



**SUMMARY OF THE THIRD SESSION
OF THE OPEN-ENDED HIGH-LEVEL
INTERGOVERNMENTAL WORKING GROUP
ON AN INTERGOVERNMENTAL STRATEGIC
PLAN ON TECHNOLOGY SUPPORT AND
CAPACITY BUILDING:
2-4 DECEMBER 2004**

The third session of the UN Environment Programme's High-level Open-ended Intergovernmental Working Group on an Intergovernmental Strategic Plan for Technology Support and Capacity Building took place from 2-4 December 2004, at the Intercontinental Resort in Jimbaran-Bali, Indonesia. The session was attended by over 120 delegates representing governments, UN bodies and specialized agencies, other intergovernmental organizations and civil society. The aim of the session was to conclude negotiations on the draft Intergovernmental Strategic Plan (IGSP) based on the compilation of proposals.

The formal session of the Intergovernmental Working Group was preceded by a day of regional group meetings, as well as informal consultations among government delegations. During the meeting, delegates met in plenary and in two working groups to prepare the draft IGSP, which includes sections on objectives, strategic considerations, implementation, coordination mechanism, and financial mechanisms. The session concluded with the agreement on the "Bali Strategic Plan," which will be forwarded to the 23rd session of the UNEP Governing Council/Global Ministerial Environment Forum in February 2005 for final adoption.

**A BRIEF HISTORY OF THE
INTERGOVERNMENTAL STRATEGIC PLAN**

In recent years, technology support and capacity building have become a key part of the quest for sustainable development. Issues encompassing human, scientific, technological, organizational, institutional and resource capabilities are core components of the mandate and work of UNEP and feature prominently in both Agenda 21 and the Johannesburg Plan of Implementation. Capacity building, in particular, has become an explicit priority for the UN system.

**SIXTH SPECIAL SESSION OF THE UNEP
GOVERNING COUNCIL/GMEF:** The sixth Special Session of UNEP's Governing Council/Global Ministerial Environment

Forum (GCSS-6/GMEF) took place from 29-31 May 2000, in Malmö, Sweden. Ministers adopted the Malmö Ministerial Declaration, which called on the 2002 World Summit on Sustainable Development to review the requirements for a greatly strengthened institutional structure for international environmental governance (IEG).

**INTERNATIONAL ENVIRONMENTAL GOVERNANCE
REVIEW:** Issues regarding IEG were subsequently taken up at the 21st session of the UNEP Governing Council/GMEF, which met from 5-9 February 2001, in Nairobi, Kenya. The Council established an Open-ended Intergovernmental Group of Ministers or Their Representatives (IGM) to undertake a comprehensive policy-oriented assessment of existing institutional weaknesses, as well as of future needs and options for strengthening IEG. The Group of Ministers met five times, and reported to the seventh Special Session of the UNEP Governing Council/GMEF in 2002.

**SEVENTH SPECIAL SESSION OF THE UNEP
GOVERNING COUNCIL/GMEF:** The report on IEG was presented during the seventh Special Session of the UNEP Governing Council/GMEF, which was held from 13-15 February 2002, in Cartagena, Colombia. The GC/GMEF adopted decision SS/VII/1 on IEG, with the IGM report as an annex. In the report, the IGM underscored the need for UNEP to play a more prominent role in supporting country-level capacity building and training, and national-level coordination

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of the environmental component of sustainable development. The IGM also recommended that UNEP help strengthen regional environmental governance and improve coordination, implementation, capacity building and technology transfer in support of regional initiatives. The IGM also recognized the need to strengthen the ability of developing countries and countries with economies in transition to participate fully in the development of international environmental policy, including support for countries to undertake the requisite implementation of international environmental agreements at the national level. In terms of technology support, the IGM highlighted the need to establish and facilitate arrangements for the transfer of environmentally-sound technologies to developing countries. The IGM noted that UNEP, in cooperation with relevant regional and subregional organizations, could help strengthen regional environmental governance.

The Group of Ministers also recommended that an Intergovernmental Strategic Plan for Technology Support and Capacity Building be developed to improve the effectiveness of capacity building, and to address the gaps identified by assessments of existing activities and needs. The IGM also decided that the Plan should be built on two components: capacity building and training, and the national-level coordination of the environmental component of sustainable development. Regarding capacity building and training, the IGM recommended strengthening national institutions responsible for the environment and the implementation of multilateral environmental agreements. On national-level coordination of the environmental component of sustainable development, the IGM underscored the need for developing countries to have access to financial, technological and technical resources from the international community.

22ND SESSION OF THE UNEP GOVERNING

COUNCIL/GMEF: The 22nd session of the UNEP Governing Council/GMEF took place from 3-7 February 2003, in Nairobi, Kenya. The GC/GMEF adopted decision GC.22/17/I, which requested UNEP's Executive Director to prepare a draft Intergovernmental Strategic Plan for Technical Support and Capacity Building (IGSP) to be presented to the eighth Special Session of the Governing Council/GMEF.

SIXTH MEETING OF THE ENVIRONMENTAL

MANAGEMENT GROUP: The sixth meeting of the Environmental Management Group (EMG) was held on 6 February 2004, in Geneva, Switzerland. The meeting focused on the environmental aspects of capacity building in order to identify the possible contribution and added value of the EMG to the ongoing efforts of the UN. The EMG decided to establish an Issue Management Group (IMG) on capacity building, with the mandate to develop a situation/needs analysis in the area of the environmental aspects of capacity building in the two pilot areas of biodiversity and chemicals.

EIGHTH SPECIAL SESSION OF THE UNEP

GOVERNING COUNCIL/GMEF: The eighth Special Session of UNEP's Governing Council/GMEF took place from 29-31 March 2004, in Jeju, Republic of Korea. Delegates considered the elements of a draft IGSP, as set out in the report of the Executive Director. The Council adopted decision SS/VIII/1, which underscored the need to provide assistance to developing countries and countries with economies in transition for the implementation of environmental goals, targets and

objectives, particularly those set out in the Johannesburg Plan of Implementation (JPOI). The decision also highlighted the urgent need to develop a Strategic Plan. In the decision, the Governing Council/GMEF established a High-level Open-ended Intergovernmental Working Group with the mandate to prepare a draft IGSP for consideration at the 23rd session of the Governing Council/GMEF in February 2005. In the decision, the GC/GMEF also emphasized the need to receive inputs from relevant organizations and stakeholders, in particular the Global Environment Facility (GEF) and the United Nations Development Programme (UNDP), as well as international financial organizations, UN agencies and the secretariats of multilateral environmental agreements.

SEVENTH MEETING OF THE ENVIRONMENTAL MANAGEMENT GROUP: The seventh meeting of the EMG was held on 20 April 2004, in New York. The meeting discussed the IGSP and its linkages with the work of the EMG, and heard presentations on and discussed the outlines of the EMG's study on capacity building in the areas of biodiversity and chemicals management. The meeting also established a second Issue Management Group on the overall outline of UN activities on environment-related capacity building, including all UN agencies' mandates, portfolios and current activities.

FIRST SESSION OF THE IGSP: The first session of the IGSP took place at UN headquarters in New York on 25 June 2004. The aim of the session was to reach agreement on how the Intergovernmental Working Group would proceed, and to engage in an initial exchange of views, as an input for the preparation of a draft IGSP.

EIGHTH MEETING OF THE ENVIRONMENTAL

MANAGEMENT GROUP: The eighth meeting of the EMG was held on 1 September 2004, in Nairobi. The main focus of the meeting was on the EMG's work in the area of environment-related capacity building, including its contribution to the development of the IGSP. The EMG discussed the status and the progress of work of its Issue Management Group on the UN system's environment-related capacity-building activities and initiatives in the two pilot areas of biodiversity and chemicals management. The Group also considered the draft outline prepared by its second Issue Management Group on the overall outline of UN activities and initiatives on environment-related capacity building, and agreed to submit the current results of the two Issue Management Groups to the second meeting of the IGSP for its information and consideration.

SECOND SESSION OF THE IGSP: The second session of the IGSP took place from 2-4 September 2004, in Nairobi, Kenya. Delegates considered the Chair's "building blocks" paper. The first part of the Chair's paper contained a general introduction outlining relevant international decisions that spell out UNEP's mandate for technology support and capacity building. The second part of the paper contained the framework of the Strategic Plan and included sections and subsections addressing the following issues: needs and gaps; objectives and functions; guiding principles and strategic considerations; contents of the Plan, outlining activities at the global, regional, and national levels as well as priority areas, the JPOI, South-South cooperation, and information for decision-making; the role of science, monitoring and assessment and reporting; an institutional mechanism at the intergovernmental and secretariat



levels; and a financial mechanism. The session explored the possible contents of the draft IGSP and engaged in initial drafting of the text.

NINTH MEETING OF THE ENVIRONMENTAL MANAGEMENT GROUP: The ninth meeting of the EMG was held on 8 November 2004, in Geneva, Switzerland. The meeting was held back to back with the first meeting of the IMG on capacity building. The meeting discussed the EMG's work in the area of capacity building, in particular the preparation of the study on enhancing the UN system information exchange, experiences and lessons learned in the area of environmental capacity building. The meeting also addressed the EMG's report to the UNEP GC/GMEF, including its medium-term strategy and programme of work for 2005.

REPORT OF THE SESSION

On Thursday, 2 December, Intergovernmental Working Group Chair Arcado Ntagazwa (Tanzania) opened the plenary, noting that the outcome of the session will be named the "Bali Strategic Plan." He urged delegates to regard the undertaking as a joint responsibility and finalize the Plan at this meeting in order for it to be formally adopted at UNEP GC/GMEF in February 2005.

Susanto Sutoyo, Director General of Multilateral Economic, Finance and Development Affairs of Indonesia's Ministry of Foreign Affairs, said the Plan should strengthen UNEP's efforts in technology support and capacity building, particularly for developing countries and countries with economies in transition.

Shafkat Kakakhel, UNEP Deputy Executive Director, stressed that the IGSP constitutes a central pillar for the intergovernmental process on sustainable development, and said the Plan should reflect national, as well as regional needs and priorities. He announced that a Memorandum of Understanding between UNEP and UNDP would be signed later this month in New York.

Rachmat Witoelar, Indonesia's State Minister for Environment, highlighted key areas in the effective implementation of technology support and capacity-building programmes, and identified the requirement to address: gaps and needs in recipient countries; financing mechanisms; and the institutional aspect for monitoring and assessing effectiveness.

Delegates then adopted the agenda (UNEP/IEG/IGSP/3/1) and agreed to the organization of work. The co-facilitators of the two working groups reported on the informal consultations held on Wednesday, 1 December. Idunn Eidheim (Norway), facilitator of Working Group I, said the Group had made significant headway and prepared new text on the section outlining the objectives/guiding principles of the IGSP. Bagher Asadi (Iran), facilitator of Working Group II, voiced his expectation to complete negotiations of the compilation text in Bali.

GENERAL STATEMENTS: Thailand, with Samoa, reported on the outcome of the Asia-Pacific Subregional Environmental Policy Dialogue held on 17 November 2004, in Bangkok, Thailand (UNEP/IEG/IGSP/3/INF.4). She highlighted several points put forth by the meeting, including: the importance of addressing priority issues identified at the national and regional level; securing the role of small and medium-sized enterprises in capacity building through innovative financing; the importance of education; and the role of indigenous technologies.

Monika Linn, Environmental Management Group (EMG), reported on the work of the EMG's Issue Management Group

(IMG) on the Strategic Plan (UNEP/IEG/IGSP/3/INF.5). She said the IMG noted examples of existing cooperation among UN agencies in the field of capacity building and technology transfer, identified gaps in coordination, and highlighted opportunities for improvement.

Peter Herkenrath, UNEP-World Conservation Monitoring Centre, and Craig Boljkovac, UN Institute for Training and Research (UNITAR), reported on the EMG's biodiversity and chemicals-related studies on capacity building and technology support. Both speakers stressed that experience gained from the respective studies could contribute to identifying the potential role of the EMG in facilitating cooperation within the UN system.

In a brief discussion, several delegates expressed hope that the Bali meeting would finalize the Plan for adoption at the next UNEP GC/GMEF. Pakistan, for the G-77/China, cautioned against introducing new ideas at this stage, and emphasized putting the Plan on a sound financial platform, while focusing on the needs of developing countries. The Netherlands, for the EU, drew attention to its paper, which offers new language on sections of the compilation text dealing with strategic considerations and implementation. She stressed UNEP's strategic position in a UN system-wide approach to capacity building, and suggested clarifying its role in coordination. The US warned against adding new language, which would lead to an expansion of UNEP's and the EMG's mandates, and called for the Plan to maintain a realistic focus on UNEP and its efficient collaboration with, rather than coordination of, other actors.

STOCK-TAKING PLENARY: On Friday afternoon, 3 December, Chair Ntagazwa opened the plenary, noting that the session was an opportunity to take stock of progress achieved in the negotiations.

Facilitator Eidheim said Working Group I was making good headway and noted that new text had been circulated on the introduction to the Plan. She said the co-facilitators had discussed areas of overlap and duplication in the Plan and that these areas would be addressed in each Working Group. Facilitator Asadi said Working Group II still had to deal with the important issue of financing and observed that a large portion of the text on institutions had been agreed upon.

Stressing the importance of South-South capacity building and technology support, UNEP Executive Director Klaus Töpfer reported on the signing of a letter of intent between UNEP and Indonesia's Ministry of Foreign Affairs and the Non-Aligned Movement Centre for South-South Technical Cooperation. He underscored the importance of the "Bali Strategic Plan," noting that it reflects the dedication of developing countries to confront environment-related problems.

The G-77/China said the provision of additional financing is the logical consequence of the IGSP process. The EU expressed concerns about duplication and overlaps between the two working groups.

PREPARATION OF A DRAFT INTERGOVERNMENTAL STRATEGIC PLAN

From Thursday to Saturday, 2-4 December, delegates convened in the two working groups to deliberate the draft IGSP, as outlined in the compilation text (UNEP/IEG/IGSP/3/2). On Wednesday, 1 December, delegates met in an informal plenary, informal working groups, regional groups and



informal consultations among governments. Chair Ntagazwa opened an informal plenary session on Wednesday afternoon, 1 December. He informed delegates that the compilation text would be used as the basis of negotiations. He highlighted the outcomes of the informal consultation in Dar es Salaam in October 2004, including a new paper (UNEP/IEG/IGSP/3/3), containing proposals on how to address the contentious elements of the IGSP, such as issues related to needs and objectives, implementation, governance, regional dimensions, and financing. He then called upon delegates to focus on issues of implementation of the Plan, regional action plans and funding.

In response to the Chair's suggestion to convene informal working group sessions immediately after the informal plenary, the Netherlands, on behalf of the EU, supported by Pakistan, on behalf of the G-77/China, and the US, requested more time for informal consultations among regional groups. The US cautioned against starting informal negotiations immediately and said they preferred to have informal discussions among governments instead. The plenary agreed to have regional group meetings followed by informal sessions of the two working groups.

Working Group I, facilitated by Idunn Eidheim, addressed the sections on the introduction, objectives and functions, guiding principles, strategic considerations, and implementation of the Plan. Working Group II, facilitated by Bagher Asadi, addressed sections on institutional and financial mechanisms.

INTRODUCTION: Limited discussion took place on the Plan's introduction. Facilitator Eidheim tabled new text, which replaced the section on needs and gaps. Working Group I discussed the text and adopted it with minor amendments.

Final Text: The introduction recognizes the need for environment-related technology support and capacity building in developing countries and countries with economies in transition, as well as the urgent need for providing a Plan to that effect.

OBJECTIVES: Discussion on this section focused on the facilitator's proposal (UNEP/IEG/IGSP/3/CRP.1), developed as a result of informal consultations held on Wednesday, 1 December. Delegates agreed to a suggestion from the EU and US to delete references to guiding principles in the title of the section. They also agreed to several new proposals from the G-77/China on: strengthening capacity of governments; developing national research, monitoring and assessment capacity to support national institutions in data collection, analysis and monitoring of environmental trends; and promoting technology transfer and corresponding know-how to developing countries and countries with economies in transition. Delegates also agreed to a US proposal on mainstreaming technology support and capacity building throughout UNEP.

Final Text: The stated objectives of the Plan are, *inter alia*, to:

- strengthen the capacity of governments of developing countries and of countries with economies in transition at all levels;
- provide systematic, targeted, long and short-term measures for technology support and capacity building;
- enable collaboration with all relevant stakeholders and provide a basis for a comprehensive approach to developing partnerships, including public-private partnerships;
- emphasize the identification and dissemination of best practices and fostering of entrepreneurship and partnerships;

- provide a framework for capacity building to ensure the effective participation of developing countries and countries with economies in transition in negotiations concerning multilateral environmental agreements (MEAs);
- enhance delivery by UNEP of technology support and capacity building based on best practices from both within and outside UNEP;
- strengthen cooperation among UNEP, MEAs, and other bodies engaged in environmental capacity building, including UNDP, GEF, and other relevant stakeholders; and
- promote, facilitate and finance access to and support of environmentally sound technologies and corresponding know-how.

STRATEGIC CONSIDERATIONS: In the discussion, delegates agreed to make this section more concise, and to delete several paragraphs taken up in other sections of the compilation text. Mexico, supported by the EU, and opposed by the US and Canada, called for the deletion of language that would limit UNEP's activities to areas where it has a comparative advantage, stating that this would narrow the scope of the IGSP. Regarding UNEP's interaction with other UN agencies and relevant partners, delegates decided to revert to language used in GCSS-7/GMEF decision GCSS/VII/1 on international environmental governance adopted in Cartagena in 2002, which refers to coordination between UNEP and other UN agencies and relevant bodies.

Regarding UNEP's role in the UN Development Group's (UNDG) framework in delivering capacity building and technology support, the EU proposed language on developing links with UN regional and resident coordinators. The US and the G-77/China could not agree on the EU's language, expressing concern over the institutional complexity of the UN system. UNDP stated that the EU's text could be interpreted to suggest that UNEP link directly to the UN regional and resident coordinators, thereby bypassing the UNDG. Following extensive discussion, the EU agreed to delete text detailing UNEP's role in the UNDG framework and referring to UNEP enhancing cooperation within the UN resident coordinator system at the country and regional level.

On a paragraph outlining the basic approach of the Plan, the US argued for language recognizing existing capacities within UNEP and national governments, while the EU, supported by Canada and Norway, wanted to reference capacities within international institutions, national governments, civil society and the private sector as well. Following extensive debate the US and EU agreed to withdraw their proposals and the paragraph was adopted with minor amendments. The US proposed deletion of a reference that countries should prioritize actions in implementing international conventions, and Mexico called for the retention of its amendment, which notes that countries should choose to prioritize their own programmes.

Final Text: The Plan highlights the need to enable UNEP to strengthen its technology support and capacity-building activities, including by reinforcing the role of UNEP and building on the areas where it has demonstrated comparative advantage and expertise. It underscores the need to take into account activities undertaken across the UN system, which should be complementary to activities and programmes undertaken by other partners. The Plan also calls for improved interagency coordination and cooperation. It states that in



order to achieve integrated coordination among activities, its implementation shall provide a:

- basis for UNEP to play a more substantial role in the UNDG framework;
- coherent platform for internal coordination and exchange of information within UNEP as well as enhanced coordination between UNEP and other UN agencies and other relevant partners; and
- coherent approach to strengthening national institutions responsible for environmental management.

The Plan also states that implementation efforts should promote efficiency and effectiveness in using the financial and human resources through better coordination and coherence; and build on existing capacities. Activities must have national ownership, programmes must be tailored to individual countries based on a bottom-up needs-assessment process, and work must be coordinated and should not duplicate those promoted and undertaken by other organizations and programmes.

IMPLEMENTATION: This section of the Plan contains subsections on implementation at the national, regional and global levels, as well as subsections on: the indicative list of main areas of technology support and capacity-building activities; South-South cooperation; information for decision-making: the role of science, monitoring and assessment; and reporting, monitoring and evaluation.

National Level: On implementation at the national level, Working Group I favored the original version as outlined in the compilation text. Noting that many developing countries have already undertaken National Capacity Building Self-Assessments (NCSAs), Mexico cautioned that additional requirements for developing countries would delay implementation. The G-77/China stressed that cooperation between UNEP, UNDP, the GEF and MEAs is essential in developing practical arrangements to convert country needs into strategic priorities and potential responses.

Regional Level: On institutional arrangements at the regional level, delegates could not agree on whether a reference to implementation at the regional and subregional levels should be deleted or moved to the institutional section. Regarding a paragraph on strengthening regional forums, delegates discussed whether regional priorities could be annexed to the Plan. The G-77/China and Mexico insisted on text encouraging regional forums to identify regional priorities and for them to be included as part of the Plan. Opposing this, the US, supported by Canada, said it would not be possible to have the regional priorities annexed to the Plan since they were negotiated independently from the IGSP process. The G-77/China proposed, and delegates agreed upon, new text on strengthening regional offices to be added to the section on the general approach to implementation. The US, supported by G-77/China, proposed deletion of text on the role of regional offices in promoting periodic national status reports. The G-77/China compromised on a previously held position and agreed with the US to delete text on annexing regional priorities to the Plan.

Global Level: This subsection was adopted with minor amendments.

Main areas of technology support and capacity-building:

On the section outlining the indicative list of technology support and capacity building activities, the EU, supported by G-77/China and Norway, favored annexing the list of thematic

areas to the Plan, and retaining the list of cross-cutting issues in the text. The US stressed that if the list were to be retained at all, it could not accept annexing cross-cutting areas where UNEP enjoys a comparative advantage, namely chemicals management and regional seas. Norway and Mexico opposed giving these two areas preference over other thematic areas.

South-South cooperation: In this subsection, delegates discussed a reference to the South Summit's Havana Programme of Action. The US, supported by Canada, proposed its deletion, while the G-77/China suggested recognizing just the South Summit instead.

Information for decision-making: the role of science, monitoring and assessment: In this subsection, the EU proposed adding a sentence requesting UNEP to support the participation of national governments in the Global Environment Outlook programme through collaboration with research centers and in data collection. The US voiced concern that the sentence singled out one specific UNEP process among a range of others. Delegates agreed that language on the establishment and operation of cleaner production centers should be added to the subsection containing the indicative list of the main areas for technology support and capacity building.

Reporting, monitoring and evaluation: This subsection was adopted with amendments.

Final Text: The Plan states that a bottom-up approach in identifying specific objectives, strategies and activities will be used to reflect the needs of countries and regions, based on inputs from governments and considering views of relevant organizations and stakeholders. It stresses the importance of national ownership, and the strengthening of UNEP regional offices to facilitate support for the Plan's implementation at national, regional and subregional levels.

National level: The Plan states that countries, with assistance from the multilateral system, are encouraged to identify their own needs in capacity building and technology support, transforming national and, where applicable, GEF/UNDP self-assessments into strategic priorities. It also identifies the need to assist in developing UNEP's response to national-level needs for capacity building on issues relevant to its mandate, and states that UNEP's implementation activities are to complement GEF activities, and be coordinated with UNDP activities.

Regional level: The Plan highlights the need for consistency and support to the implementation of regional and subregional strategies as defined by regional and subregional groups, as well as responding to the regional dimensions emphasized in the JPOI. It also calls for strengthening of the regional ministerial environmental forums to enhance their role in implementation.

Global level: The Plan underscores the role of the memorandum of understanding between UNEP and UNDP in enhancing joint capacity-building activities. It also states that UNEP should play a proactive role in supporting the dissemination of capacity-building and technology-transfer activities in the UN system through the creation of an activities database.

Main areas of technology support and capacity building: The Plan identifies areas that need to be addressed, including the following cross-cutting issues:

- strengthening of national and regional environmental institutions;
- developing national environmental law;



- strengthening cooperation with civil society and the private sector;
- providing assistance to facilitate compliance with and enforcement of obligations under MEAs and implementation of environmental commitments;
- addressing poverty and environment, including the implementation of poverty reduction strategy programmes;
- facilitating access to and support for environmentally sound technologies and corresponding know-how;
- promoting sustainable consumption and production patterns; and
- developing gender mainstreaming strategies in environmental policies.

The list also identified several thematic areas, including: biological diversity, including biosafety and the issue of invasive species; climate change; desertification, drought and land degradation; freshwater resources; oceans and seas and coastal areas, including regional seas and the protection of the marine environment and land-based activities; chemicals; trade and environment; renewable energy; environmental emergency preparedness and response; and forests.

South-South cooperation: The Plan supports South-South efforts and the implementation of the relevant decisions of South-South conferences and other forums, particularly of the G-77/China. The Plan also stresses the need to intensify efforts aimed at institutional capacity building.

Information for decision-making: the role of science, monitoring and assessment: The Plan supports the implementation of the relevant outcomes of the intergovernmental consultation on strengthening the scientific base of UNEP, which specify a number of important capacity-building needs, such as data collection, research, analysis, monitoring, environmental assessment, institutional capacities, and staff training. It also states that UNEP should help reinforce the capacity of national governments to collect and analyze environmental data for use in decision making and for participation in assessment processes.

Reporting, monitoring and evaluation: On the subsection dealing with reporting, monitoring and evaluation, the Plan provides for reporting on its implementation to the GC/GMEF, which should include the following: assessments by recipient governments on the results of assistance or training received; and reporting by the UNEP Secretariat on the number of requests, monitoring of outcomes, measurable and qualitative results, as well as assessments on the status of financing of the Plan. It requests recipient governments to endeavor to utilize effectively, and sustain the capacity or technology after the training or other capacity-building efforts have been completed. The Plan also encourages governments to report on results of capacity building or technology support received.

COORDINATION MECHANISM: This section of the Plan includes subsections on global follow-up arrangements at the intergovernmental level, and on Secretariat-level coordination.

Intergovernmental level: In this subsection on intergovernmental level coordination, the EU suggested the retention of language that all agencies in the UN system keep the Plan under review, while the US proposed that the UN system take the Plan into account.

On the sub-subsection addressing global follow-up arrangements, the G-77/China suggested retaining the opening

paragraph, followed by a listing of the functions of the GC/GMEF, Committee of Permanent Representatives (CPR), and the Executive Director. The US, opposed by the G-77/China, proposed moving references to budgetary allocations to the financial section, while the EU suggested retaining the text in brackets, and Canada urged deleting language calling for necessary resources for implementation.

Secretariat level: On the subsection dealing with the Secretariat level, discussions focused on prioritizing the four options in the compilation text, with delegates agreeing to marry text from the G-77/China and US options. Regarding the designation of a UNEP focal point for the IGSP, the US said it wanted to see capacity building mainstreamed across all UNEP offices and divisions, including the regional offices, and opposed establishing a central focal point. The G-77/China, supported by the EU, underscored the need for a dedicated focal point at UNEP headquarters to ensure in-house coordination. Delegates also amended a proposal from the Russian Federation on strengthening the scientific and technical capacity of UNEP to enhance the delivery of technological advice and assistance related to environmentally-sound technologies and know-how. The US objected to language that UNEP's database on capacity building and technology support include related activities of other agencies.

The US, opposed by the EU and G-77/China, proposed reintroducing text urging each UNEP division to include identifiable budget line items for capacity-building and technology-support activities in their programmes of work. The EU, supported by the G-77/China, said this issue was adequately addressed in an existing paragraph, which calls for the clear identification of UNEP's capacity-building and technology-support portfolio in the biennial programme of work and budget.

On private-public partnerships, Switzerland proposed integrating this paragraph with a similar paragraph in the finance section. Delegates agreed to a US amendment that governments not use partnerships as substitutes for intergovernmental commitments, but wished to retain the flexibility for UNEP to use them as a complement to intergovernmental commitments. Delegates also agreed to merge text on the focal point from the section on strategic considerations with relevant text in this section of the compilation text.

Final Text: In the introduction to this section, the Plan notes that implementation should be guided by national and regional capacity-building priorities and actions. It notes that UNEP should work to achieve improved and enhanced communication, cooperation, and coordination with UN organizations, international financial institutions, regional development banks, MEAs, civil society and relevant stakeholders, *inter alia*, to ensure the optimum use of limited financial and human resources. It also encourages all UN agencies to take the Plan into account while planning their own technology-support and capacity-building efforts.

Intergovernmental level: On global follow-up arrangements at the intergovernmental level, the Plan calls on the GC/GMEF to regularly review and provide policy guidance to the Plan, with each GC/GMEF session following up the review, providing guidance and allocating resources for the implementation of the Plan at regular sessions. The Plan also notes that the GC/GMEF should provide oversight and direction to the capacity-building and technology-support work of UNEP.



At the regional level, the Plan encourages existing regional ministerial environmental bodies, their subsidiary bodies and other relevant entities to consider the implementation of the Plan, as well as to make policy recommendations and identify regional priorities.

Secretariat level: At the Secretariat level, the Plan states that UNEP will provide secretariat services for its implementation, including in-house coordination. It also states that the UNEP Executive Director will have overall responsibility for the Plan's implementation, and that he should ensure its mainstreaming throughout the organization, while avoiding the creation of additional or new bureaucratic layers. It also calls on the Executive Director to establish a dedicated focal point at UNEP headquarters to facilitate in-house coordination among the divisions and regional offices. The Plan calls on UNEP to establish a comprehensive, user-friendly, regularly updated database of capacity-building and technology-support activities.

FINANCIAL MECHANISMS: Discussion on this section centered on differences between the three options outlined in the compilation text. The G-77/China stressed its preference for an independent financial mechanism, which would make the Plan viable by obtaining additional resources for capacity building. The EU, supported by Canada, emphasized the efficient use of existing resources and the need for a wider application of the voluntary indicative scale of contributions to the Environment Fund. The G-77/China stressed its objections to the use of the voluntary indicative scale, noting that it was still in a pilot phase and did not enjoy consensus. The US expressed its inability to take on long-term financial commitments, apart from ensuring a minimum amount of funding for capacity building from the Environment Fund. Switzerland and Canada observed that the percentage approach favored by the US may hamper the current UNEP budgetary framework. The Russian Federation suggested having a combination of financing options, and proposed adding a reference to an expanded strategic partnership with other UN agencies and mentioning private sources. The EU expressed an interest in having a package of different mechanisms.

Following inconclusive discussions, Facilitator Asadi produced a new text for this section, which provoked further discussion, during the course of which some delegates reverted to their previous positions. The US emphasized the voluntary nature of contributions and said a target percentage of the Environment Fund should be devoted to capacity building. The G-77/China, opposed by the US, Israel and the EU, suggested a possible general trust fund.

Delegates discussed at length the G-77/China's proposal to insert paragraphs 15-22 from the Cartagena GCSS-7/GMEF decision GCSS.VII/1 on international environmental governance, which deal with options for financing UNEP. Following further discussions, Facilitator Asadi proposed, and delegates agreed, to a compromise solution to delete the Cartagena text and insert language that member States could consider various voluntary mechanisms, as envisaged in Cartagena decision GCSS.VII/1 of 15 February 2002.

Final Text: The Plan recognizes that the financial mechanisms should be transparent and accountable, as well as in accord with the financial rules of the Environment Fund. It calls for funding to be stable, adequate and predictable and for member States to consider increasing their voluntary contributions to the Environment Fund. The Plan also notes that implementation will

depend on the mobilization of other sources, including public-private partnerships, which should complement and not be a substitute for intergovernmental commitments.

CLOSING PLENARY

Chair Ntagazwa opened the final plenary session on Saturday afternoon, 4 December, noting its task of adopting the final draft of the IGSP for transmission to GC-23/GMEF for formal adoption. He proposed, and the plenary agreed, to call the draft IGSP the "Bali Strategic Plan."

The Chair proposed, and delegates adopted, the report of the meeting (UNEP/IEG/IGSP/3/L.1). The Chair proposed that the plenary adopt the "Bali Strategic Plan." Co-facilitators Eidheim and Asadi reported on the outcomes of the working groups' negotiations, noting full consensus on the Plan. Both facilitators thanked the Secretariat, delegates and the host country. The plenary then adopted the "Bali Strategic Plan" by acclamation.

With the US in the lead, delegates joined together in singing "Happy Birthday" to Chair Ntagazwa.

Mexico said the Plan will contribute to making a significant contribution to putting the environment on the global agenda. The G-77/China said the session was the first step in "our journey" to the Plan's challenging implementation. He called for the Plan's early operationalization and implementation, in a result-oriented manner. He said the Plan is an important aspect of international environmental governance and stressed the imperative of not wavering on the commitments to capacity building and technology support to developing countries.

The EU said the "Bali Strategic Plan" highlights the important contribution UNEP can make to help developing countries achieve environment and development goals. She welcomed the Plan's wide scope in encouraging interagency cooperation and said that it reinforces the need for adequate, stable and predictable financing, as well as the wider application of the voluntary indicative scale of contributions.

Femmes Environnement et Santé thanked UNEP for including NGOs in the IGSP process. The World Meteorological Organization highlighted its cooperation with UNEP and stressed the importance of implementing the Plan. UNDP highlighted the need to move towards the Plan's implementation.

Indonesia congratulated negotiating partners for their efforts and constructive engagement in the negotiations on the "Bali Strategic Plan." He said the naming of the Plan was a great present for the people of Bali and would help maintain the momentum for sustainable development in Indonesia, developing countries and countries with economies in transition.

Klaus Töpfer said the outcome of the session is a clear signal for the UN family to work together and to cooperate to ensure the Plan's implementation.

Chair Ntagazwa reiterated his thanks to the two co-facilitators, the Secretariat and the Indonesian government. He gavelled the session to a close at 6:25 pm.



A BRIEF ANALYSIS OF IGSP-3

The debate at this third (and final) session of UNEP's Working Group on an Intergovernmental Strategic Plan for Technology Support and Capacity Building was daunting at times. Looking back, and if one considers the actual time spent on substantive negotiations, the "Bali Strategic Plan" was finalized at breakneck speed, judging by UN standards. The final 5% of the text, especially those sections concerning financial arrangements, proved most difficult, with positions continuously hardening, relaxing and tensing again, on issues close to the hearts of the major actors.

The "three camps" that surfaced in Bali were pushing their agendas with vigor until the very end. The US urged a technical fix for promoting technology support and capacity building, while keeping it confined to UNEP rather than the wider UN system, to be funded through a percentage of the Environment Fund's meager resources. Another camp, represented by the EU, while opting for a wider coordinating role for UNEP through the Plan, insisted on using the voluntary indicative scale of contributions to the Environment Fund, an idea still regarded with suspicion by some countries. The largest camp, the G-77/China and several others, while persistently evoking the notion of additionality (in order for the Plan to be viable), showed surprising flexibility in finding language for contentious portions of the text. Delegates offered a staggering number of financing options, albeit in good faith. Some of the ideas bordered on the wishful, whereas others promised to wreak havoc with long-established budgetary procedures at UNEP. The final language seemed sufficiently innocuous to be acceptable to all.

The debate in Bali has left a lingering feeling that UNEP and the Environmental Management Group it chairs still face a challenge: although UNEP has consolidated its positions in the critical area of capacity building, the goal of coordinating other agencies is still regarded by some as elusive, in view of UNEP's restricted resources, small staff and a mandate that is not easy to put into practice. It remains to be seen whether the political consensus reached in Bali will secure a tangible measure of funding for technology support and capacity building, or how this re-orientation would be achieved in practical terms, with strong interests competing for a slice of UNEP's budget.

Clearly, it will be some time before the full impact of the Plan, which is envisioned to be an important tool to help the developing world, can be felt across the UN system. It is the practical implementation of the strategic plan (essentially a framework document) at all levels that will shape and reinforce UNEP's structures and comparative advantages in the coming years. In the meantime, the issue of early operationalization of the strategic plan will figure prominently in the overburdened agenda of the UNEP Governing Council's 23rd session in February 2005.

UPCOMING MEETINGS

UNFCCC COP-10: The tenth Conference of the Parties to the UN Framework Convention on Climate Change (COP-10) will take place from 6-17 December 2004, in Buenos Aires, Argentina. COP-10 will continue negotiations relating to the Convention and the Kyoto Protocol. For more information,

contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: http://unfccc.int/meetings/cop_10/items/2944.php

INTERNATIONAL MEETING FOR THE TEN-YEAR REVIEW OF THE BARBADOS PROGRAMME OF ACTION (BPOA) FOR THE SUSTAINABLE DEVELOPMENT OF SIDS:

The ten-year review of implementation of the BPOA is to be held in Port Louis, Mauritius, from 10-14 January 2005. The international meeting will be preceded by two days of informal consultations to be held from 8-9 January. For more information, contact: Diane Quarless, UN Division for Sustainable Development, SIDS Unit; tel: +1-212-963-4135; fax: +1-917-367-3391; e-mail: Mauritius2004@sidsnet.org; internet: <http://www.un.org/smallislands2005/>

WORLD CONFERENCE ON DISASTER

REDUCTION: The Second World Conference on Disaster Reduction will be held in Kobe-Hyogo, Japan, from 18-22 January 2005. The overall objective of the World Conference is to increase the commitment for implementation of disaster risk reduction at all levels and in particular its integration into development planning processes. For more information, contact: Elena Dokhlik, ISDR Secretariat; tel: +41-22-917-2759; fax: +41-22-917-0563; e-mail: dokhlik@un.org; internet: <http://www.unisdr.org/wcdr/>

MEETING OF THE LIAISON GROUP ON CAPACITY BUILDING FOR BIOSAFETY: This meeting, organized by the Secretariat of the Convention on Biological Diversity, is tentatively scheduled to take place from 27-28 January 2005, in Montreal, Canada. For more information, contact: CBD Secretariat; tel: +1-514-288-2220; fax: +1-514-288-6588; e-mail: secretariat@biodiv.org; internet: <http://www.biodiv.org/meetings/>

TENTH MEETING OF THE CBD SUBSIDIARY BODY ON SCIENTIFIC, TECHNICAL AND TECHNOLOGICAL ADVICE (SBSTTA): CBD SBSTTA-10 will take place from 7-11 February 2005, in Bangkok, Thailand. For more information, contact: CBD Secretariat; tel: +1-514-288-2220; fax: +1-514-288-6588; e-mail: secretariat@biodiv.org; internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=SBSTTA-10>

SIXTH GLOBAL CIVIL SOCIETY FORUM: The 6th Global Civil Society Forum (GCSF), which will precede the 23rd Session of the Governing Council/Global Ministerial Environment Forum (GC-23/GMEF), is scheduled to take place from 19-20 February 2005, in Nairobi, Kenya. Regional fora will be held prior to the GCSF to allow civil society representatives from different regions to provide their views on international environmental governance and on the definition of UNEP's work programme for the biennium 2006-07, which is to be determined during GC-23/GMEF. For more information, contact: Denis Ruysschaert; tel: +254-20-623-712; fax: +254-20-623-022; e-mail: denis.ruysschaert@unep.org; internet: http://www.unep.org/DPDL/civil_society/News_Events/6thGCSF/index.asp

23RD SESSION OF THE UNEP GOVERNING COUNCIL/GMEF: The 23rd session of the UNEP GC/GMEF will take place from 21-25 February 2005, in Nairobi, Kenya. For more information, contact: Beverly Miller, Secretary for UNEP Governing Council; tel: +254-2-623-431; fax: +254-2-623-929; e-mail: beverly.miller@unep.org; internet: <http://www.unep.org/resources/gov/>