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CBD COP-3 HIGHLIGHTS WEDNESDAY, 6 NOVEMBER 1996

Delegates to COP-3 completed their initial discussion of the financial mechanism, the CBD clearing-house mechanism, conservation and sustainable use, *in situ* conservation, and monitoring and assessment of biodiversity. The Working Group on agricultural biodiversity met during an evening session. A Working Group on financial issues was established, to be chaired by Iran's Mohammad Reza Salamat. The Working Group will begin its deliberations Thursday.

PLENARY

Vice-President Manfred Schneider (Austria) presided over a short Plenary, which elected the final GRULAC nominee for the Bureau, John Ashe (Antigua and Barbuda). Raed Bani Hani (Jordan) was elected Rapporteur.

COMMITTEE OF THE WHOLE

FINANCIAL ISSUES: The EU stated that the documentation regarding the availability of additional financial resources and suggestions for funding institutions does not provide a sufficient basis for discussion. The US expressed concern about inaccuracies in the papers regarding additional financial resources.

KYRGISTAN, also speaking for KAZAKHSTAN, indicated support for the GEF. The RUSSIAN FEDERATION, TUNISIA and SYRIA supported the GEF as the permanent financial mechanism. NEW ZEALAND encouraged the COP to confirm the status of the GEF at this meeting so as to facilitate negotiations on GEF replenishment next year. GERMANY said the COP must consider all possible implications of its decisions on the established financial mechanism and the GEF's resultant ability to fund projects in developing countries.

BENIN, the CENTRAL AFRICAN REPUBLIC, ZAMBIA and PARAGUAY called for the production of GEF papers and reports in all UN languages to ensure full participation in deliberations, particularly those regarding funding of projects in developing countries. CHINA encouraged funding institutions to develop a sense of urgency regarding time-sensitive and irreversible issues and underscored country ownership as a prerequisite for successful project implementation and environmental effectiveness. HONDURAS stressed the need for more innovative rather than traditional projects and called for speedier project approval. The US said GEF projects should be country-driven and suggested that national reports and strategies could be useful mechanisms to prioritize capacity building and

biodiversity needs. SYRIA stated that Parties should be given much more autonomy in designing projects to support national priorities.

The G-77/CHINA said developed countries are not fulfilling their commitments under Article 20.2 (new and additional financial resources), which hinders developing countries from complying with their commitments. INDONESIA and MALAYSIA also called for new and additional resources, including from the private sector. INDIA noted a general decline in biodiversity funding within the GEF portfolio and recommended that future GEF reports include information on total biodiversity funds against the needs and demands by countries.

The UK said the GEF requires additional guidance from the COP to ensure that all three CBD objectives are reflected in its work programme. CANADA cautioned against reviewing the effectiveness of the financial mechanism for areas that have not yet received guidance. MALAYSIA and INDIA called on the GEF to support: a global taxonomy initiative; capacity-building for biosafety; the CHM; and agricultural biodiversity. HAITI called for training in small, new signatory countries to enable them to understand the financial mechanism. EQUATORIAL GUINEA noted that his country has been allocated funds for capacity strengthening but lacks adequate information to use them as mandated. He appealed to Parties to advise the national focal points about GEF modalities.

TUNISIA stressed the need for developing countries to define national policies for conservation and sustainable use of biodiversity and the need for appropriate financial means to implement these policies. CAMEROON said the language of the operational strategy is esoteric and puts developing countries at a disadvantage. The SEYCHELLES informed delegates of a recent workshop held in the Seychelles from 20-22 October 1996 on sustainable tourism, whose objectives were to popularize the concept of ecotourism, promote sustainable practices in the tourism industry, and develop a portfolio of revenue-generating project proposals.

The CHAIR suggested that regional groups identify the financial issues on which they want COP-3 to take a decision. These will be discussed Thursday in a Working Group on finance, to be chaired by Mohammad Reza Salamat (Iran).

CLEARING-HOUSE MECHANISM: The Secretariat introduced the document addressing the clearing-house mechanism (CHM) (UNEP/CBD/COP/3/4). The EU and TANZANIA emphasized that the CHM should be needs-driven and decentralized. The EU stressed the involvement of relevant

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UN bodies and international institutions as active partners, and GERMANY added the private sector and universities. MALAYSIA said that the CHM should be proactive by developing models for bioprospecting arrangements involving the private sector. ETHIOPIA requested that the CHM exclude information on traditional knowledge until access and benefit-sharing policies are in place. NEW ZEALAND stated that the CHM should include information on policy and decision making and on biodiversity management. MALAYSIA, with CAMEROON, said the CHM should be a vehicle to meet the needs of developing countries and provide access to and transfer of technology.

The EU, COLOMBIA and several others supported the recommendation for regional workshops. COLOMBIA is organizing the first regional working group in early 1997 with the assistance of Germany.

ICELAND and KOREA called for transparency. COLOMBIA highlighted the need to define the targeted audience and identify and prioritize the types of information required. SOUTH AFRICA urged the Secretariat to determine the best ways that CHM user needs can be met and to work closely with the GEF to access adequate financial resources. AUSTRALIA called on the GEF to revise its operational criteria to allow funding for enabling activities for the CHM. CANADA and the PHILIPPINES called for GEF support for the pilot phase and long-term implementation of the CHM. NORWAY proposed that funding for the CHM be supplied by bilateral and multilateral financial institutions and that the pilot phase be extended through 1998.

AUSTRALIA, TANZANIA, ICELAND, KOREA and GREECE supported the publication of a CHM newsletter. AUSTRALIA and GERMANY called on the Secretariat to promptly fill its staff positions for the CHM. The US urged the use of a peer review process to assure technical quality and credibility. CHINA, TANZANIA and INDONESIA called for capacity building and human resource training to allow developing countries to use the mechanism. MAURITIUS called for capacity building on prioritizing information requests.

TANZANIA said the participation of Parties who do not currently have Internet access must be ensured, and ARGENTINA called for additional support for those countries. INDIA called for the development of a basic Internet training package. GERMANY stated that Internet-based communication must be supplemented by more traditional means of information exchange.

BRAZIL called for guidelines for setting up national focal points. NIGER urged that national focal points should play a role in distributing information. GERMANY will host an international workshop to follow up on COP-3 and SBSTTA to analyze the demand profile for the kind of information that should be provided by national focal points. The CHAIR called for half-page proposals to integrate into a Chair's draft text.

IMPLEMENTATION OF ARTICLES 6 (CONSERVATION AND SUSTAINABLE USE) AND 8 (IN SITU CONSERVATION): The discussion on agenda items addressing Articles 6 and 8, 7 and 25.2(a) was based on documents UNEP/CBD/COP/3/11, 12 and 13. Delegates were asked to address all three items and to make short interventions. The recommendations of those who were not able to speak will be distributed Thursday morning.

COSTA RICA outlined a process of devolving biodiversity management to local government and to civil society. Peter Johan Schei (Norway), the Chair of SBSTTA-2, summarized SBSTTA's recommendations II/1 (assessment, methodologies, identification, monitoring and indicators of biodiversity) and II/2 (practical approaches for capacity building for taxonomy) (UNEP/CBD/COP/3/3). The EU highlighted conservation, integration into relevant sectoral policies, and equitable sharing of benefits arising from the use of genetic resources. SWITZERLAND emphasized regional coordination to

accomplish conservation goals. INDONESIA urged implementation of IUCN guidelines on monitoring and conflict management in Protected Areas.

INDIA stated that implementation of Articles 6 and 8 require action mainly at the national level. CHINA requested that the Biosafety Working Group take up the issue of alien species. NORWAY proposed putting 8(h) (introduction of alien species) on a future CBD agenda and called attention to a conference it hosted on alien species. MALAYSIA asked for full funding, without conditionality, for activities involving Articles 6 and 8. MADAGASCAR proposed an economic study of the value of biodiversity.

OPTIONS FOR IMPLEMENTING ARTICLE 7 (IDENTIFICATION AND MONITORING): ARGENTINA noted a "marked dichotomy" in the implementation of Articles 6 and 8 versus that of Article 7. SPAIN stated that Articles 6, 7 and 8 should be applied in parallel. NEW ZEALAND recommended that COP-3 call for immediate implementation of 7(a) (identify components important for conservation) and 7(c) (identify processes that adversely impact conservation) and called on Parties to prepare reports on their experiences with assessment methodology. The US suggested that a voluntary pilot project be developed to demonstrate the assessment process.

NORWAY called for the use of remote sensing. ICELAND supported the development of an indicative framework. SOUTH AFRICA supported the two-track approach proposed by SBSTTA. SWEDEN stressed a bottom-up approach to developing indicators. BRAZIL called attention to the recommendations of a workshop it hosted (UNEP/CBD/COP/3/Inf.19).

IMPLEMENTATION OF ARTICLE 25(2)(a) (SCIENTIFIC ASSESSMENTS) AND METHODOLOGIES: The NETHERLANDS stated that the GEF should fund taxonomy capacity building to accomplish *in situ* conservation goals. BRAZIL proposed the creation of taxonomic centres of excellence. AUSTRALIA stated that capacity building should be one of SBSTTA's priorities. INDIA said that assessment of marine areas should be conducted in connection with the United Nations Convention on the Law of the Sea (UNCLOS).

WORKING GROUP

The Open-ended Working Group on agricultural biodiversity met during the evening. Draft texts were tabled by the EU and the G-77 and China. The EU, supported by Sweden, stated that it could not accept the G-77 text as a basis for negotiation because it ignored the "useful work" of the SBSTTA. Canada, Mauritius, the EU, Norway, the UK and Australia proposed that the SBSTTA recommendations would serve as a sound scientific basis for the negotiations. Colombia, Brazil and Argentina preferred that the G-77 text serve as a basis for negotiation, noting that SBSTTA recommendations could be brought in as "enrichments" to the final document once the political stage had been set by the COP. Delegates agreed to form a small drafting group, to be composed of a core of regional representatives, to consider both draft texts and the SBSTTA recommendations.

THINGS TO LOOK FOR TODAY

COMMITTEE OF THE WHOLE: The COW will meet during the morning to discuss forest issues, during the afternoon to discuss Article 8(j) (traditional knowledge), and from 8:00 to 11:00 pm to discuss the proposals regarding the *modus operandi* of SBSTTA.

AGRICULTURAL BIODIVERSITY: The drafting group will meet at 10:00 am and is expected to report to the Working Group in the evening.

FINANCE: The Finance Working Group will meet following a workshop to be organized by Argentina and Switzerland. The workshop will begin at 1:00 pm.