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CSD HIGHLIGHTS TUESDAY, 25 APRIL 1995

DRAFTING GROUP A

CHANGING PRODUCTION AND CONSUMPTION

PATTERNS: In **paragraph 1** (cause of environmental deterioration), the EU deleted a reference to "contemporary" consumption and production patterns. The G-77/China added "particularly in developed countries" after a reference to national authorities. The US and Australia objected. Delegates agreed to a reference to the need for efforts on the part of developed countries and to the OECD reference in **paragraph 3** (efforts by States). In **paragraph 4** (gaps between developed and developing countries), the EU included equity concerns in the concept of sustainability. The G-77/China preferred gaps in per capita "resource consumption" instead of "income." Delegates agreed to "significant gaps." In **paragraph 5** (energy consumption), the G-77/China deleted a reference to rising energy consumption. The EU proposed a reference to international obligations and suggested that technology transfer should be "encouraged." In **paragraph 6** (life-cycle approach), delegates agreed to the G-77/China text on the Oslo Conference. Delegates agreed to the deletion of the bracketed reference to developed countries in the sentences on the responsibilities of business and industry and of households.

In **paragraph 7** (procurement policies and practices), no agreement was reached on whether developing countries should be called upon to consider environmental factors in their procurement policies. Brackets were removed from the reference to trade effects in **paragraph 9** (studies on production and consumption patterns). In **paragraph 10** (internalization of environmental costs), it was agreed to refer to the "negative environmental impacts" that should be addressed by tax reform. Delegates agreed to the G-77/China proposal in **paragraph 11** (natural resource accounting) to refer to such accounting as a valuable "tool," instead of a "precondition," for comprehensive full cost pricing. In **paragraph 12** (international cooperation), the EU added a reference to the need to preserve market access and competitiveness of products and services, and to promote relevant technology. Delegates agreed to "in the context of" the principle of common but differentiated responsibilities.

In **paragraph 16** (work programme), the G-77/China preferred a narrower scope for Section C (evaluation of policy measures). The US said that the CSD should review policy measures in all countries and not just developed countries. Agreement was reached to delete the reference to developing countries. In Section D (voluntary commitments), delegates agreed to Canada's proposal to refer to the need to integrate socio-economic and environmental

considerations into decision-making. Delegates could not agree to the sustainable development forum in **paragraph 17** (commitments to work programme).

TRADE, ENVIRONMENT AND SUSTAINABLE

DEVELOPMENT: In **paragraph 6** (trade provisions in multilateral environmental agreements), the US said that if trade policy measures are needed to enforce environmental policies they should be the least trade-restrictive necessary to achieve the environmental objectives. Brazil said that the US proposal was highly controversial. No agreement was reached on **paragraphs 17** and **18** on the OECD and **paragraph 23** (internalization of environmental costs).

DRAFTING GROUP B

Drafting Group B completed its work Tuesday afternoon. The texts on Integrating Environment and Development in Decision-Making, Information for Decision Making, Information Provided by Governments and Organizations, and Major Groups are bracket-free.

MAJOR GROUPS: In **paragraph 2** (role of major groups), the G-77/China proposed that events for major groups could be organized "on the margins," rather than "at the beginning" of the 1996 session. In **paragraph 3** (representatives of major groups on national delegations), a reference to national coordinating mechanisms was unbracketed. Brackets were removed from "national coordinating mechanisms" in the chapeau of **paragraph 4** (partnerships to implement Agenda 21) and from **sub-paragraph 4(b)** (representation in national coordinating mechanisms).

Sub-paragraphs 5(b) bis (study on NGO access procedures) and **5(c)** (selection criteria) were deleted. In **paragraph 6** (funding to increase major group participation), the EU and US agreed to use "increased" funding rather than "adequate" funding in this context. Canada proposed combining **paragraphs 7 bis** (opportunity for NGOs to participate in the CSD) and **7 ter** (NGO participation in the CSD). This was accepted and the text is now clean.

SCIENCE FOR SUSTAINABLE DEVELOPMENT:

Brackets remain on references to funding in **paragraphs 10(3)** and **13**, pending the outcome of the text on financial resources.

TRANSFER OF ENVIRONMENTALLY SOUND TECHNOLOGY, COOPERATION AND CAPACITY-BUILDING:

In **paragraphs 5** (international cooperation) and **7 bis** (private sector), delegates agreed to use Agenda 21 language to describe the role that commercial transactions and the private sector play "as an important vehicle" in technology cooperation. Delegates agreed to delete **sub-paragraph 9.A(2)** that calls on UNDP, UNIDO, UNCTAD and other bodies to cooperate with UNEP on its EST survey work.

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In **sub-paragraph 10(3) bis** (joint ventures), Poland suggested a reference to countries with economies in transition. In **paragraph 11** no agreement was reached on whether steps should encourage “new and additional financial resources” (G-77/China) or “the flow of financial resources from all sources” (the EU). The discussions were deferred pending the outcome of the finance drafting group. In **sub-paragraph (5)** (enabling conditions), delegates agreed to a reformulation inviting governments to create enabling conditions in order to increase the amount of foreign direct investment in ESTs.

DRAFTING GROUP C

The drafting group met in the morning to complete its second reading of the draft decisions on sustainable agriculture and rural development (SARD) and sustainable mountain development and its third reading of the decision on biotechnology. In the afternoon, the group considered the draft decisions on biodiversity and progress in the implementation of decisions by the second session of the CSD. An informal-informal group also met to negotiate the draft decision on forests. After the Chair suspended the meeting at 7:00 pm, a small group of delegates met to clean the texts on biodiversity and biotechnology. As of 11:30 pm, the informal-informal group on forestry had not emerged and Drafting Group C remained in a state of suspension.

SUSTAINABLE AGRICULTURE AND RURAL DEVELOPMENT: The group agreed to delete both of the bracketed alternatives in **paragraph 46** (promoting sustainable agriculture and rural development), since international trade is covered elsewhere. In **paragraph 53** (research and technology development), the US proposed new language on promoting sustainable farming methods and strategic problem solving. The G-77/China, India and Malaysia preferred the original text. The paragraph was bracketed. Brackets remain around “low cost” and “cost efficient” in **paragraph 54** (developing location specific technologies for farming systems). India preferred low cost agricultural practices and inputs since most farmers are poor. Australia thought both low cost and cost efficient could remain in the text. The EC’s alternative paragraphs for **paragraphs 55-57** (energy for rural development) were accepted.

In the afternoon, Australia, Chair of the Cairns Group, introduced new **paragraphs 49, 50, and 50 bis** after informal-informals with the G-77/China, the US, the EU and Japan. **Paragraph 49** (framework) welcomes the Final Act of the Uruguay Round as an important step towards an undistorted sectoral and economy-wide policy framework, and calls for monitoring the impacts on developing countries. **Paragraph 50** (implications for SARD) requests the FAO, within existing resources, to collaborate in analyzing the implications of the Final Act for SARD. Malaysia bracketed a reference to UNEP. **Paragraph 50 bis** notes the importance of examining the environmental consequences of agricultural policies and practices, taking account of the impact on LDCs and net food importing developing countries.

SUSTAINABLE MOUNTAIN DEVELOPMENT: On behalf of an informal-informal group, Switzerland reported a number of revisions to the draft. The bracketed **paragraph 38** (institutional mechanisms) was deleted. A new **paragraph 37** addresses strategies for empowerment and cultural diversity. In **paragraph 38 bis** (resources), references to “new and additional” financial resources and EST transfers are bracketed. The paragraph is to be relocated. **Paragraph 39** is split into two new paragraphs on eco-system fragility and strengthening institutional mechanisms. Paragraph 42 (ecological security) calls for an appropriate institutional framework to protect mountain communities.

ENVIRONMENTALLY SOUND MANAGEMENT OF BIOTECHNOLOGY: The US insisted that brackets remain around the precautionary approach in **paragraph 71** (reporting on biotechnology). The EU, supported by the G-77/China and Australia, proposed compromise text on regulating biotechnology in **paragraph 73** (biosafety), but the US objected. The EU

provided new language for **paragraph 75(e)** (voluntary guidelines for biosafety), but the G-77/China preferred to delete it. The paragraph remains bracketed. The US objected to **paragraph 75(f)** (indigenous knowledge and practices). Malaysia proposed replacing 75(f) with paragraph 67 of Chapter 15. The text was bracketed. The G-77/China then proposed an amendment to **paragraph 73**, welcoming the COP’s consideration of the knowledge, innovations and practices of indigenous and local communities in its medium-term programme of work. The US, Australia and the EU said that they could accept the amendment to paragraph 73 if 75(f) was deleted. The G-77/China thought both paragraphs were necessary. An informal-informal group met later in the evening and removed all of the brackets from the text, however, the US continued to reserve its position on a remaining reference to the precautionary principle.

CONSERVATION OF BIOLOGICAL DIVERSITY: In **paragraph 65** (conserving biodiversity), poverty reduction is bracketed. A shortened **paragraph 66** (new and additional resources) remains in brackets. In **paragraph 67** (indigenous knowledge and practices), the US reserved on a G-77/China reference to Resolution 3 of the Nairobi Final Act of the Biodiversity Convention. **Paragraph 68** (biotechnology) remains bracketed after prolonged discussion on the importance (US) versus the risks (Malaysia) of biotechnology. In **paragraph 69** (GEF), Malaysia objected to the deletion of a reference to GEF replenishment. In the chapeau of **paragraph 70** the EU affirmed the implementation role of the Biodiversity Convention. Brackets remain around **sub-paragraph 70(b)** and a reference to CBD collaboration with UNEP in **70(c)**. The US reserved on a reformulation of **sub-paragraph 70(e)** and **(e) bis** (indigenous communities) welcoming the Biodiversity COP’s consideration of local knowledge and practices. **Sub-paragraph 70(j)** (access to technologies) is bracketed. The G-77/China accepted a proposal to delete **sub-paragraph 70(k)** (new resources). An informal-informal group met later in the evening and removed all of the remaining brackets from the text.

PROGRESS IN THE IMPLEMENTATION OF DECISIONS BY THE SECOND SESSION OF THE CSD: The US reminded the Chair that it had submitted a short paragraph on the international coral reef initiative. The EU amended the title to reflect that this decision only addresses progress in the implementation of the decisions on sectoral issues. Australia wanted to delete references to financial support in **paragraph 4** (freshwater resources) and the development of an internationally legally-binding instrument in **paragraph 5** (toxic chemicals). Both were bracketed. The EU amended **paragraph 7** (lead reduction) on transfer of technology, taking into account the need to protect intellectual property rights. Australia proposed alternative language. Belarus reintroduced its three proposed paragraphs on sharing of government experiences, a conference on sustainable development in countries with economies in transition, and the CSD review of regional initiatives. Various delegations had problems with these proposals and all three were bracketed.

THINGS TO LOOK FOR TODAY

PLENARY: The Plenary will meet this morning to adopt the draft decisions that have been the subject of negotiations in the three drafting groups.

HIGH-LEVEL SEGMENT: The High-Level Segment will begin at 3:00 pm with opening statements by CSD Chair Henrique Cavalcanti and Under-Secretary-General Nitin Desai. The ministerial discussion on the main policy issues will then begin. There will be no speaker’s list. Approximately 40 ministers or other high-level officials are expected to attend the two-day session.

PANEL DISCUSSION ON EMPLOYMENT AND SUSTAINABLE DEVELOPMENT: This panel discussion will take place at 5:00 pm. Participants are expected to include representatives of the ILO, the European Commission, the International Confederation of Free Trade Unions and others.