environment and natural resource endowments are unique and diverse. Forest cover in ASEAN is over 48%, compared to the world average of below 30%. Three of the seventeen mega biodiversity countries are in ASEAN. The aquatic ecosystems and the marine environment in ASEAN are highly productive and species rich. In 1998, it contributed 14% of the world's marine fish production, and contained 35% of the world's mangrove forests, and 30% of the world's coral reefs.

The half a billion people in ASEAN depend primarily on these natural resource endowments for their livelihood. In many ASEAN countries, land resources and terrestrial ecosystems are under increasing stress due to a growing population and the extension of agricultural land into forest and other ecologically sensitive areas. External factors such as the greater incidence of poverty due to the economic crisis, low market prices for commodities, and unfavorable terms of trade have led to over-exploitation of these resources. The deforestation rate in ASEAN for 1990-2000 is estimated at 1.04% compared to the world average of 0.23%.

Of greater significance is the extensive damage caused by forest fires and other natural disasters. While these factors have caused significant loss of natural resources, very little sustained support has been provided by the international community to address these problems in the long-term.

ASEAN member countries are actively engaged in addressing global environmental issues. Almost all member countries are parties to the major multilateral environmental agreements. While ASEAN is not the major source of global environmental problems such as climate change, ozone layer depletion, and generation of hazardous wastes, they are most vulnerable to their adverse effects. ASEAN is concerned that the global community does not accord equal attention to local environmental problems such as urban air pollution, contamination of freshwater resources, degradation of land and loss of biodiversity. ASEAN is also burdened with the onerous obligations of these MEAs, without the promised substantial financial and technical support to implement them. In this respect, ASEAN is taking the lead in promoting synergy and coordination among these MEAs to overcome institutional and human resource constraints, and at the same time to ensure a holistic and synergistic approach to the issues.

Since its early days, ASEAN has embraced the concept of sustainable development. The Manila Declaration of 1981 calls on member countries to “ensure the protection of the ASEAN environment and the sustainability of its natural resources, so that it can sustain continued development with the aim of eradicating poverty and attaining the highest possible quality of life for the peoples of the ASEAN countries”. ASEAN continued to refine its framework for environmental cooperation in the last two decades through various Ministerial Declarations. ASEAN’s current initiatives on the environment are guided by ASEAN’s Vision 2020, in particular the 15 program areas as set out in the Hanoi Plan of Action.

BOX H: ASEAN Facts and Figures

Megadiversity Countries (80 % of global biological diversity)	Indonesia, Malaysia and Philippines (of 17 countries globally)	
Terrestrial Protected Areas	1,014 sites protecting 418,000 sq km	
Forest Cover (2000)	Percent of Land Area	
World	under 30%	
ASEAN	over 48%	
Forest Loss in ASEAN (average annual decrease, sq km/ year)	1970-1990 15, 720	1990-2000 23, 260
Deforestation rate, 1990-2000		
ASEAN	1.04% per year	
World	0.23% per year	
Asia overall	< 0.1 % per year	

Reference: SoER2, 2001:81

BOX I: ASEAN Ministerial Declarations on the Environment

- Manila Declaration on the ASEAN Environment, 30 April 1981
- Bangkok Declaration on the ASEAN Environment, 29 November 1984
- Jakarta Resolution on Sustainable Development, 30 October 1987
- Kuala Lumpur Accord on Environment and Development, 19 June 1990
- Singapore Resolution on Environment and Development, 18 February 1992
- Bandar Seri Begawan Resolution on Environment and Development, 26 April 1994
- Jakarta Declaration on Environment and Development, 18 September 1997
- Kota Kinabalu Resolution on the Environment, 7 October 2000

BOX J:
**Framework for ASEAN
Regional Criteria and
Indicators (C&I) for
Sustainable
Management of
Natural Tropical
Forests**

The ASEAN Ministers of Agriculture and Forestry (AMAF) endorsed the Framework for ASEAN Regional Criteria and Indicators (C&I) for Sustainable Management of Natural Tropical Forests in October 2000. The regional C&I is a guide to developing nation-specific criteria, indicators and standards which could be used to assess sustainable forest management practices or for timber certification.

ASEAN member countries are at varying stages of their C&I development. The issues to be addressed include criteria setting, institutionalization of certification, eco-labeling procedures, costing, competitiveness in the market niche, economic valuation and transparency, and the harmonization of approaches to sustainability assessment. To assist in these efforts, ASEAN is developing the Manual for the Assessment Procedures for regional C&I. This provides methodologies and procedures to measure and evaluate the achievement in implementing and monitoring the C&I. It also has a standard and comprehensive scoring scheme and result analysis system for forest management certification. The draft Manual is currently being reviewed by the concerned ASEAN bodies.

Forest Ecosystem and Biological Diversity

The ASEAN region has a total land area of 4.4 million square kilometers (nearly 439 million hectares). Most of Southeast Asia was once covered with forests, but much of this has been converted to crop lands and pastures. In mid-1990s, the regional land use pattern was as follows:

Land Use	% of Total Land Area
Forests and Woodland	53%
Agriculture	21%
Pasture	4%
Other uses, including urban areas	22%

Forest cover and deforestation vary widely among the member countries. From 1970 to 1990, ASEAN lost 31.4 million hectares of forest, a rate of about 15,700 sq km per year. Indonesia, Thailand and Myanmar accounted for 86% of the total decrease. The period 1990 to 2000 showed an increase in deforestation, the average annual loss increasing by 48% to 23,260 sq km. Indonesia, Myanmar, Malaysia and Thailand accounted for well over 90% of the total.

ASEAN’s forests are important not only for their rich biological diversity but their economic value in terms of timber and non-forest products. In 1998, for example, the ASEAN region exported forest products valued at US\$10.75 billion and imported US\$5.32 billion of forest products. As the region continues to utilize its forest resources, it is aware that it must adopt sustainable forest management practices for both economic and environmental sustainability.

In tandem with the C&I development in ASEAN, forest certification is also recognized as a market-based tool to promote sustainable forest management (SFM) through promoting trade in forest products from sustainably managed forests. Certification has brought confidence to traders in promoting wood products. National certification schemes have been developed in a number of ASEAN countries. This has ensured consideration of local situations in the

BOX K:**ASEAN-Korea Environmental Cooperation Project on the Restoration of Degraded Forest Ecosystems in the Southeast Asian Tropical Regions**

The Restoration of Degraded Forest Ecosystem in the Southeast Asian Tropical Region is a flagship ASEAN project supported by Korea. It is a five-year project (1 July 2000 – 30 June 2005), with a total funding of US\$2.45 million. The goal of the project is to contribute to the sustainable and equitable forest management and rehabilitation of deforested areas in the tropical forest ecosystems of ASEAN member countries through partnership in research, capacity-building and sharing of scientific and technical information. This project is coordinated by the National Instrumentation Center for Environmental Management (NICEM), College of Agriculture and Life Sciences of Seoul National University, and involves approximately 20 institutions in Korea and ASEAN member countries.

Key activities of the project include:

- regional research on forest ecosystems in member countries (for example, a project on forest restoration involving six ASEAN member countries, namely Cambodia, Indonesia, Lao PDR, Malaysia, Philippines and Viet Nam focusing on biodiversity and agro-forestry aspects is currently on-going);
- an education program which includes a graduate program, short-term individual and group training courses in various institutions in Korea; and
- workshops and conferences on related topics to provide opportunities for participating researchers to improve specific research skills and to share in-depth knowledge of tropical forests through the exchange of experiences and field visits.

development of standards and certification arrangements. National schemes are also committed to meet international requirements.

In addition to the development of national certification schemes, regional initiatives on forest certification could also be valuable for assisting ASEAN countries in developing certification and building capacity through analysis of common problems, exchange of experience, communication, etc. Regional initiatives could also be useful in supporting the development of comparable national standards within a common framework, and making effective use of scarce resources. In addition, they could help mobilize financial and other support to tropical timber producers and even promote common product specifications.

ASEAN regional cooperation is focused on the harmonization of standards for ASEAN forest products to support the certification processes, as stipulated in the Strategic Plan of Action on ASEAN Cooperation in Food, Agriculture and Forestry (1999-2004) and the Hanoi Plan of Action for ASEAN Cooperation in Food, Agriculture and Forestry (1999-2004). The first Workshop on Harmonization of Standards and Specifications for

TABLE 5:
World Rank of ASEAN Member Countries in Total Diversity and Endemism

Country	Rank (Biodiversity)	Rank (Endemism)
Indonesia	3	2
Malaysia	14	8
Philippines	17	15

Reference: SoER2, 2001:91, table 7.5

Note: A ranking of 1 indicates the country with the most biological diversity in the world.

ASEAN Forest Products has been conducted, starting with the standardization of names of commercial species. The second workshop will be held in 2002, to discuss the further development of harmonized standards for ASEAN forest products and to learn more about the competitiveness of ASEAN products in intra-ASEAN trade as well as in the global market.

In terms of ASEAN's terrestrial biological wealth, ASEAN has three (Indonesia, Malaysia and Philippines) of the 17 countries in the world that are recognized as megadiverse in terms of the number of species as well as endemism (see Table 5).

The major threats to the region's biological diversity are habitat loss, over-harvesting, pollution, introduction of alien species, desertification and climate change. The underlying causes of such threats are related to population growth, demographics, trade pressures, political instability, perverse incentives, economic performance, poverty, inadequate law enforcement, poor protection standards and lack of awareness.

The HPA outlines three key strategies for biological diversity conservation, namely:

- strengthen the ASEAN Regional Center for Biodiversity Conservation by establishing networks of relevant institutions and implement collaborative training and research activities;
- promote regional coordination for the protection of the ASEAN Heritage Parks and Reserves; and
- formulate and adopt an ASEAN Protocol on access to genetic resources.

BOX L: ASEAN Regional Center for Biodiversity Conservation

The ASEAN Regional Center for Biodiversity Conservation (ARCBC) was launched in 1999, as an ASEAN flagship project, with support from the European Union (EU).

The objectives of ARCBC are to:

- establish an intra-ASEAN and ASEAN/EU network of institutional links;
- foster collaborative partnership between ASEAN and European institutions in training, research and information management;
- assess and strengthen human resources capability;
- assess and improve flow of information;
- analyze, document and disseminate information on regional biodiversity conservation;
- establish and maintain an appropriate database and information referral system;
- assist institutions and stakeholders in policy analysis;
- formulate proposals to coordinate regional initiatives on biodiversity issues; and
- assist in improving curricula on biodiversity conservation.

BOX M: ASEAN Heritage Parks and Reserves

As part of ASEAN's strategy to conserve its biological resources, ASEAN has designated a total area of 41,757,000 hectares or approximately 10 per cent of its area as protected areas (See Table 6 below).

**TABLE 6:
Protected Areas in ASEAN**

Country	Number of Protected Areas	Land Area Protected	
		('000) hectares	(% of total)
Brunei Darussalam	13	930	16.4
Cambodia	20	2,863	15.8
Indonesia	331	19,253	10.1
Lao PDR*	20	3,102	14.0
Malaysia	143	1,507	4.6
Myanmar*	31	1,849	2.7
Philippines*	243	4,268	14.0
Singapore*	1	3	4.5
Thailand	158	7,077	13.8
Viet Nam	54	995	3.0
ASEAN	1,014	41,757	9.5

Reference: SoER2, 2001:96, table 7.10

* Data from respective countries

Recognizing the uniqueness, diversity and outstanding values of some of these protected areas, the ASEAN Environment Ministers in 1984 declared the following areas as ASEAN Heritage Parks and Reserves:

Brunei Darussalam	Tasek Merimbun
Indonesia	Leuser National Park
	Kerinci-Seblat National Park
	Lorentz Nature Reserve
Malaysia	Kinabalu National Park
	Mulu National Park
	Taman Negara National Park
Philippines	Mount Apo National Park
	Iglit-Baco National Park
Thailand	Khao Yai National Park
	Kor Tarutao National Park

Currently initiatives are being undertaken to recognize other unique ecosystems in the region, especially in the newer member countries, as ASEAN Heritage Parks and Reserves. One such initiative is the development of guidelines and criteria for selecting ASEAN Heritage Parks and Reserves which is currently under review. Complementing the ASEAN Heritage Parks and Reserves, initiatives are being made to identify and list cluster, and trans-border natural sites in the region as World Heritage Sites.

Freshwater Ecosystems

Population and economic growth in the ASEAN region have exerted pressure on water resources both in terms of the quantity used and quality, often with adverse impacts on freshwater ecosystems. The rational management of water resources and freshwater ecosystems is a crucial element of environmental management for sustainable development. The fresh water resources and withdrawals in ASEAN are illustrated in Table 7.

BOX N: ASEAN Facts and Figures

ASEAN Renewable Water Resource 15% of the world total (2000)

ASEAN Wetlands 19 sites of global significance covering over 620,000 hectares

Reference: SoER2, 2001:49

**TABLE 7:
Fresh Water Resources and Withdrawals in ASEAN**

Country	Annual Internal Renewable Resources		Annual Freshwater Withdrawals		Sectoral Withdrawal (% of the total)		
	Total (cu km)	Cu m/ capita (2000)	% of total internal resources	Per capita (cu m)	Domestic	Industry	Agriculture
Brunei Darussalam*	8.0	N/A	N/A	N/A	50	N/A	N/A
Cambodia	120.6	10,795	0	66	5	1	94
Indonesia	2,838.0	13,380	3	407	6	1	93
Lao PDR	190.4	35,049	1	260	8	10	82
Malaysia	580.0	26,074	2	633	11	13	76
Myanmar	880.6	19,306	N/A	102	7	3	90
Philippines	479.0	6,305	12	811	8	4	88
Singapore*	0.6	155^	56^	109^	55	45	0
Thailand	210.0	3,420	16	596	5	4	91
Viet Nam	366.5	4,591	15	814	4	10	86

Reference : SoER2, 2001:50, table 6.1

Notes : * Data from respective member countries
^ average from 1987 – 1994
N/A Not Available

ASEAN is concerned with the following issues on water resources management:

- capacity-building;
- development of national water policy, legal tools and institutional frameworks for water sector management;
- identification and study of key transboundary issues both within and across borders;
- identification and study of resource management issues in a basin wide context;
- catchment management and flood control;
- improved water quality and environmental protection;
- clear policies on private sector participation;
- autonomous and accountable water service providers in urban and rural areas;
- information for better resource management of shared water resources;
- more, and effective, stakeholder consultation and participation; and
- addressing water sector financing, water pricing, cost recovery and incentive issues.

BOX O: ASEAN Water Quality Management

ASEAN member countries have agreed on river water quality standards to be achieved by 2010 as illustrated in Table 8 below, with the highest priority accorded to urban and industrial pollutants.

**TABLE 8:
ASEAN River Classification and Long Term Water Quality Goals**

Pollutants or Parameter	Class I: Potable Water	Class II: Recreation	Class III: Commercial Fisheries	Class IV: Irrigation
pH	6-9	6-9	5-9	5-9
BOD (mg/l)	5	5	10	10
COD (mg/l)	30	30	100	100
Amm-N (mg/l)	0.3	0.3	1	3
TSS (mg/l)	50	50	150	300
DO (mg/l)	5	5	3-5	3
Faecal Coliform (counts per 100 ml)	-	1,000	-	-

Reference: SoER2, 2001:62, table 6.7

Note: Class I (drinking water) requires conventional water treatment
TSS = total suspended solids

The Hanoi Plan of Action calls for the implementation of an ASEAN regional water conservation program and the establishment of a framework to achieve long-term environmental goals for ambient air and river water qualities for ASEAN countries.

Freshwater ecosystems or wetlands are biologically rich and complex ecosystems. They provide vital spawning and nursery grounds for numerous fish species, act as pollution filters, and control erosion and floods. However, these wetlands are under threat from the exploitation of wood products, disturbances from human settlements, reclamation for agriculture, conversion to fish ponds, and pollution of various kinds.

Table 9 indicates the number of wetlands sites, degree of threat to these wetlands, and the level of protection.

**TABLE 9:
Wetlands in ASEAN Member Countries**

Country	Number of Sites	Degree of Threat				Protection Level (% of PAs)		Wetlands of International Importance*	
		None	Low	Moderate	High	Some	Full	Number	Area (ha)
Brunei Darussalam	3	0	2	1	0	10	10	-	-
Cambodia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	54,000
Indonesia	129	1	54	66	8	35	33	2	242,700
Lao PDR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-
Malaysia	37	0	5	22	10	35	55	1	38,446
Myanmar	46	0	11	26	9	-	-	-	-
Philippines	49	2	13	24	10	8	6	4	68,404
Singapore	0	N/A	N/A	N/A	N/A	-	-	-	-
Thailand	47	1	18	14	3	9	4	6	132,041
Viet Nam	23	3	14	4	2	-	-	1	12,000
ASEAN	334	7	108	134	34	-	-	17	547,591

Reference: Adapted from SoER2, 2001:65, table 6.8

Note: * Listed under the Ramsar Convention

Coastal and Marine Ecosystem

The coastal and marine resources perform essential ecological, economic and social roles in the ASEAN region. Coastal and marine waters serve as sinks for wastes from land-based sources, provide livelihood directly and indirectly to millions of people in ASEAN, provide food, maintain water cycles, regulate climatic conditions, and maintain the complex ecological balance of coastal and marine ecosystems.

The Hanoi Plan of Action calls for the development of a framework and the improvement of regional coordination for the integrated protection and management of coastal zones. It envisions the development of a regional action plan for the protection of the marine environment from land-based and sea-based activities.

BOX P: ASEAN Facts and Figures

ASEAN Coastline	173,000 km
ASEAN Mangrove Forests	35% of the world total (1998)
ASEAN Coral Reefs (the most species diverse in the world)	25-30% of world total (1998)
Global Coral Reefs at Risk	58% (27% at high/ very high risk)
ASEAN Coral Reefs at Risk	80% (55% at high/ very high risk)
ASEAN Marine Fish Production	14% of the world total (1998)
ASEAN Overall Fish Exports	15% of the world total (1998)

Reference: SoER2, 2001:49

The threats to the coastal and marine resources include pollution, shipping and accidental oil spills, siltation due to soil erosion, over-fishing, and destructive fishing methods. ASEAN member countries are addressing these threats through the formulation of detailed regional action plans for sustainable development and the management of coastal and marine resources, the development of a framework of cooperation and exchange of information, and creating public awareness of the need for rational management of coastal and marine resources.

Fisheries

ASEAN seas are very rich in marine life, with an estimated 2,500 species of fish, and as many types of invertebrates. ASEAN is a significant producer of captured and cultivated fish, accounting in 1998 for over 7 per cent of the world's inland aquaculture production, nearly 7 per cent of marine aquaculture production, nearly 14 per cent of fisheries production, 12 per cent of combined fisheries and aquaculture production, and 15 per cent of global fisheries trade. People in ASEAN consume about 20kg of fish per capita per year, which provides nearly half of their animal protein.

Pressure on marine fishery resources is increasing due to high domestic and export demand. Over-exploitation has resulted in a decline in productivity of a large number of species. A number of local stocks of small coastal pelagic fish are nearing full exploitation; for example, mackerel and round scad in the Straits of Malacca and the Gulf of Thailand, round scad in the Philippines and sardines in the Straits of Bali. Other environmental problems affecting the marine fishery resources include deteriorating marine water quality and degradation of coastal areas caused by inadequate waste management of coastal zones. Some member countries are facing problems with illegal and damaging fishing methods such as the use of cyanide or explosives to catch fish from coral reefs.

The Southeast Asian Fisheries Development Center (SEAFDEC) is undertaking several measures including upgrading of the traditional fish processing industry; promotion of mangrove-friendly aquaculture; conservation and management of sea turtles; development of fish diseases diagnostic inspection methodologies for artificially-bred seeds; improvement of fisheries statistics; and development of common guidelines for the rationalization of the code of conduct for responsible fisheries.

To achieve sustainable supplies of fish and fishery products in the ASEAN region, ministers responsible for fisheries adopted a Resolution on Sustainable Fisheries for Food Security for the ASEAN Region. The 16-point Resolution focuses on regional guidelines to implement the Code of Conduct for Responsible Fisheries; constraints on and enhancing collaboration among government agencies; the need for enhanced human resource

capabilities; regional technical cooperation; effective management of fisheries; “open access” to fisheries resources with “limited access regimes” through the introduction of rights-based fisheries; national fishery statistical systems; inland fisheries and aquaculture; the environment and biodiversity; the maximum utilization of catch; post-harvest technologies; and joint ASEAN approaches and positions on international trade in fish and fishery products.

The Ministers also called for collaboration among all concerned parties to give full effect to the Resolution and tasked the ASEAN-SEAFDEC Senior Officials to proceed with the implementation of the Plan of Action on Sustainable Fisheries for Food Security for the ASEAN Region, adopted on 24 November 2001, as a framework for formulating and implementing programs, projects, and activities through ASEAN-SEAFDEC mechanisms. The Plan of Action covers fisheries management, aquaculture, sustainable utilization of fish and fishery products, fish trade, and regional, and international policy formulation. It identifies thirty-one priority actions for achieving sustainable fisheries.

As a follow-up, a special five-year Program on the Contribution of Sustainable Fisheries for Food Security in the ASEAN region is being formulated to assist ASEAN member countries in the implementation of the Resolution and Plan of Action on Sustainable Fisheries for Food Security in the ASEAN Region. The program aims to benefit all ASEAN member countries, particularly the least developed among them, to reduce disparities and foster coordination of efforts in sustainable fisheries.

Atmosphere and Climate

With increasing industrialization and urbanization in ASEAN member countries, air pollution has become a more serious problem. A major source of air pollution in ASEAN is the combustion of fossil fuels, especially from motor vehicles and thermal electric power stations. In some member countries, substantial indoor pollution results from the inefficient burning of charcoal or wood for cooking. However, the most serious problem in the region in recent years has been transboundary haze pollution from land and forest fires.

The Hanoi Plan of Action calls for:

- full implementation of the Regional Haze Action Plan;
- strengthening of the ASEAN Specialized Meteorological Center with emphasis on the ability to monitor forest and land fires and provide early warning on transboundary haze; and
- establishment of the ASEAN Regional Research Center and Training Center for Land and Forest Fire Management.

BOX Q: ASEAN Facts and Figures

Urban Air Quality	WHO Guideline	ASEAN Range
total suspended particulate	100 µg/ cu m	95 - 270
sulphur dioxide	50 µg/ cu m	< 50
nitrogen oxide	50 µg/ cu m	< 50
Leaded Gasoline	Phased out in much of ASEAN; planned for the rest by 2001-2005	
Lead in Ambient Air	Before change to unleaded gas:	After change to unleaded gas:
Malaysia and Thailand	1.4 – 1.5 µg/ cu m	about 0.1 µg/ cu m
Singapore	0.5 – 0.6 µg/ cu m	about 0.1 µg/ cu m
Cost of the 1997-1998 Haze	US\$ 9 billion	
Land damaged in Indonesia	9 million hectares	
People adversely affected	70 million	

Reference: SoER2, 2001:109

ASEAN has agreed to a long-term goal of ambient air quality based on a pollutant standards index (PSI) below 100, adjusted wherever appropriate, by the year 2010, with priority on urban and industrialized areas. The PSI was developed by the United States Environmental Protection Agency (USEPA) to provide a simple, uniform way to report air pollution concentrations. A PSI level of 50 and below is good; 50-100 moderate (neither causing health problems); 101-200 unhealthy; 201-300 very unhealthy; and above 300 is hazardous.

Transboundary Haze Pollution

The recurrent episodes of transboundary haze pollution from land and forest fires are a serious environmental problem faced by ASEAN. The land and forest fires that hit the ASEAN region in 1997-1998 have been particularly severe, with the United Nations Environment Program (UNEP) labeling the blaze among the most damaging in recorded history. The environmental, economic and social impact of these catastrophic fires, and the associated transboundary haze pollution, was severe. The total economic losses in terms of agriculture production, destruction of forest lands, health, transportation, tourism and other economic activities have been estimated at US\$9.3 billion.

ASEAN's response to the problem has been swift and substantial. The ASEAN Ministerial Meeting on Haze was convened and a Haze Technical Task Force (HTTF) was established in September 1995. Following the 1997 fire-and-haze disaster, ASEAN adopted the Regional Haze Action Plan (RHAP). The RHAP outlines the overall framework for strengthening the region's capacity to address transboundary haze pollution through

three major components: prevention, mitigation and monitoring. Its primary objectives are to (i) prevent land and forest fires through better management policies and enforcement, (ii) establish operational mechanisms to monitor land and forest fires, and (iii) strengthen regional land and forest firefighting capability with mitigation measures. Malaysia takes the lead in prevention, Indonesia in mitigation, and Singapore in monitoring.

Since the adoption of the RHAP, the HTTF, under the guidance of the ASEAN Environment Ministers, has undertaken various initiatives, which are highlighted in Box R below.

BOX R: **Highlights of ASEAN's Initiatives on Transboundary Haze Pollution**

Institutional Arrangements

- ASEAN Ministerial Meeting on Haze
- Haze Technical Task Force
- RHAP Coordination and Support Unit within the ASEAN Secretariat
- Sub-Regional Fire-fighting Arrangements (SRFAs) for Borneo and Sumatra
- Sub-Regional Climate Review Group
- SFRA Legal Group on Law and Enforcement
- Intergovernmental Negotiating Group for the ASEAN Agreement on Transboundary Haze Pollution

Policy Initiatives

- Regional Haze Action Plan
- ASEAN Agreement on Transboundary Haze Pollution
- Zero-Burn and Controlled Burning Policy

Projects/ Activities

- ASEAN Haze Action Online (www.haze-online.or.id)

- Fire Suppression Mobilization Plans, and Immediate Action Plans
- GIS Database for Sumatra, Borneo and Peninsular Malaysia
- Video-Conferencing for the ASEAN Secretariat and SRFA member countries
- ASEAN- ADB Publication on "Fire, Smoke and Haze – the ASEAN Response Strategy"
- Dialogue Sessions with Plantation Companies
- Community Awareness Programs
- Establishment of the Coordination and Support Unit (RHAP-CSU) in the ASEAN Secretariat,
- Strengthening the ASEAN Specialized Meteorological Center
- World Conference and Exhibition on Land and Forest Fire Hazards (10-12 June 2002)
- Training Program for Prosecutors and Investigators
- Guidelines for Implementation of Zero Burning and Controlled Burning Policy

Land and forest fires occur every year, their severity subject to the vagaries of climatic conditions. No longer is the problem confined to Indonesia, Malaysia and Brunei Darussalam. Viet Nam had a serious outbreak of forest fires this year. In that sense, the problem of transboundary haze is a complex one. Much more needs to be done. The problem has an international dimension in terms of climate change and loss of biodiversity. International support needs to be sustained to address this problem comprehensively in the longer term.

Public Awareness and Environmental Education

ASEAN promotes public awareness of environmental issues, through annual national environmental campaigns and the ASEAN Environment Year, which is observed once every three years. The Ministers of Environment have also adopted the ASEAN Environmental Education Action Plan (AEEAP), 2000-2005, which is currently being implemented. (Box S).

Promotion of Environmentally Sound Technologies

ASEAN has promoted environmentally sound technologies and cleaner production. One project, the “Waste Water Treatment Technology Transfer and Cleaner Production Demonstration Project”, an A\$5.2 million activity financed by Australia, helped promote cleaner production technologies and improved waste water treatment in the textiles, food processing and distilling industries.

As a long-term measure, ASEAN is exploring the establishment of a center or a network for the promotion of environmentally sound technologies in the region. This center or network is expected to enhance national efforts in the development and use of environmentally sound technologies, while making possible the sharing of expertise, resources and promotion of harmonization and certification at the regional level.

Environmental Reporting and Data Harmonization

ASEAN has to date produced two state-of-the-environment reports (SoERs), in 1997 and 2001. The SoERs take stock of environmental conditions and their impact and interrelationship with other sectors in ASEAN, and serve as a basis for policy intervention to promote sustainable development.

ASEAN hopes eventually to harmonize the environmental databases of ASEAN member countries. ASEAN will establish harmonized quantitative information databases at both the national and regional levels to support environmental analysis, modeling and forecasting for use in the state-of-the-environment assessment and reporting.

BOX S:**ASEAN Environment Year 2000**

The ASEAN Environment Year 2000 (AEY 2000) which focused on the theme, "Our Heritage, Our Future" was successfully hosted by Brunei Darussalam in 2000. The campaign included seminars and workshops, training, exhibitions and competitions, public relations and promotional activities in each of the ASEAN member countries.

The AEY aims to:

- raise awareness of environmental issues at all levels of societies in ASEAN;
- create better informed and environmentally sensitive societies in order to enhance

capacities for the attainment of the goals of sustainable development;

- highlight ASEAN achievements in the field of environment;
- promote government-private sector partnership and active involvement of major groups in environmental initiatives; and
- stimulate regional activities in the environmental arena.

The ASEAN Environment Year is held every three years to highlight the environmental challenges in ASEAN as well as the collective action required to address these challenges.

The harmonized system will provide for comparability of data and information at the national and regional levels which will assist in monitoring and addressing the environmental conditions in the ASEAN member countries.

BOX T:**ASEAN Environmental Education Action Plan, 2001-2005**

The ASEAN Environment Ministers adopted the ASEAN Environmental Education Action Plan (AEEAP), 2000-2005, in October 2000. The AEEAP was formulated with financial assistance from the Hanns Seidel Foundation and UNEP. The Plan serves as a collaborative framework not only for ASEAN cooperation but also for regional and international organizations.

The four target areas in the AEEAP are (i) formal education; (ii) informal education; (iii) manpower capacity-building; and (iv) networking, collaboration and communication. The Action Plan recommends strategies and actions to boost environmental knowledge and awareness in the

region. It outlines priority activities that can be implemented at the national and regional levels. Various mechanisms to promote and facilitate effective networking and collaboration among member countries are also delineated. An initial activity currently being undertaken is an inventory of environmental education resources, experts and institutions in the region. The ASEAN Environmental Education Inventory Database (AEEID) will enable further promotion of environmental awareness and education through sharing of resources among ASEAN member countries.

Global Environmental Issues

ASEAN member countries are actively engaged in addressing global environmental issues, based on the principle of common but differentiated responsibilities. These include protecting the ozone layer, mitigating climate change, sustaining biological diversity and protecting endangered species, controlling transboundary movements and disposal of hazardous wastes, making wise use of wetlands, and practicing sustainable management of forests. While ASEAN member countries are not the major sources of global environmental problems, such as climate change, ozone layer depletion and hazardous waste disposal, they are most vulnerable to their adverse effects. The majority of ASEAN member countries are still grappling with domestic environmental problems, such as water and air pollution, degradation of land, and loss of biodiversity in addition to providing basic human needs and addressing poverty.

BOX U: ASEAN Facts and Figures

Participation in Multilateral Environmental Agreements (MEAs)

(r = ratified; s = signed)	ASEAN	Asia/Pacific
Vienna Convention (ozone) (r)	90%	82%
Montreal Protocol (ozone) (r)	90%	-
UNFCCC (climate change) (r)	90%	90+%
Kyoto Protocol (climate change) (s)	50%	-
Basel Convention (hazardous waste) (r)	70%	53%
Stockholm Convention (POPs) (s)	50%	-
Rotterdam Convention (PIC) (s)	20%	-
Convention on Biological Diversity (r)	80%	90%
Cartagena Protocol on Biosafety (s)	40%	-
CITES (flora and fauna trade) (r)	90%	62%
RAMSAR (wetlands) (r)	60%	45%

Greenhouse Gas (CO ₂) Emissions (tonnes per capita per year, 1996)	ASEAN	Developing countries	OECD
	1.5	2.1	10.9

Cost of Doubling Atmosphere CO₂

ASEAN	2.1 – 8.6 % of GDP
World	1.4 – 1.9% of GDP

Projected Temperature Rise in ASEAN	By 2010	By 2070
Coastal and island areas	0.1-0.5 °C	0.4-3.0 °C
Inland or mainland Southeast Asia	0.3-0.7 °C	1.1-4.5 °C

Reference: SoER2, 2001:129

Nevertheless, ASEAN has contributed substantially to addressing these global issues despite their scarce resources and other pressing national priorities. As indicated in Box U, the majority of ASEAN member countries have either signed or ratified the relevant conventions. Numerous national and regional activities have been carried out in support of these conventions.

ASEAN is concerned over the proliferation of multilateral environmental agreements. Many of these impose numerous obligations on member countries, and given the manpower and financial constraints, it is becoming increasingly difficult to fulfill those obligations. Financial and technical assistance is not coming in as envisaged in the conventions. Most of these conventions deal with global problems that are of little immediate concern to member countries, nor do they originate within their borders. Better linkage to global environmental issues and greater action to deal with problems at the local level should be demonstrated in the implementation of MEAs.

ASEAN recognizes the need to improve coordination and synergy among these MEAs, including the MEA Secretariats. It is insufficient for international institutions to just report or communicate its activities to one another, while the tendency is to create new institutions when new issues crop up. Synergy and coordination should go deeper than that. The natural interconnections between ecosystems or bio-physical relationships, the functional relationships among institutions at the national, regional and international levels, the interrelationships among issues, and the harmonization of reporting and information requirements, for example, should be exploited and enhanced.

ASEAN has recognized the critical need for such synergies and coordination among MEAs at the national and regional levels. ASEAN, with the support of the United Nations University and the United Nations Environment Program, is conducting a case study to promote synergy and coordination among MEAs in ASEAN. The overall goal of the ASEAN case study is to strengthen national governance structures and promote regional cooperation in the negotiation, ratification and implementation of MEAs by identifying linkages and synergies both between MEAs and between national institutions involved in their implementation. The study covers policy priorities, strategy and planning, institutional and legal frameworks, financing, capacity-building, information management, communications, networking and stakeholder participation. This study also identifies opportunities and constraints in promoting synergies in the implementation of the MEAs at the national and regional levels.

As international trade grows, fuelled by globalization, there will be increasing friction between the different multilateral systems of law governing environment and trade. ASEAN countries are aware of the opportunities for expanded trade, but are concerned

about the possible constraints on trade based on genuine or ostensible environmental grounds. The Doha Ministerial Conference agreed to explore the link between trade and the environment. ASEAN also recognizes that the Doha Ministerial Conference has highlighted that mutual supportiveness of trade and environment could be enhanced through the reduction or, as appropriate, the elimination of tariff and non-tariff barriers to environmental goods and services.

Key Priority Areas for Partnership and Collaboration

Sustainable Forest Management (SFM)

- Enable sustainable management of forests in ASEAN through, among other means:
 - promotion of natural and planted forests;
 - rehabilitation and restoration of degraded lands and ecosystems; and
 - a holistic approach to sustainable forestry management by tackling the underlying causes of deforestation, such as poverty, forest fires, conflict and population pressures, unfair terms of trade for forest products.
- Support regional initiatives on forest certification for the development of a common framework for certification, for example, the harmonization of standards of forest products.
- Provide sufficient capacity to ASEAN to implement the above through technology transfer, finance, and other necessary capacity-building measures.

Sustainable Management of Natural Parks and Protected Areas

- Designate more national parks and ASEAN Heritage Parks and Reserves.
- List natural parks, including cluster and transboundary parks in the World Heritage Convention.
- Build capacity for the effective management and maintenance of these protected areas as ecologically viable units and their sustainable use through eco-tourism and other beneficial uses.

Freshwater Resources

- Develop a regional water resource program, promote conservation of water resources through research and development and information sharing.
- Improve management of watersheds, river basins and critical ecosystems such as wetlands.

Coastal and Marine Environment

- Implement the mechanisms for improved regional coordination for the integrated protection and management of coastal zones.
- Develop and implement a regional action plan for the protection of the marine environment from land-based and sea-based activities.
- Build capacity for improved national and regional coordination and management of the marine and coastal environment.
- Ensure a coordinated approach to and synergy among the various programs in the marine and coastal environment of the ASEAN region by ensuring that all regional activities are coordinated by ASEAN under a common framework.

Land and Forest Fires and Transboundary Haze Pollution

- Support for the implementation of the Regional Haze Action Plan (RHAP), covering all aspects of prevention, monitoring and mitigation.
- Implement the zero-burn and controlled burn policies, including promoting the economic use of forest and agricultural wastes.
- Operationalize the ASEAN Agreement on Transboundary Haze Pollution and support the establishment of coordination and monitoring mechanisms, disaster relief efforts, research and development, and the establishment of a trust fund.

Public Awareness and Environmental Education

- Implement the ASEAN Environmental Education Action (AEEAP), 2000 – 2005, to achieve the 12 objectives of the AEEAP.
- Further develop the ASEAN Environmental Education Inventory Database to promote environmental education among ASEAN member countries by sharing and using such resources.
- Promote national and regional level environmental campaigns and awareness activities, including recognition of exemplary efforts through the proposed ASEAN Environmental Awards.

Promotion of Environmentally Sound Technologies and Cleaner Production

- Realize the early establishment of an ASEAN regional center or network for the promotion of environmentally sound technologies through:
 - incentives to facilitate the adoption of environmentally sound technologies by small and medium industries (SMEs), in accordance with the provisions of agreed multilateral instruments;
 - an ASEAN Initiative on Clean Technologies that may include (a) education and training on clean technologies and on clean technology assessment (b) database management, information dissemination (c) technology transfer activities, including the implementation of joint research and demonstration projects;
 - a capacity development program to focus on specific ASEAN industries and products that currently play an important role in projected trade growth within the region, including the development of:
 - environment benchmarks that represent ‘best practices’ for these industries and products;
 - programs in low and no-waste manufacturing approaches or management techniques to minimise environmental impacts;
 - ‘model’ approaches for environmental assessment techniques, and regulatory oversight programs appropriate for these industries and products;
 - country- and region-specific training programs for public and private organizations to foster their utilization;
 - develop environmental services as an economic growth sector for ASEAN through trade and investment.

Urban Environmental Management and Governance

- Promote better living conditions in the urban areas of ASEAN in terms of cleaner air and water, sanitation, housing, health etc. through the use of new and innovative technology, and best practices, especially in transportation and waste management.
- Greater use of market mechanisms to attract private investments in the environmental services sector while discouraging unsustainable practices.
- Provide safety nets for the poor who are unable to access these environmental services at affordable prices.

Sustainable Development Monitoring and Reporting /Database Harmonization

- Support the implementation of the ASEAN Environmental Database Harmonization process.
- Build national and regional capacity for the sustained monitoring and reporting of key indicators of sustainable development.
- Promote the use of ecosystem or regional inter-governmental frameworks for reporting, such as the Mekong Basin or the ASEAN region.
- International reporting and assessment initiatives such as the Global Environment Outlook, Millennium Ecosystem Assessment, should as a prerequisite enable the enhancement and use of national and regional reporting systems in the longer term.

Multilateral Environmental Agreements

- Strengthen institutional and legal capacities to implement Agenda 21 and multilateral environmental agreements.
- Promote synergy and coordination in the implementation of MEAs, by implementing the recommendations of the ASEAN case study.
- Develop and promote the use of ASEAN regional framework and institutional mechanisms for the implementation and coordination of MEAs, for issues such as on biosafety, access to genetic resources, management of toxic and hazardous chemicals; and institutions such as the ASEAN Center for Energy and the ASEAN Regional Center for Biodiversity Conservation.
- Develop and encourage the use of regional coordination mechanisms for reporting and information dissemination and for the monitoring and enforcement of the obligations or measures required under MEAs.
- Build capacity through adequate financial and technical support for national and regional institutions to implement the obligations under the MEAs.
- Build capacity to enhance technical knowledge and skills in the impact and interlinkages among sustainable development issues such as trade and environment.

3

ASEAN'S GOVERNANCE/ COOPERATIVE MECHANISM

ASEAN's governance mechanism has evolved gradually over the years and is now very much institutionalized covering major sectors, such as political, security, economic, social, environment and other functional areas. However, it still retains the flexibility or "looseness" that is very much in keeping with the ASEAN way of informal consultations and consensus-building. The highest decision-making body of ASEAN is the Meeting of the Heads of State and Government or ASEAN Summit held every year.

The ASEAN Declaration of 1967 established the Annual Meeting of Foreign Ministers, better known as the ASEAN Ministerial Meeting (AMM). The AMM is responsible for the formulation of policy guidelines.

BOX V:

ASEAN Ministerial Level Meetings

1. AMM:	ASEAN Foreign Ministers Meeting
2. AEM:	ASEAN Economic Ministers
3. AFTA Council:	ASEAN Free Trade Area Council
4. AIA Council:	ASEAN Investment Area Council
5. AFMM:	ASEAN Finance Ministers Meeting
6. ATM:	ASEAN Transport Ministers
7. M-ATM:	Meeting of ASEAN Tourism Ministers
8. AMEM:	ASEAN Ministers of Energy Meeting
9. AMME:	ASEAN Ministerial Meeting on Environment
10. AMMH:	ASEAN Ministerial Meeting on Haze
11. AHMM:	ASEAN Health Ministers Meeting
12. ALMM:	ASEAN Labor Ministers Meeting
13. AMMY:	ASEAN Ministerial Meeting on Youth
14. AMRDPE:	ASEAN Ministers on Rural Development and Poverty Eradication
15. AMMSWD:	ASEAN Ministerial Meeting on Social Welfare and Development
16. TELMIN:	Telecommunications Ministers Meeting
17. AMMTC:	ASEAN Ministerial Meeting on Transnational Crime
18. MALM:	Meeting of ASEAN Law Ministers
19. AMMST:	ASEAN Ministerial Meeting on Science and Technology
20. AMRI:	ASEAN Ministers Responsible for Information
21. AMAF:	ASEAN Ministers of Agriculture and Forestry

The AMM is supported by the ASEAN Standing Committee (ASC) and the Senior Officials Meeting (SOM), while the ASEAN Economic Ministers (AEM) is supported by the Senior Economic Officials Meeting (SEOM) and several working groups.

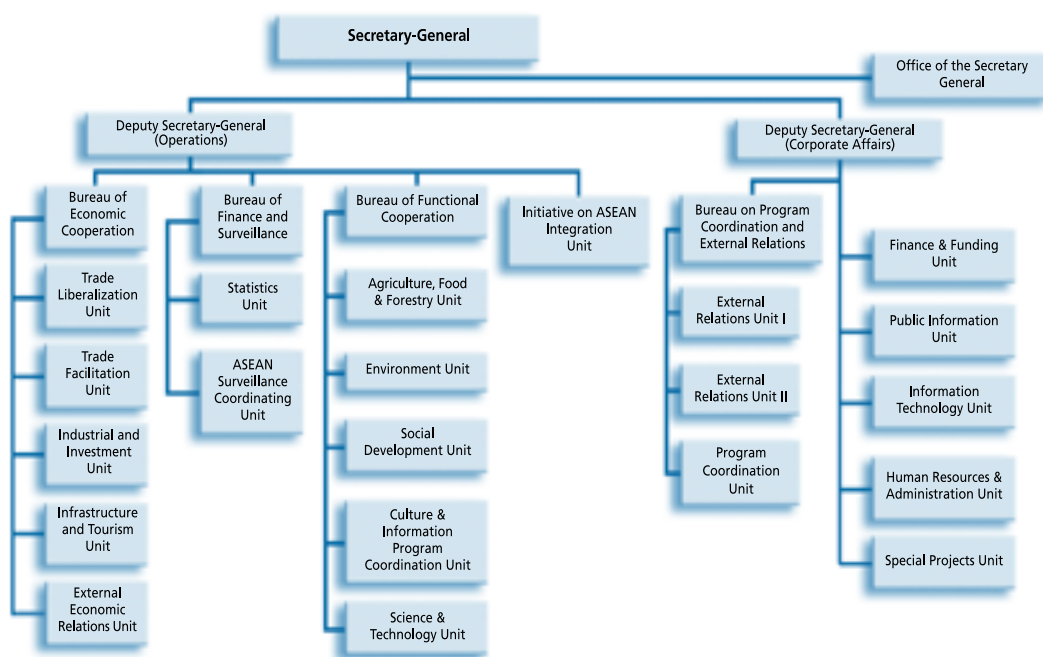
The ASEAN Economic Ministers (AEM), institutionalized in 1977, oversees economic cooperation and reports directly to the ASEAN Summit. In addition to the AMM and AEM, there are other ministerial bodies covering agriculture and forestry, energy, environment, finance, haze, health, information, labor, law, rural development and poverty eradication, science and technology, social welfare and development, tourism, transnational crime, transportation and communication, and youth (See Box V). The sectoral ministers are assisted by their respective meetings of senior officials or by designated committees.

Overall coordination at the national level in each of the ASEAN member countries is undertaken by a dedicated ASEAN department in the Ministry of Foreign Affairs.

ASEAN Secretariat

The ASEAN Secretariat was established at the First ASEAN Summit in 1976 to enhance coordination and implementation of policies, projects and activities of the various ASEAN bodies. The ASEAN Secretariat is located in Jakarta. In 1992, the ASEAN Secretariat

FIGURE 4:
ASEAN Secretariat's Organizational Structure



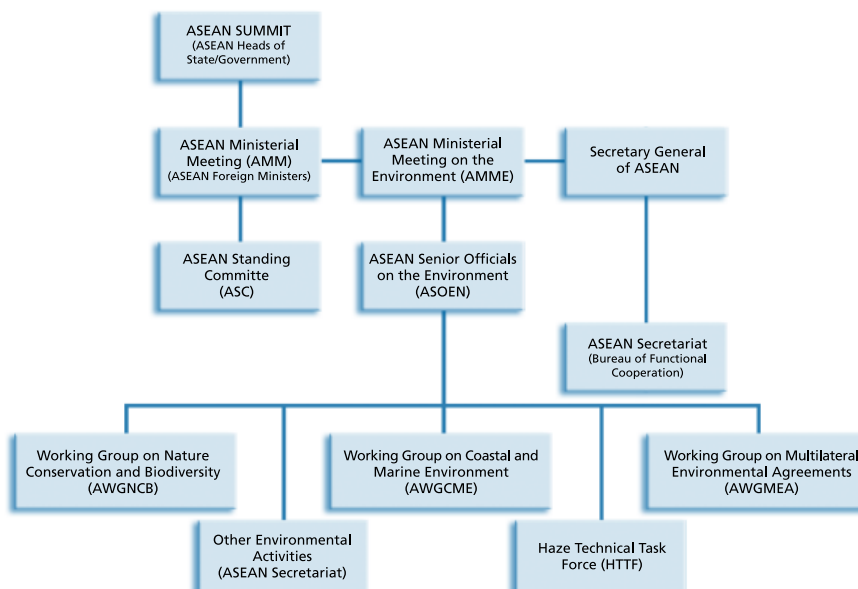
was further strengthened by injecting greater professionalism in staffing, so that it could effectively implement the expanded proactive role entrusted to it. The Secretary-General was elevated to the rank of minister and given new responsibilities to initiate, advise, coordinate and implement ASEAN activities. The work of the Secretariat further expanded in the late 1990s, with the increase in membership of ASEAN to ten member countries and the intensification of economic and functional cooperation. Figure 4 reflects the current organizational structure of the Secretariat.

ASEAN Environmental Management Framework

ASEAN cooperation on the environment started in 1978 with the establishment of an ASEAN Experts Group on the Environment (AEGE). This expert group was elevated as the ASEAN Senior Officials on the Environment (ASOEN). ASOEN meets at least once a year and is responsible for the formulation, implementation and monitoring of regional programs and activities pertaining to cooperation on the environment. ASOEN is made up of the heads of environmental ministries/departments/agencies that are responsible for environmental matters in their respective countries. Figure 5 illustrates the ASEAN Institutional Framework for Environmental Cooperation.

The cooperative programs and projects of ASOEN are guided by the ASEAN Strategic Plan of Action on the Environment (SPAEE) and are carried out through the working

FIGURE 5:
ASEAN Institutional Framework for Environmental Cooperation



groups on coastal and marine environment, multilateral environmental agreements, nature conservation and biodiversity, and the Haze Technical Task Force. In April 2000, the ASEAN Environment Ministers adopted the Strategic Plan of Action on the Environment (SPAEE) 1999-2004, which translated the 15 strategies on environmental cooperation under the Hanoi Plan of Action into specific projects and activities based on set time frames and targets. The ASEAN Secretariat coordinates and reports to ASOEN on all other activities that do not fall within the purview of the working groups; for example, environmental education, and environmentally sound technologies. The Bureau of Functional Cooperation, in particular the Environment Unit, handles all matters related to the environment. See Box W on the role of the ASEAN Secretariat in environmental cooperation.

BOX W:

Role of the ASEAN Secretariat on Environmental Cooperation

The ASEAN Secretariat:

- provides support for the institutional bodies (AMME, ASOEN and the working groups);
- acts as a resource base;
- provides advice and information;
- coordinates the implementation of regional activities and programs;
- services the meetings of the ASEAN environmental bodies;
- ensures coordination among activities of other sectoral areas to promote synergy and avoid duplication; and
- promotes coordination among ASEAN bodies and its programs and those of dialogue partners and other international organizations in terms of resource mobilization, program implementation and institutional linkages.

ASOEN reports to the ASEAN Ministerial Meeting on the Environment (AMME), which meets once every three years formally and on an informal basis annually in between the formal meetings. The AMME is primarily responsible for policy matters related to the environment. The deliberations of the environment ministers are considered by the foreign ministers at their ASEAN Ministerial Meetings, especially in terms of enhancing coordination and synergy with the other sectors of cooperation.

At the national level, ASEAN member countries have designated or established relevant institutions or interagency committees to implement Agenda 21, as illustrated in Table 10.

TABLE 10:
ASEAN Member Countries' Agenda 21 Arrangements

COUNTRY	RESPONSIBLE INSTITUTION	KEY DOCUMENTS
Brunei Darussalam	National Committee on the Environment	National Environmental Strategy; 7 th National Development Plan, 1996-2000
Cambodia	Ministry of Environment	National Environmental Action Plan, 1996
Indonesia	Ministry of State for Environment	Agenda 21 Indonesia, 1997
Lao PDR	Science, Technology and Environment Agency	State of Environment Report, 2001
Malaysia	Economic Planning Unit, Prime Minister's Department	7 th Malaysia Plan, 1996-2000 and various reports
Myanmar	National Commission for Environmental Affairs	Myanmar Agenda 21
Philippines	Philippine Council for Sustainable Development (chaired by National Economic and Development Authority; also 21 Local Councils for Sustainable Development)	Philippine Strategy for Sustainable Development, 1989; Philippine Agenda 21, 1997
Singapore	Ministry of Environment	Singapore Green Plan Action Program
Thailand	Agenda 21 Subcommittee of National Environment Board (Local Agenda 21, Department of Environmental Quality Promotion)	Policy and Prospective Plan, 1997 – 2016
Viet Nam	National Environment Agency Ministry of Science, Technology and Environment	Various reports

Reference: SoER2, 2001:187

4

RECOMMENDATIONS TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

The UN General Assembly, in launching the World Summit on Sustainable Development, called for a reinvigoration of the global commitment to sustainable development. The task was to focus on areas requiring further efforts to implement Agenda 21 and other UNCED outcomes, leading to action-oriented decisions. The Assembly hoped that WSSD would result in renewed political commitment to achieve sustainable development.

Implicit in this decision is the clear message that not much has been accomplished since Rio. In fact, environmental conditions and the world's natural resource base have deteriorated over the last ten years. The situation in ASEAN is no exception. In fact the impact has been felt on a larger scale because of the region's unique and diverse natural resources. The negative effects of globalization, skewed trade regimes, technology, unfair terms of trade for commodities and resource-based products, unequal distribution of wealth, and distorting capital flows, if not checked, have the potential to continue this destruction on a massive scale and in a shorter time period.

True to the spirit of the UN General Assembly resolution, ASEAN does not intend to call for new goals or agendas for action for sustainable development at the WSSD. The Rio Resolutions and Agenda 21 have established principles, strategies and action plans for sustainable development. They are as valid today as they were ten years ago. What is needed is the implementation of those commitments. Since Rio, declarations, targets and commitments have been set at various fora, including the Millennium Declaration, the Monterrey Declaration on Financing for Development, WTO negotiations, in particular the Doha Declaration, United Nations Forum on Forests, and the annual CSD meetings. WSSD cannot and should not renegotiate the declarations and commitments made at these specialized sectoral fora. On the other hand, WSSD provides a unique opportunity to pull together all these sectoral

resolutions to provide the impetus for holistic, action-oriented implementation measures for real progress towards sustainable development.

The recommendations that follow are made with the hope that WSSD could set in place targeted, time-bound, practical and implementable actions for achieving specific sustainable development goals. In particular, the recommendations emphasize the use of regional governance structures, and regional goals and plans as a vehicle to implement these efforts at the national and regional levels.

Encouraging Sustainable Economic Growth

Agenda 21, chapter 2 calls for the promotion of an open, non-discriminatory and equitable multilateral trading system that will enable developing countries in particular to improve their economic structures and improve the standard of living of their populations through sustained economic development. It also calls for improved access to markets for exports of developing countries and for the improved functioning of commodity markets to achieve sound, compatible and consistent commodity prices at national and international levels.

ASEAN has adopted an open trade and investment environment in the region through the implementation of the ASEAN Free Trade Area (AFTA) and the ASEAN Investment Area (AIA) in its efforts toward maintaining sustainable economic growth.

ASEAN calls for the further enhancement of the international economic and trading systems to complement these regional efforts. In particular, improved market access for developing country exports, eliminating trade-distorting subsidies and barriers to trade for agricultural products, and the provision of special and differential treatment to developing countries should be tackled with urgency.

Reform of the International Financial Structure

In response to the financial crisis in 1997- 1998, ASEAN has implemented a number of measures aimed at strengthening its financial systems and preventing a recurrence of such crises in the future. Financial and corporate sector reforms have been carried out, international financial standards and practices relating to governance, supervision, transparency and disclosure are being adopted, and the capital market is being deepened and its cross-border infrastructure further developed. A surveillance mechanism called the ASEAN Surveillance Process has been put in place since 1999 to closely monitor developments in key sectors, while policy discussions at the ASEAN Finance Ministers' semi-annual peer reviews allow early action to be taken to address any emerging vulnerability.

ASEAN calls for measures to strengthen the international financial architecture, including a review of the roles of the international financial institutions as well as international regulatory bodies in order to enhance their capacity to contain and resolve crises. Other measures include closer and more coordinated monitoring of short-term capital flows and a global agreement on disclosure requirements for such flows and closer collaboration and information sharing among national and international regulators.

The global effort in this aspect should recognize the diverse circumstances and priorities of individual economies at different stages of development. Due priority should, therefore, be accorded to measures to protect the poor and most vulnerable segments of society.

Trade and Environment

ASEAN countries are aware of the opportunities for expanded trade, but are equally concerned about the possible constraints for trade based on genuine or ostensible environmental grounds. The Doha Ministerial Conference has agreed to explore the link between trade and environment. ASEAN reiterates that trade and environmental policies should be mutually supportive and this principle should be closely adhered to in exploring the links between trade and environment. The clarification of rules in the multilateral environment, and trade instruments should not be made into an attempt to subjugate one or the other. Any obligations placed on developing countries should take into consideration the special and differential rights of developing countries. Sufficient resources and technology transfer to ensure that the developing countries are able to fulfill those obligations should accompany any new obligations agreed upon. In the immediate future, considering the complex nature of the trade-environment linkage, developing countries should be provided with the means to critically analyze these inter-relationships in order to enhance their negotiating positions.

Reducing/ Eliminating Poverty

Agenda 21's objective on combating poverty (chapter 3) is to enable all people to achieve sustainable livelihoods. The United Nations Millennium Declaration has set the target of halving the number of people earning less than a dollar a day by 2015.

ASEAN's Vision 2020 is consistent with this objective. It envisions "a socially cohesive and caring ASEAN where hunger, malnutrition, deprivation and poverty are no longer basic problems, ... where the civil society is empowered, special attention given to the disadvantaged, disabled and the marginalized, and where social justice and rule of law reigns." ASEAN has managed to more than halve the number of people earning less than a dollar a day for the period 1987 (24 per cent) to 1998 (11 per cent). In its continuing efforts to reduce poverty, ASEAN has developed a framework for rural development and poverty eradication to achieve its social development goals by 2020.

International support is sought to eliminate absolute poverty in ASEAN and to further reduce the level of poverty (almost half the people in ASEAN still earn less than US\$2 a day), in accordance with the vision and development goals set by ASEAN.

Access to Better Health Services

Agenda 21, chapter 6 called for an overall strategy to achieve health for all by the year 2000. The objectives are to meet the basic health needs of rural, peri-urban and urban populations; to provide the necessary specialized environmental health services, and to coordinate the involvement of citizens, the health and health-related sectors and relevant non-health sectors (business, social, educational and religious institutions) in solutions to health.

ASEAN has adopted Healthy ASEAN 2020, which states that “health shall be at the center of development and ASEAN cooperation in health shall be strengthened to ensure that our peoples are healthy in mind and body and living in harmony in safe environments”. Health programs include ensuring the availability of safe, affordable, efficacious and quality health-related products and services to meet the needs of ASEAN and strengthening and intensifying ASEAN cooperation in health to ensure that health concerns are mainstreamed in the development effort. ASEAN welcomes international collaboration to help realize the goals of Healthy ASEAN 2020, through implementation of the relevant programs and activities.

Sustainable Management of Natural Resources and Environmental Protection

Biological Diversity

ASEAN calls for the speedy implementation of the provisions of the Convention on Biological Diversity, in particular giving emphasis to issues that are of particular importance to resource-rich countries. These include mechanisms for the fair and equitable sharing of benefits derived from research and development and use of biological resources and the protection, promotion and equitable use of traditional knowledge. They also include mechanisms for the improvement, generation, development and sustainable use of biotechnology and its safe transfer, particularly to developing countries. ASEAN’s capacity for risk assessment and risk management of living modified organisms, as well as the legal and institutional frameworks, should be enhanced.

Through the Regional Center for Biodiversity Conservation, ASEAN has embarked on these measures at the national and regional levels. ASEAN seeks collaboration from the international community in further developing and implementing these initiatives.

Forestry

As a regional grouping of developing nations in Southeast Asia where forests contribute significantly to economic growth and sustains the way of life of the people, ASEAN has

adopted and promotes sustainable forest management (SFM) practices at all levels, particularly through intra- and inter-regional cooperative programs. However, ASEAN's efforts to accelerate the process towards effective and early implementation of SFM have been set back by a number of fundamental issues. These include, among others, financial resources, capacity-building, and technology transfer. ASEAN therefore reiterates the need for immediate and meaningful implementation of the commitments arrived at Rio.

ASEAN member countries have adopted the Framework for ASEAN Regional Criteria and Indicators (C&I) for Sustainable Management of Natural Tropical Forests and are at varying stages of their national C&I development. The issues and challenges pertaining to the development of C&I for SFM include criteria setting, institutionalization of certification, eco-labeling procedures, costing, market competitiveness, economic valuation and transparency, and the harmonization of approaches to sustainability assessment.

ASEAN calls for a long-term political commitment to promote the management, conservation and sustainable development of all kinds of forests; address the underlying causes of deforestation and forest degradation, including linking forestry issues with anti-poverty measures; and to promote trade policies that are transparent, and supports SFM, including better market access and fair pricing for forestry products.

Freshwater Ecosystems

Agenda 21, chapter 18 notes that the overall objective is to satisfy the freshwater needs of all countries for sustainable development. The activities include promoting a multi-sectoral approach to water resource management; planning for the sustainable and rational utilization, protection, conservation and management of water resources; protecting water quality and aquatic ecosystems; and providing access to safe water in sufficient quantities and proper sanitation for all.

ASEAN is committed to implementing an ASEAN regional water conservation program, encompassing all the above activities. ASEAN member countries have agreed on river water quality standards to be achieved by 2010, with priority accorded to urban and industrial pollutants. Currently, about 17 sites in the region have been designated as wetlands of international importance under the Ramsar Convention.

Coastal and Marine Resources

The objectives of Agenda 21, chapter 17 on coastal and marine resources include the protection and preservation of the marine environment, especially preventing, reducing and controlling the degradation of the marine environment to maintain and improve its life support and productive capacities. They also encompass the conservation and sustainable use of marine living resources on the high seas.

ASEAN is committed to improving regional coordination for the integrated protection and management of its coastal zones. It is also committed to addressing pollution from land- and sea-based activities through the development of a regional action plan for the protection of its marine environment.

ASEAN calls for international support to enhance such regional coordination. Currently, interventions in the coastal and marine environment of ASEAN are fragmented, with numerous players pursuing similar goals and overlapping initiatives.

Atmosphere and Climate

The objectives of Agenda 21, chapter 9 on transboundary atmospheric pollution include:

- observing and assessing systematically the sources and extent of transboundary air pollution resulting from natural processes and anthropogenic activities;
- strengthening the capabilities, particularly of developing countries, to measure, model and assess the fate and impacts of transboundary air pollution, through, *inter alia*, exchange of information and training of experts;
- developing capabilities to assess and mitigate transboundary air pollution resulting from industrial and nuclear accidents, natural disasters and the deliberate and/or accidental destruction of natural resources; and
- encouraging the establishment of new, and the implementation of existing regional agreements for limiting transboundary air pollution.

ASEAN has experienced recurrent episodes of transboundary haze from land and forest fires and has taken several measures to address this problem. Such problems are not only occurring in the ASEAN region, but also in other developed and developing countries. However, there is no sustained international support to deal with the problem in the long term. While the global impacts of forest damaged in terms of biodiversity loss or emissions of carbon dioxide are obvious, member countries have largely been left to tackle these problems by themselves. The ASEAN Agreement on Transboundary Haze Pollution will provide the legal and institutional framework to tackle this problem on a regional basis, including monitoring, coordination, disaster relief, and research and development.

ASEAN calls for due recognition of these national and regional calamities and other natural disasters as worthy of global efforts in line with the other global environmental issues. Sufficient support and resources are needed to contain these problems.

Multilateral Environmental Agreements

ASEAN member countries are actively engaged in addressing global environmental issues. Almost all member countries are parties to the major multilateral environmental agreements. ASEAN supports the early entry into force of the Kyoto Protocol.

As this report states earlier, while ASEAN is not the major source of global environmental problems such as climate change, ozone layer depletion, and generation of hazardous wastes, they are most vulnerable to their adverse effects. ASEAN is concerned that the global community does not accord equal attention, nor sufficiently recognize the close linkage of global environmental issues, to local environmental problems, such as urban air pollution, contamination of freshwater resources, degradation of land, and loss of biodiversity. ASEAN is also burdened with the onerous obligations of these MEAs, without the promised substantial financial and technical support. As such, ASEAN calls upon the international community to fulfill their commitments as required under the relevant MEAs, in particular, provision of adequate financial, technical and technological support.

ASEAN also calls upon the international community to extend their support to developing countries that have yet to become parties to the MEAs to assist them to strengthen their capability and capacity to mitigate and address the specific environmental problems, and thus facilitate them to become parties to these MEAs.

To better utilize the scarce resources, and better implement these MEAs, ASEAN is taking the lead in promoting synergy and coordination among the MEAs to overcome institutional and human resource constraints, and at the same time to ensure a holistic and synergistic approach to the issues being addressed. ASEAN calls for a concerted move in this direction to foster such synergy and coordination at the international level.

Sustainable Development Governance

ASEAN calls for the streamlining of the sustainable development governance framework at the international level. For instance, member countries are obliged to report to the various multilateral environmental agreements, the CSD, the UNFF, etc., resulting in multiple reporting on related issues. Coordination among these various bodies needs to be substantially improved in terms of program coordination and implementation, in place of the current practice of just reporting to each other.

Strengthening sustainable development governance should encompass the strengthening of national and regional institutions. The existing frameworks for regional intergovernmental governance should be fully utilized as part of the international governance structure. There is tremendous potential for synergies in terms of policy-making, implementation, monitoring, and reporting from such linkages. Greater use should be made of regional inter-governmental organizations to promote coordinated sustainable development initiatives for that region.

In this respect, ASEAN has a well-established governance structure for the Southeast Asian region to effectively develop, coordinate and implement regional programs. ASEAN also provides the forum to facilitate the development and implementation of integrated regional sustainable development policies, strategies and action plans, such as Vision 2020 and the Hanoi Plan of Action, which are consistent with the global framework and the needs of the member countries.

Financing for Sustainable Development

Adequate and predictable financing provides the means to ensure the effective implementation of sustainable development initiatives. ASEAN notes with concern that the agreed target of 0.7% of GNP for ODA has yet to be achieved, but in fact has been declining since Rio. ASEAN calls for specific pledges, including time frames for achieving this target, to be made at WSSD.

ASEAN recognizes the important role of the Global Environmental Facility in financing sustainable development, and the substantial support provided to developing countries in its capacity as the financial mechanism to the relevant multilateral environmental agreements. To further enhance its effectiveness, ASEAN calls upon the GEF to improve its operational procedures to be more responsive to the identified needs of developing countries and ensure that these countries play a substantive role in program identification, formulation and implementation. ASEAN further invites GEF to accord priority to regional projects developed within the ASEAN institutional framework for the Southeast Asian region. GEF should fully capitalize on the ASEAN machinery to implement and monitor regional projects for effective delivery and ownership of such projects.

Transfer of Technology and Improved Access to Science and Technology

ASEAN urges developed countries to reduce the technology gap between developed and developing countries by facilitating access to technology and building the capacity of developing countries to absorb and adapt scientific knowledge and technological skills to fit into their economic development plans. To this end, the following specific actions are recommended:

- Encourage international support for and investment in the development of science and technology infrastructure in the developing countries, including establishment of research and development facilities and accompanying science and technology human resource development to operate and maintain these facilities.
- Promote transfer and diffusion of environmentally-sound technologies to the developing countries in accordance with, among others, the agreed obligations under the multilateral environmental agreements, through joint research and development,

the provision of technical advisory services and consultancy, and assistance in technology sourcing and match-making. Developed countries should honor their obligations to facilitate technology transfer by ensuring that intellectual property regimes do not curtail such efforts.

- Promote initiatives at all levels, international, regional, sub-regional and national, to establish and strengthen networks of research and development institutions, technology transfer centers and other science and technology services among public and private sectors, to promote collaboration and partnership development and accelerate the pace of science and technology capacity-building.

Development of Partnerships

ASEAN supports the initiatives on partnerships (Type II Outcomes), as this will lead to concrete, implementable, and time-bound actions for sustainable development. ASEAN welcomes interested parties to explore such partnerships in the key programs areas that have been outlined in this report.

However, ASEAN stresses that such partnerships should not prevent member states from fulfilling the agreed political commitments, based on the principle of common but differentiated responsibilities, in terms of technology transfer, financial support and capacity-building.

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