Delegates met in a Committee of the Whole (COW) in the morning and afternoon to continue deliberations on, among others: establishment of the Chemical Review Committee (CRC); technical assistance; and cooperation with the World Trade Organization (WTO). A contact group on the budget and a Legal Drafting Group (LDG) met in the morning and afternoon.

COMMITTEE OF THE WHOLE

RULES OF PROCEDURE FOR THE COP: Report of the Legal Group: Alistair McGlone (United Kingdom) announced that the group had completed its work on the chemicals added to Annex III (Chemicals Subject to the PIC Procedure) by COP-1. He noted progress on the financial rules, highlighting their readiness for consideration by a budget group, and underlined the need for a legal group to continue work on the language of decisions.

McGlone introduced a Conference Room Paper (CRP) on the adoption of the rules of procedure for the COP (UNEP/FAO/RC/COP.1/CRP.2). He explained the group had struck a compromise on Rule 45, retaining reference to reaching agreement by consensus but bracketing a sentence on a two-thirds majority vote when consensus could not be reached. He proposed that the Rules of Procedure be adopted with the exception of the reference to voting, postponing decision on this item to a future COP. The COP agreed to forward the matter to the COP.

Delegates agreed to convene a budget contact group, chaired by McGlone, and a Legal Drafting Group (LDG), chaired by Canada.

SETTLEMENT OF DISPUTES: On the draft rules of arbitration and conciliation, ETHIOPIA explained he had received clarification regarding the concerns he had expressed Tuesday and Wednesday. He stressed the need to achieve balance not only between developed and developing countries, but also with countries with economies in transition. AUSTRALIA withdrew his reservation to using the five UN regions for assigning membership, and said that his concern over geographic representation could be overcome by taking the 34 members option and adding one representative to each region, making a total of 39 members. JAPAN opposed this proposal, expressing concern over its financial implications, and asking that the total number of members be maintained as close to 29 as possible. Delegates agreed to create a “Friends of the Chair” group, consisting of 11 Parties and chaired by González Videla, to reach an agreement on the CRC’s size and on the distribution of members among regions.

In the afternoon, González Videla announced that the “Friends of the Chair” had achieved a consensus, agreeing to a 31-member CRC, with eight members from African States, eight members from Asian States, three members from Eastern European States, five members from Latin American and Caribbean States, and seven members from Western European and other States. Upon consideration of the document outlining this agreement (UNEP/FAO/RC/COP.1/CRP.8/Rev.1), the RUSSIAN FEDERATION and UKRAINE asked that Eastern European States be assigned one additional seat on the Committee. González Videla explained that agreement on the distribution had been reached by the “Friends of the Chair,” which included Ukraine. JORDAN emphasized that agreement had reached and stressed his unwillingness to renegotiate. Maria Celina de Azevedo Rodrigues (Brazil), Chair of the COW, said the agreement reflected a very delicate balance among regions and noted that all of them had been asked to make concessions. The CZECH REPUBLIC stated the Eastern European States would agree, in the spirit of compromise, to the proposal as outlined by the “Friends of the Chair.” Delegates agreed to forward the decision on the CRC to the LDG to prepare it for submission to the COP.

COOPERATION WITH THE WTO: CANADA introduced a revised draft decision on cooperation between the Secretariat and the WTO (UNEP/FAO/RC/COP.1/CRP.4). NORWAY, the EUROPEAN COMMUNITY (EC), MALAYSIA, NEW ZEALAND, and the UNITED STATES supported Canada’s proposal. VENEZUELA requested that the decision be modified to include information on the basis for cooperation. In the afternoon, after
consultations, CANADA suggested that text be inserted into the decision, making reference to a note by the Secretariat on cooperation with the WTO (UNEP/FAO/RC/COP.1/INF/8). Delegates accepted the draft decision as amended by Canada.

TECHNICAL ASSISTANCE STRATEGY: ITALY announced his country’s intention, in the event of the Secretariat being located in Geneva and Rome, to launch an overseas development aid process aimed at identifying obstacles to implementation faced by developing countries. The EC introduced a CRP containing a draft decision on the proposal on regional delivery of technical assistance to the Parties (UNEP/FAO/RC/COP.1/CRP.7), explaining that it draws on the draft decision included in the INC’s recommendations on the issue (UNEP/FAO/RC/COP.1/28). SENEGAL stressed the need to assure the delivery of technical assistance, and EGYPT highlighted the importance of having a financial mechanism for this purpose. URUGUAY proposed the inclusion of text in the EC’s draft decision referring to the Regional Centers and Regional Coordinating Centers of the Basel Convention. NIGERIA, NORWAY, NEW ZEALAND, CANADA and SWITZERLAND supported Uruguay’s proposal, emphasizing the importance of promoting synergies between the different Multilateral Environmental Agreements (MEAs) on chemicals and coordinating the regional delivery of assistance. NEW ZEALAND proposed the inclusion of a reference to waste management in order to make a clear link to the Basel Convention. On cross-cutting elements, TANZANIA supported reference to the establishment of poison centers and occupational health and safety centers. Bill Murray, Secretariat, responded that the Secretariat was working with the World Health Organization and the International Labor Organization on these issues, and said that Tanzania’s concerns were captured in the INC’s recommendations for the proposal on regional delivery of technical assistance to Parties (UNEP/FAO/RC/COP.1/28), which is referenced in the EC’s draft decision. Stressing that technical assistance should consider implementation at the national level, CHINA proposed inserting references in the EC’s draft decision to national implementation plans. NIGERIA, supported by ANGOLA, urged inclusion of a reference to least developed countries.

On Wednesday afternoon, the EC introduced a revised draft decision on the proposal on regional delivery of technical assistance to the Parties (UNEP/FAO/RC/COP.1/CRP.7/Rev.1), incorporating the amendments proposed by Uruguay, Nigeria and New Zealand, introducing text on synergies between MEAs and regional entities and organizations, and integrating China’s proposal. The EC’s revised draft decision was approved by the COW.

Proposal by the African Group: NIGERIA introduced a proposal by the African Group to establish a financial mechanism for the implementation of the Rotterdam Convention (UNEP/FAO/RC/COP.1/CRP.9). He said the proposal contains a draft decision asking the Secretariat to conduct a study on options for establishing a “lasting and sustainable financial mechanism” to enable developing countries to implement the Rotterdam Convention, and to include in the 2004-2005 budget the resources required for the study. JAMAICA, CHINA, and EGYPT, on behalf of the present Arab countries, supported the proposal. Noting that information is useless unless there is the capacity to implement it, ETHIOPIA urged that the study be finalized within the next five months. The EC, supported by NEW ZEALAND, underlined the need to consider the outcome of the budget contact group first. NEW ZEALAND, with the UNITED STATES, CANADA and AUSTRALIA, proposed to forward the CRP to the budget contact group. JAPAN said it supported the draft decision as long as the proposed budget for 2005 remains the same. Delegates agreed to forward the CRP to the budget contact group for its consideration. They also decided to take note of a tabular summary of costs for technical assistance activities (UNEP/FAO/RC/COP.1/28/Annex IV), and forward it to the COP.

OPERATIONAL PROCEDURE FOR THE CRC: On the working procedures and guidance for the CRC, Murray explained that the document outlines the working papers, guidelines and policy-related issues developed by the Interim Chemical Review Committee (ICRC) and includes an explanatory note from ICRC-5 on criteria for risk evaluation (UNEP/FAO/RC/COP.1/27 and 27/ Add.1). The RUSSIAN FEDERATION warned against confusing the concepts of risk and hazard. Delegates agreed to request that the information be forwarded to the CRC for consideration and possible adoption.

COMPOSITION OF THE PIC REGIONS: Delegates considered a draft decision proposed by the contact group on the PIC regions, specifying, in the annex, the listing of countries in each of the seven PIC regions (UNEP/FAO/RC/COP.1/CRP.3). Delegates agreed to submit the decision to the COP, with a change to Iran’s group assignment in the Annex.

AMENDMENTS TO ANNEX III: Delegates agreed to forward to the COP a draft decision submitted by the legal group on amendments adding 14 chemicals and making technical changes to Annex III (Chemicals Subject to the PIC Procedure).

IN THE CORRIDORS
As Wednesday’s session drew to a close, participants drew a deep sigh of relief upon finally finding a solution on the size and composition of the CRC. Reflecting on the delicate balance struck at last among Parties, a few delegates highlighted the drastic improvement on the initial gridlock between those asking that composition be assigned on the basis of UN regions and those preferring the interim PIC regions. Even though several delegates acknowledged that none of the regional groups had received exactly what they wanted, some were hopeful that finally reaching agreement on these numbers will, in the short-term, allow the work on the budget to move forward and contribute to COP-1’s success. The long-term implications of this carefully brokered deal may have yet to sink in, as several participants noted that they will only know how this will affect their participation on the CRC once the regional groups hammer out their nominations, due Thursday afternoon.

THINGS TO LOOK FOR TODAY
HIGH-LEVEL SEGMENT: A high-level segment will convene at 10:00 am to hear statements from ministers and other representatives.

COMMITTEE OF THE WHOLE: The COW will meet at 3:00 pm to consider documents submitted by the LDG and address other outstanding matters.