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INCD-10 HIGHLIGHTS FRIDAY, 10 JANUARY 1997

During the morning, Working Group I delegates first met in their regional groups, then later in an informal session to consider the Global Mechanism. In the afternoon, Working Group I conducted their first reading of the draft programme and budget. Working Group II met between 10:30 and 11:30 am and completed its substantive negotiations. It considered a report on the work of other bodies performing work similar to that envisaged for the Committee on Science and Technology.

WORKING GROUP I

GLOBAL MECHANISM: Working Group I resumed discussion of the function of mobilizing financial resources in an informal open-ended working group.

Informal discussions held Thursday evening were based on two non-papers circulated by two regional groups on Wednesday and Thursday. On Friday morning, the G-77 and China presented a new 11-paragraph draft non-paper for discussion. The non-paper designates the function as "mobilizing and channelling of resources to all levels." In summary, the activities are to: promote actions leading to the mobilization and channelling of financial resources; mobilize, in conjunction with developed countries and relevant institutions, adequate and substantial financial resources; as a working partnership, mobilize adequate, timely and predictable financial resources, including new and additional funding, and channel these resources, including its own...in a predictable and timely fashion; in conjunction with the COP, encourage the provision of support at all levels, through various mechanisms; increase the efficiency and effectiveness of existing financial mechanisms and collaborate with them to facilitate and catalyze the mobilization and channelling of resources; ensure, as a working partnership machinery, that adequate financial resources...are available; promote the use of existing bilateral and multilateral financial mechanisms and arrangements that mobilize and channel substantial financial resources; and promote and facilitate the transfer, acquisition and adaptation of technologies, as well as the use of indigenous and traditional knowledge and technologies.

Delegations noted that most of the text is lifted from the Convention. Some groups expressed reservation on its use in some contexts.

Regional and interest groups agreed to use the non-paper as a basis for negotiation and to make preliminary comments pending regional groups consultations. The inputs were textual modifications to accommodate other groups' interests.

Some delegations proposed that all references to "mobilization and channelling resources" be preceded by "promoting and/or facilitating." Some also proposed deleting all references to the Global Mechanism (GM) having "its own resources." Where text was directly lifted from the Convention, some delegates suggested adding "in accordance with the provisions of" and naming the specific article. Some delegates noted that in the mobilization of resources the GM should work in "conjunction with all Parties," not just developed countries. One delegation suggested including a "catalytic role" to the functions of the GM.

Delegates appeared to agree on the texts related to the transfer and use of technology and the need to promote actions leading to the mobilization of resources and increasing the efficiency and effectiveness of existing mechanisms.

The Chair said he would provide delegates with text, as amended and bracketed, on Monday, 13 January. At the end of the session, some regional groups expressed frustration with the lack of flexibility of some delegations.

PROGRAMME AND BUDGET: Executive Secretary Diallo introduced the draft programme and budget (A/AC.241/65), in order to seek further guidance from the INCD to help shape the Secretariat's final budget proposals. 1999 is expected to be the first full year in which the Secretariat would be financed by a "core" budget. Envisaged staffing requirements for 1999 are 34 posts. The budget includes two special-purpose funds, the Supplementary Fund, to support the participation of NGO representatives, and the Special Fund, which would finance travel of affected developing country delegates.

The G-77 and China had not developed a common position yet, but indicated they would forward comments by the end of February. Greece said the OECD group of countries would forward their written comments to the Interim Secretariat, if necessary.

SECRETARIAT STAFFING: Greece, on behalf of the OECD group of countries, expressed concern with the steep increase in the number of posts expected and said the transition should not be an occasion to upgrade posts. The US and Australia supported current staffing levels as the basis for the establishment of the Secretariat. Uganda emphasized the need for a realistic budget that takes into

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account the expanded activities that are envisaged. Benin supported strengthening and increasing the size of the staff. Bolivia and Brazil requested information regarding the criteria for determining how many staff would focus on each region. The Executive Secretary responded that the criteria took into account the number of countries covered in each regional annex. Tunisia noted the need for more staffing for the implementation of the regional annexes. Antigua and Barbuda was puzzled by the Greek interpretation of staffing, since the present level is 24, there is a request for 3 more, and the estimated total for 1999 is 34. He noted the "study in chaos" in the Biodiversity Convention (CBD) process, where the COP had to increase Secretariat staffing significantly after COP-1.

Greece requested information regarding the possibility of seconding staff from international organizations. Benin asked if there were provisions for current seconded staff to be retained or for the level of secondments to increase. The Executive Secretary noted that international organizations are currently cutting their staff.

COSTING: In response to several inquiries regarding costs for the Global Mechanism, the Executive Secretary noted the need to know who is responsible for the costs. Greece looked forward to a fully-costed preliminary budget. Australia urged that future budgeting documents use full cost attribution. Morocco and Cuba also expressed an interest in knowing the cost estimates.

NGO PARTICIPATION: Greece noted several times that the participation of NGOs is important, but expressed his unease that a special fund would be formed for their participation. Benin, Tunisia, Haiti and Indonesia stressed the importance of support for NGOs. Indonesia asked which NGOs would participate. The Executive Secretary noted that someone must shoulder the responsibility for NGO participation.

WORKING CAPITAL FUND: Greece supported the establishment of a working capital fund, the level of which should be reviewed regularly. Benin stated that, in reference to the reserve fund, UN practice is well established and should be retained. Tunisia concurred. Antigua and Barbuda stated that the problem experienced by the CBD with its working capital fund was due to host institution-Executive Secretariat relations.

OTHER REMARKS: Benin asked what the link between the Regional Coordination Units and the Secretariat would be. The Executive Secretary asked for suggestions for arrangements. The US noted the assumption that all of 1998 would be a period of transition and expressed hope that it would be quick and smooth.

The Chair concluded that he would prepare a procedural draft decision that takes into account the views expressed and invites the Secretariat to submit a full-fledged budget to COP-1.

WORKING GROUP II

SCIENTIFIC AND TECHNOLOGICAL COOPERATION: South Africa supported the NGO proposal made Thursday, 9 January, that local area development should be part of the work programme of the Committee on Science and Technology (CST). Chair Shibata noted that a formal decision on this would have to be made by the COP but that the Interim Secretariat had taken note of the NGO and South African proposal.

The Secretariat then introduced document A/AC.241/67, Report on the work of other bodies performing work similar to that envisaged for the CST, as requested in decision 9/11 of INCD-9. Many delegations congratulated the Interim Secretariat on the quality of the report. It contains: two areas of cooperation (convention provisions and methods of cooperation); and bodies identified for cooperation purposes (scientific committees and panels, international organizations and NGOs). The Annex includes

profiles of relevant scientific and technical bodies under the Conventions on climate change and biodiversity, the Global Environment Facility, the Intergovernmental Panel on Climate Change, the World Meteorological Organization and the Ramsar and Bonn Conventions.

Egypt, supported by Tanzania, Kenya and Senegal, suggested that the Interim Secretariat should appoint a group of experts to take an inventory of how the CST could benefit from other bodies. Tanzania, supported by Kenya, Senegal and the UK, suggested that the report should also include regional and subregional bodies and that the Interim Secretariat could forward an inventory of such bodies to COP-1. The UK added that there were also international organizations missing in the list and noted that the methods of cooperation need to be examined by the COP before giving them to the CST. India suggested that the instruction for the CST should also include the facilitation of environmentally sound technology.

The Chair said that the INCD could ask the Interim Secretariat to call together an expert group to take an inventory and to consider regional and subregional bodies. This group could operate similarly to the open-ended consultative process on benchmarks and indicators. He invited delegations to give the Interim Secretariat suggestions on this issue by 15 March. He hoped that draft decisions from Working Group II would be ready by Tuesday, 14 January, so that the Group could consider them for adoption on Tuesday afternoon.

IN THE CORRIDORS

The informal discussion on the Global Mechanism (GM) left some delegates with a sense of frustration — they considered the negotiations deadlocked. This prompted many to question the value of a CCD without a fund. Some delegates are convinced that without an institution such as the GM to mobilize resources, the INCD has "jumped only to land on the 1977 PACD" (Plan of Action to Combat Desertification). Others argue, however, that even without a fund, the spirit of the negotiations demonstrates a strong political will that is a leap beyond the 1977 PACD. Another school of thought maintains that even without another dollar, "if countries apply the basic principle of the CCD, we would still go a long way" in changing the situation of people living in drylands. Yet another group felt that creating a fund would not guarantee that resources would flow. The PACD and TFAP (Tropical Forest Action Plan) both had funds but nothing became of them. Many observed that given the experience with the GEF and the Montreal Protocol, Africa, which is particularly affected, may not be able to access funds from such a multilateral funding body.

THINGS TO LOOK FOR TODAY

PLENARY: The Plenary is expected to meet at 10:00 am and at 3:00 pm to consider the progress of negotiations, the offers relating to the location of the Permanent Secretariat, and the situation as regards extrabudgetary funds.

WORKING GROUP I: If the Plenary ends early, the Group will meet for informal consultations on the Global Mechanism, based on the amended G-77 and China non-paper discussed on Friday, 10 January.

SYMPOSIUM ON COMBATTING DESERTIFICATION: The Steering Committee for the May 1997 international symposium, workshop and training entitled "Combating Desertification: Connecting Science with Community Action" will meet in Conference Room 6 from 1:15 pm to 2:00 pm. All are welcome.