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CSD-6 HIGHLIGHTS WEDNESDAY, 29 APRIL 1998

CSD-6 participants heard ministerial statements during the High-Level Segment and continued negotiating decisions in three Drafting Groups during morning, afternoon and evening sessions.

HIGH-LEVEL SEGMENT

Chair Habito said participants in high-level segments traditionally present prepared speeches. He emphasized that the CSD's work can be more effective if it has a freer flow of ideas and interaction. UN Undersecretary-General Nitin Desai highlighted points discussed at CSD-6, such as the developmental and social aspects of Agenda 21, the specific needs of SMEs and voluntary initiatives. Ministers and other high-level officials proceeded to address the CSD.

On freshwater, the G-77/CHINA reiterated that the Secretary-General's report views water mainly as an economic good, but emphasized that water is a basic human need of vital importance in meeting food security needs. He cautioned against relinquishing control of water resources to a private entity motivated largely by profits. He said there is no guarantee that water systems in private hands would ensure that equity concerns are given their proper weight. He supported establishment of a financial mechanism to promote freshwater management efforts. Many developing countries, including GHANA, ALGERIA, THAILAND, CHINA, PANAMA, SYRIA and SAUDI ARABIA, described problems with water scarcity and the need for assistance. BOLIVIA, SOUTH AFRICA and MOZAMBIQUE focused on national water management activities. SOUTH AFRICA also highlighted the role of women. The REPUBLIC OF KOREA stressed the importance of effective water pricing. ARGENTINA emphasized the need to offer clearly established juridical norms and regulatory frameworks to facilitate private sector participation.

The EU called for: agreeing on approaches to be applied; basing policy on social, economic and environmental values; involving women; and establishing participatory management systems. He also highlighted commitment to developing local and national programmes and mobilizing international support. ITALY highlighted that responsibility for water management is increasingly falling upon users and local populations. FRANCE said the conclusions of the Paris expert meeting should be included in the CSD's outcome. CANADA stressed the importance of partnerships and the facilitating role of the Internet in sharing best practices. Many countries stressed the need for cooperation in managing shared water basins and addressing transboundary water issues.

On industry, the G-77/CHINA emphasized industry's key role in alleviating poverty by stimulating sustainable consumption and production, and said it should be encouraged to provide favorable access to and transfer of ESTs, in particular to developing countries. Governments should provide financial incentives for transfers. Many developing countries, including CHINA, THAILAND and the REPUBLIC OF KOREA echoed the call for transfers. JAPAN highlighted UNEP's International Environmental Technology Center. INDIA stressed that IPR should not become a barrier to technology transfer. THAILAND spoke against unilateral measures taken to impose environmental measures on others. Some developing countries recounted domestic industrial problems and efforts to address them. The EU called for a positive and forward-looking decision on industry that recognizes the need for all countries to determine the necessary mix of economic, regulatory and voluntary action.

Delegates addressed a number of other issues. SWEDEN said that if her generation had received a better education on the importance of freshwater, the world would not have suffered from so many years of increasing pollution and misuse. LITHUANIA and the PHILIPPINES described newly established national councils on sustainable development and noted increased public awareness and participation. PAKISTAN highlighted the need to finance participation of major group representatives from developing countries. JAPAN, CANADA and the EU announced that they had just signed the Kyoto Protocol. EGYPT said the CSD should focus on how to engage ministers in dialogue during the High-Level Segment, rather than the written statements read thus far.

DRAFTING GROUP I

Strategic Approaches to Freshwater Management: On 2 (Chapter 18 of Agenda 21), the US underscored that Chapter 18 is "the primary" rather than "an important" basis for action. Delegates agreed with the Chair's proposal that it forms "a fundamental" basis. On **3** (essential functions of water), the US stressed the need to consider equitable "and reasonable" use of water in formulating strategic approaches. UGANDA objected. The EU proposed acknowledging "and protecting" groundwater, rivers, lakes and forests. The US objected to text emphasizing that poverty eradication and promotion of food security should be the prime goals of water development, management, protection and use. The EU, the G-77/CHINA, JAPAN and UGANDA objected, and the EU proposed that they "contribute crucially" to poverty eradication and food security. The US supported text noting that agriculture accounts for the major part of global freshwater use.

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In **5** (limited freshwater), delegates deleted a reference to use of non-conventional water resources at the G-77/CHINA's request. In **6** (CSD dialogue), INDIA added a reference to customary use of water, among others. ETHIOPIA, KENYA and UGANDA objected.

In **9** (national management plans) and **10** (linkage between freshwater and population change), the G-77/CHINA proposed deleting references to demographic, livestock and population changes. The US agreed to drop the references from **9** but said the reference in **10** was a statement of fact. In **11** (areas requiring further attention), the EU and US proposed changing the reference to wetlands and their possible exploitation for irrigated agriculture to focus instead on conservation and sustainable use of wetlands.

On **12** (riparian States' cooperation on international watercourses), the G-77/CHINA proposed cooperation relevant to effective development and management, deleting protection and use. INDIA said the CSD does not have the expertise to address this complex legal issue. On **16** (expert meetings), the G-77/CHINA, UGANDA and SUDAN preferred deleting an invitation to governments to consider implementing the key recommendations of the Harare and Paris meetings in formulating and implementing policies. The EU objected. Delegates agreed to "consider them as appropriate."

On **18** (exchange and dissemination), the G-77/CHINA added exchange of "relevant" information, and deleted "including social, environmental and economic data, gender-differentiated, where appropriate." Delegates agreed to "data collected based on gender differences." On **21** (increasing public awareness), the G-77/CHINA preferred awareness of the need to conserve and "sustainably use," rather than "protect" water resources. The US objected to deleting "protect" and proposed including all three. On **23** (drought and flood preparedness), the G-77/CHINA added that governments could consider establishing "rapid intervention" systems to ensure that communities can be "supported," rather than "assisted" in recovering from and being compensated for damage suffered. The US opposed "support" and "compensation."

Implementation of SIDS Programme of Action: An informal drafting group met in the morning to discuss the remaining unagreed text and produced a new draft. The G-77/CHINA presented the amended text to Drafting Group I, which accepted it without amendment.

Matters Related to Intersessional Work: Regarding issues to be considered by the 1999 session of the ISWGs, several developed countries suggested that preparations for developing an intergovernmental process on energy should be discussed. Several G-77/CHINA members said the ISWGs should not divert time for this item as it will be considered at CSD-7. Delegates agreed that the two ISWGs should consider: sustainable tourism and consumption and production patterns, including the UN Guidelines on Consumer Protection; and oceans and SIDS. Regarding Bureau consultations with CSD Members, the G-77/CHINA added the need for greater transparency and CSD Member involvement in the preparatory process, including ways to improve the High-Level Segment's organization of work. On consideration of financial support to the Bureau, the US added "from extrabudgetary sources."

DRAFTING GROUP II

Industry and Sustainable Development: Delegates considered this draft decision in an informal group. On eco-efficiency and subsidies, some delegations suggested using text agreed at UNGASS. In a paragraph on an enabling environment, there was resistance to a US-proposed amendment emphasizing the importance of IPR because it is currently under discussion at the WTO. In paragraphs on funding, an assertion that ODA "cannot generally be replaced by private capital flows" and another on using ODA to leverage FDI met with resistance.

On investment flows, a proposal to delete a call for work on "reducing the volatility of those flows" was opposed. On core labor standards, recommendations included: using WSSD text; noting government support for the proposed declaration on workers' rights; and reflecting that not all governments are parties to the ILO Convention. Developing countries resisted a reference to eco-labeling.

In a paragraph on the Kyoto Protocol, recommendations included: references to all relevant UN negotiation processes; deletion of the paragraph; and the possibility of substituting a general reference to climate change.

Several delegates asked for clarification of the EU proposal for UNEP consideration of the contribution that regional and international level actions encouraging minimum standards and environmental performance can make to an appropriate common response to the challenge of globalization. Several delegates expressed difficulties with the G-77/CHINA proposal that developed countries "ensure" that international agreements do not pose an obstacle to employment creation. Delegates from developed and developing countries proposed deleting the paragraph on multilateral investment agreements, although one developed country delegate supported the call for the MAI to be implemented in such a way as to further sustainable development.

On a review of voluntary industry initiatives, developing countries noted that stakeholders do not agree on the review and that they should be invited to continue their dialogue to develop a proposal on modalities. A number of developed countries amended a paragraph to recognize the value of the stakeholder dialogues at CSD-6.

DRAFTING GROUP III

Transfer of ESTs, Capacity Building, Education and Public Awareness, and Science for Sustainable Development: In the chapeau to the decision, the G-77/CHINA objected to including references to targets for poverty reduction, among others, by 2015. The EU supported the references to targets.

In the section on technology transfer, delegates added UNGASS text calling for fulfillment of commitments for technology transfer, taking into account the need to protect intellectual property rights (IPR). The G-77/CHINA suggested retaining only the additional IPR reference in its proposal inviting governments to take into account sustainable development goals when reviewing the TRIPs Agreement. The US and EU tentatively agreed to drop their proposed references to IPR in exchange for the G-77/CHINA dropping its TRIPs proposal. The G-77/CHINA deleted a subparagraph on the prospect of higher living standards from new technologies. The Secretariat introduced the discussion on future work on eco-efficiency with a definition from the International Institute for Sustainable Development, which defines eco-efficiency as "more efficient use of materials and energy to reduce economic costs and environmental impacts." He said eco-efficiency is used in text agreed at UNGASS. The G-77/CHINA said the concept is debatable and contains conditionalities beyond the capacity of developing countries. AUSTRALIA, supported by IRAN, MEXICO and the G-77/CHINA and opposed by the NETHERLANDS, suggested the alternative of adding work on "consumption" patterns. The Secretariat said such a work programme already exists.

THINGS TO LOOK FOR TODAY

HIGH-LEVEL SEGMENT: The High-Level Segment will continue during the morning and afternoon in Conference Room 1.

DRAFTING GROUPS: The Drafting Groups are expected to continue negotiating the draft decisions. The freshwater decision will be considered in Conference Room 2 at 10:00 am. The industry decision will be considered informally in Conference Room 6 beginning at 10:30 am.