Delegates to the third round of UNCSD informal consultations continued negotiating in two Working Groups and a number of informal groups throughout the day and during night sessions.

**WORKING GROUP I**

**VI. MEANS OF IMPLEMENTATION: Finance:** The US stressed the importance of domestic resource mobilization, and offered alternative text based on language agreed in the 2008 Doha Declaration on Financing for Development addressing: increased budgetary transparency and tax revenue, and basic steps on their achievement; changes in aid architecture; the role of development for broader development finance; South-South cooperation; and the role of middle-income countries.

The G-77/CHINA appreciated the US attempt for progress on the basis of agreed language, stressing however the need for ambition to make progress on the ground. He proposed alternative language: recognizing developed countries’ agreement to provide new and additional resources exceeding US$ 30 billion per year from 2013-17 to the developing countries towards promotion of sustainable development; pledging to enhance mobilization of US$ 100 billion per year from 2018 onwards; and work towards setting up a financial mechanism, including a possible sustainable development fund.

The EU expressed support for achieving existing commitments on overseas development assistance (ODA) and resource mobilization but noted the G-77/CHINA proposal exceeds any projection on resource mobilization. JAPAN and CANADA also expressed reservations on the proposal.

**Trade:** On reaffirming the importance of increasing market access for developing countries, AUSTRALIA and NEW ZEALAND, opposed by the REPUBLIC OF KOREA, said language on resisting protectionist measures and trade-distorting measures should apply especially to those affecting developing countries, “in particular agricultural subsidies.” JAPAN suggested using agreed language to “fully recognize WTO rights and obligations of Members.”

Kazakhstan, for LAND-LOCKED DEVELOPING COUNTRIES (LLDCs), called for referencing LLDCs in text on capacity building by international economic and financial institutions to ensure developing countries, in particular least developed countries (LDCs), are able to benefit from the multilateral economic system and seize trade-related opportunities. NEW ZEALAND said achieving the positive impact of trade liberalization on developing countries depends on international support for measures against policies and practices distorting trade.

In text on eliminating market distorting and environmentally harmful subsidies, AUSTRALIA, NEW ZEALAND, SWITZERLAND and MEXICO said it is important to send a signal on this issue. The EU suggested calling on the WTO and UNCTAD, in cooperation with UNEP, to continue monitoring and assess progress on harmful subsidies. CANADA preferred “get substantial reductions of” rather than “phase out,” while the EU called for gradual elimination of environmentally harmful subsidies that are incompatible with sustainable development.

The G-77/CHINA said the entire trade section should be streamlined into three paragraphs that address six issues: recognizing the flexibility provided for in WTO rules; resisting protectionist tendencies and measures to guard against them; high-level support for the conclusion of the Doha development agenda; recognizing special and differential treatment; focusing on capacity building; and recognizing that trade is an engine for sustained economic growth and development.

**Registry of Commitments:** The G-77/CHINA proposed deleting the section. The US supported retaining it, and suggested inviting the Secretary-General to compile commitments voluntarily entered into at Rio+20 in an internet-based registry, and to facilitate access to other registries. The EU favored reference to poverty eradication rather than reduction. KAZAKHSTAN called for reference to cooperation and collaboration.

**Regions:** Delegates addressed text proposed by the G-77/China addressing development needs of LDCs, LLDCs, Africa, the Arab region, Latin America and the Caribbean, and the Asia-Pacific region. The G-77/CHINA explained that the framework for action has to take into account the regions’ differentiated conditions. The US, supported by CANADA, expressed concern that: the text lacks balance; it does not recognize commitments made and met, nor address countries’ domestic responsibilities to achieve sustainable development and poverty alleviation; it was proposed at a very late stage; and it would require considerable effort to balance and streamline. JAPAN also reserved its position. Sharing the concerns and reserving on the rest of the paragraphs, the EU expressed readiness to consider the text on the LDCs, proposing language to agree to effectively implement the Istanbul Programme of Action (IPOA) and its priority areas into the framework for action, the broader implementation of which will contribute to the IPOA’s overarching goal of enabling developing countries to meet the criteria for graduation by 2020.
INFORMAL GROUPS: Late Friday evening, facilitators reported on progress achieved within their respective groups. MEXICO reported that a revised draft was developed on chemicals, with a few outstanding issues to be discussed Saturday morning. The EU reported that although consensus is unlikely on the entire section on jobs, significant progress had been made, and the group will meet Saturday morning.

The EU reported that negotiations on poverty have been postponed to allow parties to prepare their positions. ICELAND reported that a revised text on water had been released, to be discussed tomorrow morning.

On disaster, JAPAN reported that the number of brackets had been reduced from 20 to five. BARBADOS reported that while minor elements of the section on climate change had progressed, significant areas of divergence remained. He also reported convergence on many issues within the SDGs, with disagreement remaining over whether to list specific thematic elements, and whether the development of the SDGs should be led by the UN Secretary General or the General Assembly.

Reporting on the food security group, the US indicated the group has differentiated between drafting matters, cross-cutting issues and more difficult issues such as those related to the right to food. He noted good progress, circulation of a facilitator’s text, and hope that many issues will be resolved before the end of the meeting.

On forests, biodiversity and mountains, the US said that the group is very close to reaching agreement on all mountain-related text, had a rich discussion on forests and still needs to tackle biodiversity.

NORWAY reported on progress on gender and education, noting that many paragraphs have been agreed ad referendum. Reporting on health, CANADA identified the most controversial issues, including references to intellectual property rights, and sexual and reproductive health and rights, as well as cross-cutting issues such as references to vulnerable groups. He said the group had only limited discussion on the sections on transport and cities. CANADA also noted some progress in discussions on mining, with references to legal and regulatory frameworks and conflict minerals remaining controversial.

AUSTRALIA noted good progress on oceans, with several paragraphs resolved but with work remaining to be done; and attempts to resolve remaining issues on desertification through informals between a few interested delegations.

MAJOR GROUPS: WOMEN welcomed progress on gender, and called for: attention to land tenure security for women; sexual and reproductive health and rights; and reinforcing the precautionary principle in the chemical text.

PROCESS: At the end of the evening session, Co-Chair Ashe presented the schedule for informal group meetings on Saturday. The G-77/CHINA highlighted the group’s difficulties to service all scheduled groups, warning they will have to be postponed to allow parties to prepare their positions. ICELAND reported that a revised text on water had been released, to be discussed tomorrow morning.

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The G-77/CHINA, reporting on “our common vision” and “renewing political commitment,” said delegates had completed a first reading of the text. He said the G-77/CHINA preferred to reflect text on self-determination, particularly for peoples living under colonial and foreign occupation, as having equal status with the rest of the text. He said text on reaffirming the key role of all levels of government in promoting sustainable development, and underscoring public participation and access to information, has been tentatively cleared pending consultation. He presented alternative paragraphs on the role of civil society and the utility of sustainability reporting.

CANADA presented the outcomes of the group on “green economy,” saying delegates had clean text on underscoring the importance of governments taking a leadership role in developing policies and strategies. He said two broader issues had emerged in the group, including whether to characterize green economy as a common undertaking or in the context of support for developing countries, and the need for consistent use or deletion of the indefinite article “a” in front of green economy. He also noted that data and information collection are referenced a number of times in the text, saying a working group, to ensure consistency between these references and to determine placement, might be useful. He presented alternative paragraphs on the role of cooperatives and microenterprises and the importance of technology transfer to developing countries. He also highlighted progress in text on the critical role of technology and encouraging new and existing partnerships.

On the IFSD informal group, NORWAY presented clean text on underscoring the need to strengthen UN system-wide coherence and coordination, which was then agreed ad referendum. She said the group spent much of their time identifying kinds of functions delegates would like to see addressed by whatever body emerges from the negotiations as an improved framework for sustainable development, without prejudging its form. She said this list would be used in further deliberations.

MAJOR GROUPS: CHILDREN AND YOUTH asked, with NGOs, for the G77/China to reconsider the deletion of text on a high representative for future generations. She supported reform of the Bretton Woods Institutions and a sustainable development council or a high level council. NGOs said a system-wide strategy for sustainable development is important, and emphasized the importance of multi-stakeholder participation.

IN THE CORRIDORS

With splinter groups meeting throughout the day, delegates both in the meeting rooms and in the corridors could be heard bemoaning long hours spent running from one group to the other. “This process is completely dysfunctional,” one delegate vented. “How can you ever reach consensus if critical negotiators are missing because they’re working next door?” Still, at least some groups started seeing the light at the end of the tunnel. “There are clearly two different visions on the SDGs process, and we decided to list them as two separate options,” one participant of the SDG group commented, “and at the same time we realized that many other divergences are minor and can easily be bridged.” With the clock ticking however, the need for clarity in the process became urgent, along with the need for perspective and fresh ideas. Informal groups ended the day jockeying for working slots on Saturday, after a day which did see substantive, and according to some “exciting,” progress on a number of issues. “Time,” as one delegate noted, “has become our common enemy.”

ENB SUMMARY AND ANALYSIS: The Earth Negotiations Bulletin summary and analysis of the meeting will be available on Tuesday, 5 June 2012 online at: http://www.iisd.ca/unccsd/