

Environmental Band-Aid

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WASHINGTON

On Wednesday, government representatives from more than 50 countries, including the United States, will meet in Beijing to discuss the critical question of how programs to protect the earth's air, water, plants and wildlife will be financed. While a firm US commitment to contribute to global environmental protection is important, Washington must be careful not to waste US taxpayers' money on ill-conceived projects.

Almost a year ago, the Earth Summit in Rio brought together more heads of state than any other occasion in history. The two international agreements emerging from the summit, the climate change and biodiversity treaties, adopted an existing entity, the Global Environment Facility, to fund action to prevent further degradation of the global environment. But they did so more out of lack of alternatives than conviction, stipulating that the GEF, which was created in 1990, can serve as a means of funding Rio treaties only on the condition that the GEF be run in an accountable manner.

The big difficulty is that the GEF's parent organization, the World Bank, continues to fund programs that contribute to major environmental problems, such as global warming and the destruction of tropical rain forest. Instead of promoting energy conservation, there is heavy investment in energy projects that pollute the atmosphere.

Unless the World Bank's annual lending of about \$28 billion is consistent with protecting the environment, the GEF's planned yearly budget of \$1 billion will be barely a Band-Aid. Worse, the GEF could serve as a public relations device to help avoid serious reforms.

The GEF suffers from some of the same flaws as the World Bank. Detailed information is not available to the public, including the people immediately affected. No formal procedures exist to consult local communities on the design of projects, which are often set up in ignorance of local conditions.

The absence of such safeguards can lead to near-disaster. The GEF

recently withdrew funding from a project in Ecuador that would have promoted destructive logging in rain forests, wiping out many plant and animal species. The project also ignored the rights of indigenous peoples living there. Protests triggered a review that ended the project, but there are no guarantees about future plans.

The stakes are not trivial. Our lives and those of future generations will be affected by the way the GEF and the World Bank do their work. Badly designed projects are likely to accelerate the destruction of plants, reducing our ability to produce food as well as possibly depriving humans of cures for cancer, AIDS and other diseases.

Reform of the GEF and its possible future role as the entity in charge of funding for all international programs intended to benefit the environment will be at the center of the discussions in Beijing.

The Clinton administration is proposing a US contribution of \$30 million to the GEF. The ante will go up: The GEF hopes that by late 1993, governments will be ready to commit about \$3 billion over the ensuing three years. But before the United States makes a decision on a financial commitment to the GEF, it needs to work with its allies and insist on reforms that would give the venture a good chance of success.

There must be a commitment on the part of the GEF and the World Bank to freedom of information, and the Clinton administration can take the lead in pressing for change. Evidence shows that public scrutiny and debate can help to avert environmental problems.

Openness at the GEF and the World Bank must be accompanied by formal procedures to give local communities a voice in projects that have a direct impact on them.

And, crucially, the World Bank must scrupulously implement the environment-friendly policies it has proclaimed in recent years. The United States and its allies must press all of these points if the promise of the Earth Summit is to be realized.

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