Delegates met throughout the day in three drafting groups to consider four draft decisions. Drafting Group I met in a morning session to discuss the Chair’s revised negotiating text on energy. Drafting Group II met in a morning session to discuss the revised draft decision on atmosphere, and in the afternoon completed a first reading of the draft decision on transport, while Drafting Group III met in an evening session and considered the revised draft decision on international cooperation for an enabling environment.

**DRAFTING GROUP I**

**ENERGY:** Chaired by Alison Drayton (Guyana), the Group considered the Chair’s negotiating text, a revision of Monday’s reading of the Report of the Intergovernmental Group of Experts on Energy and Sustainable Development (E/CN.17/2001/15). There was insufficient time to consider text on: renewable energy, advanced fossil fuel technologies, nuclear energy technologies, making markets work better, and international cooperation.

The EU, opposed by the G-77/CHINA, insisted on removing reference to the non-prescriptive nature of listed policy options. This remains bracketed. Agreement could not be reached on the compromise text relating to, *inter alia*: support to market development and stability to ensure energy supply; enhancement of regional and international cooperation to assist developing countries in achieving energy for sustainable development; reference to language from Rio Principle 10 on the role of major groups in decision making; the importance of poverty eradication in developing countries and the consequent need to ensure that environmental standards do not hinder efforts to eradicate poverty; and reference to the polluter pays principle and energy taxes.

Delegates agreed on text promoting an environment that enables the public and private sectors to engage in the generation and distribution of electricity at affordable rates, and technology transfer. They also agreed to delete a paragraph on innovative financing arrangements. On encouraging the transfer of energy efficiency technologies to developing countries on favorable terms, the US, supported by the G-77/CHINA, expressed preference for the language on technology transfer used later in the negotiating text, derived from Agenda 21. Compromise text is to be drafted informally. There was no agreement on proposals to delete bracketed text on energy efficiency codes and standards, and on improving eco-efficiency. These remain bracketed.

**DRAFTING GROUP II**

The Group, chaired by Drayton, began negotiations of the revised draft decision on international cooperation for an enabling environment, and only managed to address the sections on general considerations and start on international cooperation. An afternoon session to negotiate the draft decision on information for decision making and participation was cancelled to enable the G-77/China to participate in the deliberations of Drafting Group III on transport.

**INTERNATIONAL COOPERATION FOR AN ENABLING ENVIRONMENT:** Under general considerations, delegates accepted text on a dynamic and enabling international “economic” environment and on common but differentiated responsibilities, but could not agree on language stating that international cooperation depends on an enabling environment. The G-77/CHINA preferred references to good governance at national and international levels, and suggested additional text from the Millennium Declaration on this issue, which was accepted. The original references to governance remain bracketed.

Delegates deliberated at length regarding the placement of two paragraphs on ODA and technology transfer. The US suggested the language be moved to the section on international cooperation, which was agreed, although the specific placement is yet to be determined.

Delegates agreed to text on: the process of globalization as “one of the” elements of the international economic environment; globalization having the potential to “benefit all the world’s people”, the fact that the benefits of globalization have not been “shared in an equitable manner”; and partnerships between developed and developing countries and between the State and major groups. Delegates discussed, but could not agree on, a reference to donor and government contributions to sustainable development.

The G-77/CHINA, opposed by the EU and CANADA, called for deleting text on contributions to preparatory work of the Third UN Conference on Least Developed Countries (LDCs) and the Financing For Development conference.

Under the section on international cooperation, delegates deleted reference to untying aid to LDCs, and accepted references to “achieving” sustainable development and to specific actions based on national “and regional” circumstances. Delegates failed to reach agreement on language referring to: the integrated and coordinated follow-up of major UN conferences and summits; new and additional financial resources and technology transfer; strategies for sustainable development; “a strategy and action plan” to reverse the decline in ODA flows “for countries which have so agreed” to meet targets; the
nature of the complementary role between ODA and private sector resources; the “appropriate” efforts of developing countries to “manage,” “effectively employ” or “control” capital and investment flows; and the GEF and its third replenishment.

DRAFTING GROUP III

Chaired by David Stuart (Australia), the Group considered a revised draft decision on atmosphere; text on regional cooperation and national level recommendations remain to be discussed. The Group completed the first reading of the draft decision on transport contained in the Report of the Intersessional Ad Hoc Working Group on Transport and Atmosphere (E/CN.17/2001/16).

ATMOSPHERE: During the morning session, a recurring theme that delegates raised was whether to include text on climate change issues, as these are under consideration in other fora. Regarding general atmosphere considerations, the G-77/CHINA supported reference to a “balance between” the pillars of sustainable development, whereas the EU, supported by AUSTRALIA, CANADA and MEXICO, proposed a balanced “and integrated” consideration. The G-77/CHINA opposed text proposed by the EU noting the effects of air pollution on cultural heritage. Chair Stuart recommended that this be discussed informally outside the drafting group. On reference to pollutants or emissions, CANADA cautioned that technically correct language should be used, warning against “mixing and matching” terms. The G-77/CHINA, opposed by the EU, said climate change issues are covered in another forum, thus reference to emissions should be omitted. On developed country historical share of polluting emissions, the G-77/CHINA and MEXICO supported retaining the original text. The EU opposed, while CANADA suggested it be discussed informally. On international cooperation, the EU, CANADA and AUSTRALIA supported original text on assistance to developing countries and economies in transition. On air pollution abatement technologies, the G-77/CHINA diverged with EU and CANADA, on reference to practices, but supported text on cleaner fuels, and industry and transport, particularly in developing countries. On cleaner fuels, the G-77/CHINA, opposed by the EU, the US and CANADA, suggested including alternative and renewable energy, and reference to the promotion of technology transfer at “preferential rates.” Regarding cooperation of international bodies, the G-77/CHINA recommended including the United Nations Convention to Combat Desertification, and suggested that the EU’s reference to synergies should reflect the CSD mandate. The US opposed referring to the UNFCCC and the Kyoto Protocol, as well as to mandatory language on financing the Multilateral Fund of the Montreal Protocol. An EU proposal regarding atmospheric monitoring through a global strategy partnership will be considered in informal discussions. The G-77/CHINA proposed maintaining reference to the effective participation of experts from developing countries in the Intergovernmental Panel on Climate Change.

TRANSPORT: Starting with a re-opening of the discussion on international cooperation, delegates continued discussion of the elements for a draft decision on transport. The numerous amendments proposed by the EU Monday afternoon were circulated in writing, and will be reflected in the Chair’s revised text. KYRGYZSTAN, with SWITZERLAND, supported the retention of text on transport issues in mountainous countries, which some delegates had proposed deleting in Monday’s session. The US, challenged by JAPAN, urged that the CSD “resist the temptation” to address work underway and issues under consideration by other bodies and fora.

Regarding regional cooperation, the G-77/CHINA proposed replacing text on “best practices” with “successful practices and experiences,” and deleting reference to data collection and sharing. Opposed by the EU, he suggested deleting a paragraph on transboundary pollution agreements. The EU called for reference to integrated land use and infrastructure planning.

On recommendations to governments at the national level, the G-77/CHINA proposed removing text on public participation. The EU presented several amendments and proposals on, inter alia: the poluter pays principle; elimination of environmentally harmful subsidies; inspection and maintenance schemes for vehicles; mitigation of emissions and noise from transport; design of recyclable and safe vehicles; safe infrastructure for non-motorized transport; and limiting dependence on car travel. CANADA and the US opposed text on limiting dependence on car travel. The EU also presented new subparagraphs on the use of strategic environmental and health assessments and on indicators.

JAPAN suggested wording on urban and interurban railway and domestic marine transport services. PAKISTAN pointed out contradictions in proposals calling for “affordable” transport and for taxes on transport. AUSTRALIA emphasized the importance of the private sector as a major source of investment, and suggested promoting fuel efficiency “through a broad spectrum of policy instruments.” The US, with ECUADOR, suggested reference to age-sensitive planning. The CZECH REPUBLIC proposed text encouraging construction of separate infrastructure for cycling transport.

During a protracted discussion, a number of countries, including ALGERIA, AUSTRALIA, BRAZIL, CANADA, CHINA, INDIA, NIGERIA, PAKISTAN, SAUDI ARABIA, SOUTH AFRICA and the US, observed that the EU proposals were too prescriptive and did not take into account different circumstances among countries. INDIA suggested that these proposals be specified “for developed countries.”

IN THE CORRIDORS

Informal consultations on indicators that started Monday evening, 23 April, between representatives of the EU, the G-77/China and JUSCANZ continued through Tuesday. Discussions are based on a non-paper circulated informally on Monday and revised Tuesday with added language from the CSD Intersessions’ report on information for decision making and participation.

The non-paper is said to contain proposals on the ownership by Member States and participation thereof, in: a review of the indicators of sustainable development; and, in accordance with ECOSOC resolution 2000/27, the development of UN Secretariat indicators used in the context of the follow-up to major UN conferences and summits. The non-paper also addresses: recognition of work undertaken thus far on the CSD indicators; proposals on future action areas; the role of the UN Statistical Commission in the development of CSD indicators; and assistance for developing country involvement in the formulation of the indicators.

Sources indicate that some of the concerns raised during the deliberations included: a chapeau for the text; introduction of language that would prevent the future use of the indicators as conditions; the need for a fully financed and thorough indicator testing process; and the mandate of the Statistical Commission with regard to the CSD indicators. Noting the divergent positions, one participant quipped, “it’s not going to be an easy marriage.”

THINGS TO LOOK FOR TODAY

DRAFTING GROUP I: The Drafting Group on energy will reconvene from 3:00-6:00 pm in Conference Room 2 to complete the second reading of the negotiating text, after which it is anticipated that contact groups may be formed to address some of the more contentious issues.

DRAFTING GROUP II: The Drafting Group will meet to continue consideration of the revised draft decision on international cooperation for an enabling environment from 11:00 am – 1:00 pm in Conference Room 3. The Group will meet from 7:00-9:00 pm in Conference Room 2 to consider the revised draft decision on information for decision making and participation.

DRAFTING GROUP III: The Group will meet to consider the Chair’s revised text on transport from 11:00 am – 1:00 pm in Conference Room 2. The Group will also meet to conclude the first reading of the revised draft decision on atmosphere from 3:00-6:00 pm in Conference Room 3.