

Second Round of Informal Informal Consultations in Preparation for the International Meeting on the Ten-Year Review of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States

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The second round of informal informal consultations held in preparation for the International Meeting on the Ten-Year Review of the Barbados Programme of Action (BPOA) for the Sustainable Development of Small Island Developing States (SIDS) took place on 7, 8, 11 and 12 October 2004, at UN headquarters in New York. During the consultations, facilitated by Amb. Don MacKay (New Zealand), delegates continued deliberations on the revised Draft Strategy for the Further Implementation of the BPOA that was produced following the previous round of informal informal consultations in May 2004. (The *Earth Negotiations Bulletin's* briefing note on these consultations can be found at: http://www.iisd.ca/sids/bpoa10/BPOA10_Briefing_5.22.04.html.)

On Thursday, 7 October, delegates undertook a first reading of new implementation text circulated by the Group of 77 and China (G-77/China) and discussed the introductory paragraphs to the draft Strategy Paper. On Friday, 8 October, delegates continued negotiations on: the introduction, Climate Change and Sea-Level Rise, Natural and Environmental Disasters, and Management of Wastes. Delegates met throughout the day on Monday, 11 October, proceeding into Tuesday morning, 12 October, addressing: Coastal and Marine Resources, Freshwater Resources, Land Resources, Energy Resources, and Tourism Resources, Tourism Resources, Biodiversity Resources, Transport and Communication, Science and Technology, Graduation, Trade: Globalization and Trade Liberalization, Sustainable Capacity Development and Education for Sustainable Development, Sustainable Production and Consumption, National and Regional Enabling Environments, Health, Knowledge Management and Information for Decision Making, Culture, and Implementation.

With the understanding that nothing is agreed, until everything is agreed, delegates:

- resolved sections on: Natural and Environment Disasters, Energy Resources, Tourism Resources, Transport and Communication, Science and Technology, Sustainable Capacity Development and Education for Sustainable Development, Sustainable Production and Consumption, Health, Knowledge Management and Information for Decision Making, and Culture;

- reached partial resolution on: the introduction, Management of Wastes, Coastal and Marine Resources, Freshwater Resources, Land Resources, Biodiversity Resources, and Implementation;
- reached no resolution on sections concerning: Graduation, and Trade: Globalization and Trade Liberalization; and
- deferred to the International Meeting (IM) discussions on Climate Change and Sea-Level Rise.

At the conclusion of the meeting, Facilitator MacKay noted that the decision to hold additional informal consultations prior to the IM would be taken up by the General Assembly's Second Committee.

This briefing note outlines the key deliberations that took place during the informal informal consultations. Paragraph numbers reflect those in the draft Strategy Paper as it stood following the conclusion of the meeting.

DISCUSSIONS ON THE DRAFT STRATEGY PAPER

On Thursday morning, 7 October, Facilitator MacKay opened the informal informals. He said that while delegates had made good progress during the previous informal informals, there were still a considerable number of outstanding paragraphs, and stressed that this was the final opportunity to resolve issues prior to the IM. He drew attention to a number of recent developments, in particular the severe devastation caused by hurricanes to many Caribbean SIDS and parts of the United States, noting that these events underscored the vulnerability of SIDS and their lack of resilience to disasters. Highlighting the draft Global Plan to Achieve the Millennium Development Goals (MDGs) recently released by the UN Millennium Project, he noted its conclusion that some SIDS are second only to sub-Saharan Africa in their progress towards meeting the MDGs. He called attention to the G-77/China's new text on the implementation section and proposed that delegates begin discussions on this text before proceeding to the rest of the Strategy Paper.

In their introductory comments, many delegates conveyed their deepest sympathy to the Caribbean region and the United States regarding the devastation caused by recent hurricanes. Mauritius, on behalf of the G-77/China, noted that these events come at a time that should create the necessary goodwill for the international community to address the special situation of SIDS and assist them in building resilience.

While recognizing that General Assembly resolution on the BPOA review (A/RES/58/213) referred to new and emerging issues, the US noted that many of the new issues raised to date are not SIDS-specific, are dealt with in other fora, or only concerned some SIDS. He said delegates were here to review BPOA implementation and not to negotiate new issues. While praising the conciseness of the G-77/China's implementation text and indicating that this was the type of document that the US preferred as opposed to the Strategy Paper, he said the text currently focuses too much attention on the obligations of the international community and was not balanced in respect of SIDS domestic obligations.

The Netherlands, on behalf of the EU, highlighted issues of balance and national implementation responsibilities, and called attention to the “broader picture,” stressing the need to include reference to the MDGs, the Johannesburg Plan of Implementation (JPOI) and global processes of relevance to SIDS, such as the upcoming World Conference on Disaster Reduction (WCDR).

CHAPEAU TEXT: The issue of the chapeau language arose throughout the document, with discussions focusing on language balancing the responsibility between SIDS and the international community in the development, management or implementation of various activities. Delegates generally agreed to work on a Facilitator’s compromise chapeau noting that SIDS, with the necessary support of the international community, are committed to undertake required actions.

INTRODUCTION: Discussions concerning the introductory section centered on: the focus of the Strategy Paper; language and placement of text relating to good governance; reference to the principle of common but differentiated responsibilities (CBDR); reference to declining levels of official development assistance (ODA); governance of the international financial and trading system; and security. Delegates agreed to paragraphs on good governance (paragraph 7) and on security (paragraph 8) following some discussion. The G-77/China agreed to the Canadian proposal on the importance of promoting full and equal access of women and men (paragraph 15).

On the chapeau (paragraph 1), the EU requested a reference to poverty reduction strategies and text reflecting that the “internationally agreed development goals provide the overarching framework for global poverty eradication and development support.” Noting that poverty reduction strategy papers do not necessarily achieve sustainable development, the G-77/China opposed their reference in the introduction. Supported by the US, he also raised concerns that the EU’s proposal shifts the focus from the BPOA to development and poverty reduction. Text concerning the internationally agreed development goals and poverty reduction strategies remain in brackets.

On CBDR (paragraph 2), discussions focused on whether to reference Principle 7 of the Rio Declaration on Environment and Development, supported by the development partners and opposed by the G-77/China. The G-77/China also requested reference to Principle 6 on the special situation and needs of developing countries, noting that this appears in conjunction with Principle 7 in the BPOA. Opposing the inclusion of Principle 6, the US emphasized that the Rio Principles were agreed to as a package and raised concerns regarding selectively specifying certain principles. Text on CBDR and the Rio Principles remains bracketed.

On ODA flows (paragraph 3), the EU and the US could not agree to language proposed by the G-77/China that recognizes a decline in ODA by over 50% since 1994. Donor countries, opposed by the G-77/China, suggested balancing the text to include positive trends in development assistance to SIDS. Text on ODA flows remains bracketed.

On enabling the effective participation of SIDS in international financial decision-making processes and institutions (paragraph 6), the US stressed that such language did not imply special treatment for SIDS. Japan proposed deleting this paragraph, noting that such issues were addressed in the implementation section. This paragraph remains bracketed.

Following extensive discussion on the diversion of resources from sustainable development to meet security requirements (paragraph 8), delegates agreed to a compromise formulation, which recognizes that the implementation of the sustainable development agenda of SIDS must proceed, notwithstanding the current emphasis on security. They also agreed to text in which the international community acknowledges the increased financial and administrative obligations placed on SIDS at the national level and reaffirms the importance of international cooperation and technical and financial support to SIDS where necessary.

Delegates deferred discussion on the US proposal to delete text concerning the need to avoid unilateral measures that impede economic and social development and hinder enjoyment of human rights (paragraph 10).

CLIMATE CHANGE AND SEA-LEVEL RISE: Noting the tenth Conference of Parties to the UN Framework Convention on Climate Change in December 2004, Facilitator MacKay proposed, and delegates agreed, to defer consideration of this section to the IM. Delegates, however, were able to agree on text (paragraph 18) that SIDS, with assistance from regional development banks and other financial institutions, should establish and/or strengthen national and regional climate change coordination mechanisms.

NATURAL AND ENVIRONMENTAL DISASTERS: Delegates resolved this section (paragraph 19) with minor or no amendments to text:

- recognizing that SIDS are located among the most vulnerable regions in the world in relation to the intensity and frequency of natural and environmental disasters and their increasing impact;
- indicating that SIDS are committed to increasing public awareness about disaster reductions, stimulating inter-disciplinary and inter-sectoral partnerships, and the mainstreaming of risk management into the national planning process; and
- indicating that SIDS are committed to use the opportunity of the WCDR in January 2005 to consider the specific concerns of SIDS, including issues relating to insurance and reinsurance arrangements.

MANAGEMENT OF WASTES: Discussions on this section (paragraph 20) focused on the scope and content of the chapeau and on issues relating to: transboundary movement of hazardous waste; promoting sustainable waste management; waste disposal at sea; pollution from World War II (WWII) shipwrecks; and transport of radioactive materials. Delegates agreed on text concerning implementing the UNEP Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (GPA)

by SIDS and international development partners through undertaking initiatives specifically addressing the vulnerabilities of SIDS (subparagraph 20(g)).

On the chapeau, discussions focused on reference to liability and compensation regimes and to WWII shipwrecks. Delegates discussed a Facilitator's proposal to include text on liability mechanisms recently adopted by the International Atomic Energy Agency (IAEA), which was supported by the US, who noted that the IAEA is the appropriate forum for discussions on this issue. While not opposing reference to the IAEA text, the G-77/China stressed the importance of including the concept of compensation. On WWII shipwrecks, the G-77/China highlighted the number of shipwrecks within the Exclusive Economic Zones of Pacific SIDS. The US and the EU opposed specifying WWII shipwrecks in the chapeau, noting that the issue is addressed in a subsequent subparagraph. Japan opposed mention of WWII shipwrecks in the document, noting that this issue should be addressed bilaterally and on a case-by-case basis. The chapeau was not resolved.

On transboundary movement of hazardous waste (subparagraph 20(b)), delegates agreed to refer to the Waigani Convention, but could not agree on specifying the principles under which relevant regimes should operate. The text remains bracketed.

On sustainable waste management (subparagraph 20(c)), discussions focused on the G-77/China's request for the establishment of national environmental trust funds. The EU questioned the relevance of an environmental fund in this section, and the US preferred addressing such issues in the implementation section. The text remains bracketed.

On waste disposed at sea (subparagraph 20(d)), the US stressed the need to strengthen existing regimes relating to this issue. While not opposing the strengthening of such regimes, the G-77/China stressed cooperation. Delegates agreed on a Facilitator's text to promote cooperation to reduce waste disposed at sea, including by working with others in the international community to strengthen relevant regimes, such as those established by the International Maritime Organization (IMO), the London Convention and the IAEA.

On accepting liability for rehabilitation from pollution caused by WWII vessels (subparagraph 20(f)), Japan proposed deleting the entire subparagraph, and the US said this issue is being addressed in other fora. The G-77/China said its intention of addressing this issue in the Strategy Paper was due to the failure of bilateral and other fora to make progress on SIDS concerns. The text remains bracketed.

On transport of radioactive materials (subparagraph 20(h)), the G-77/China proposed an alternative paragraph that: notes the serious ecological, economic and security risks posed by the transport of radioactive materials and hazardous waste by sea; urges dialogue with SIDS to further develop, comply with, and strengthen international legal regimes to enhance safety, disclosure, liability, security and compensation in relation to such transport; and calls on the Secretary-General to report to the General Assembly at its 60th session on efforts and measures undertaken in this regard. The text remains bracketed.

COASTAL AND MARINE RESOURCES: Discussions focused on issues relating to: giving priority to oceans issues; the genuine link; and the responsibility of distant water fishing nations. Delegates agreed to text on the following issues with minor amendments:

- the date for submitting claims to the Continental Shelf Commission (subparagraph 22(b));
- strengthening sustainable and responsible fisheries management mechanisms consistent with the FAO Code of Conduct for Responsible Fisheries (subparagraph 23(b));
- qualifying that marine protected areas (MPAs) are established consistent with relevant international agreements (paragraph 25);
- taking into account the work programme agreed to at the seventh Conference of the Parties (COP) to the Convention on Biological Diversity (CBD) work programme, when developing national capacity to monitor, conserve and sustainably manage coral reefs and associated ecosystems (paragraph 25); and
- strengthening of representative networks of MPAs consistent with CBD decision VII/28 (subparagraph 25(c)).

On giving appropriate priority to oceans issues (paragraph 22), the G-77/China stressed the need for technical and financial assistance. The US and Japan highlighted a number of existing trust funds within the UN Division on Oceans and the Law of the Sea, and Canada stressed the need for SIDS to prioritize oceans issues in their economic and development agendas. Delegates agreed to a Facilitator's compromise text on giving appropriate priority to oceans issues at all levels, including in national and regional sustainable development agendas.

On the genuine link (subparagraph 23(f)), the G-77/China opposed reference to this concept, stressing that it has not yet been defined and is being studied by the IMO. He proposed replacing two subparagraphs on the genuine link and on controlling high seas fishing with language from JPOI paragraph 31(d) on establishing effective monitoring, reporting, enforcement and control of fishing vessels, including by SIDS as flag States to implement the international plans of action to address illegal, unregulated and unreported fishing. The US and the EU agreed to replace text on controlling high seas fishing with JPOI language, but underscored the need to maintain a genuine link between vessels and the countries whose flags they are flying. Delegates agreed to include JPOI language, but could not agree on text referencing the genuine link. This text remains bracketed.

On the responsibility of distant water fishing nations (paragraph 24), the G-77/China underscored the concept of equity with regard to how much SIDS countries and communities are paid for catches compared to how much distant water fishing nations profit from the catches. On the G-77/China's text relating to providing SIDS with support to enhance "equitable management of fisheries resources," Japan preferred "effective," and the Republic of Korea proposed "fair" over "equitable" management. This text remains bracketed.

FRESHWATER RESOURCES: Discussions on this section focused on text linking saline intrusion with sea-level rise and climate change, and the fourth World Water Forum.

The US, opposed by the G-77/China and the EU, did not agree to text indicating a causal link between saline intrusion and sea-level rise and climate change (paragraph 27). The text remains bracketed.

Regarding the fourth World Water Forum (paragraph 31), delegates agreed to a new G-77/China formulation that merges existing paragraphs outlining SIDS priorities articulated at the third World Water Forum. The agreed formulation identifies the World Water Forum as an opportunity to seek international support for SIDS priority actions namely: water resources management; water demand management; water quality capacity building; water governance; regional water partnerships; and inter-SIDS water partnership.

LAND RESOURCES: On this section of the Strategy Paper, delegates agreed to new proposals tabled by the G-77/China in relation to: developing capacity to implement multilateral environmental agreements and other the relevant international agreements in relation to land resources (subparagraph 33(a)); and developing capacity for sustainable land management and self-generating agroecosystems by building on communal tenure systems and traditional land-use planning and practices for crop, livestock, and aquaculture production taking into account the increasing competition on land resources by tourism, urbanization and other activities (subparagraph 33(b)). The remaining bracketed paragraphs were adopted with minor amendments. Delegates did not resolve text concerning the Convention to Combat Desertification and the Global Environment Facility (GEF) (paragraph 34), which remains bracketed.

ENERGY RESOURCES: Discussion on this section focused on text addressing integrated energy policies for SIDS (paragraph 42). The G-77/China proposed, and delegates agreed with minor amendment to a reformulated text, focusing on developing and implementing integrated energy programmes, including: comprehensive assessment of SIDS energy resources; current and projected patterns of energy use, enhancing energy efficiency; and development and use of renewable energy and advanced clean energy technologies. The paragraph also recognizes the role of regional development banks and supports technology transfer and capacity building. This section is agreed.

TOURISM RESOURCES: Delegates agreed to this section taking on board the G-77/China's minor amendment to include the private sector as a relevant stakeholder in developing and implementing sustainable tourism development plans (paragraph 47). This section is agreed.

BIODIVERSITY RESOURCES: Discussions on this section focused on language concerning MPAs, and benefit sharing from genetic resources. Delegates agreed to language on the following issues with minor or no amendment:

- addressing island biodiversity under the CBD in a manner that responds to the unique characteristics of SIDS and to the threats related to climate change, land degradation and their particular vulnerabilities (subparagraph 49(c));
- implementing the CBD Guidelines on biodiversity and tourism development (subparagraph 49(d)); and
- specifying that various actions take into account relevant CBD decisions (subparagraphs 49(g) and (i)).

On text concerning MPAs (subparagraph 49(e)), Japan requested using language from JPOI subparagraph 32(c) to specify that the establishment of MPAs be consistent with international law and based on scientific information. Delegates discussed the G-77/China's proposal, supported by Japan and opposed by the Russian Federation, to amend the reference to international law to "relevant international agreements." The Republic of Korea underscored the need for MPAs to be based on the best scientific information. The G-77/China opposed to this reference noting that the paragraph also encompasses ideas such as traditional knowledge, which cannot be expected to undergo scientific assessment. Delegates agreed to further consult on these issues.

On benefit sharing, delegates discussed Australia's proposal to specify that the sharing of benefits from genetic resources be limited to benefits from the use of "traditional knowledge" associated with genetic resources (subparagraph 49(g)). Delegates also focused on text (subparagraph 49(i)) concerning the *Ad Hoc* Open-Ended Group of the CBD on an access and benefit sharing regime (ABS). The US, with the EU, urged deleting language on establishing protocols and regulations on preventing biopiracy, noting that it prejudices the outcome of discussions in the CBD. Australia, supported by Canada, the EU and the US, proposed text supporting SIDS participation in the CBD *Ad Hoc* Group to elaborate and negotiate the nature, scope and elements of an international ABS regime. The G-77/China underscored the need to include language on biopiracy, the EU suggested "illegal access and acquisition," and the G-77/China proposed "immoral appropriations." The text remains bracketed.

Delegates agreed to move text on technical and financial support for biodiversity resources to the implementation section.

TRANSPORT AND COMMUNICATION: Discussions focused on the placement of language, and on issues regarding information communication technologies (ICT). Delegates agreed to delete a paragraph on developing and managing transport infrastructure from this section, based on a G-77/China proposal to address the issue in the context of security concerns in the implementation section. On ICT (paragraph 55), the G-77/China said that while some elements of this paragraph could be addressed in the implementation section, they preferred language highlighting SIDS' capacities and requirements in this section. Following the withdrawal of an alternative ICT-related text by Canada, delegates agreed to the original G-77/China text with minor amendments. This section is agreed.

SCIENCE AND TECHNOLOGY: Discussion on this section focused primarily on text placement. Delegates agreed to move bracketed paragraphs concerning the setting up of regional clearinghouse mechanisms for SIDS specific technologies, and the role of the UN Commission on Science and Technology for Development to the implementation section. Delegates agreed to the remaining paragraphs with minor amendments. This section is agreed.

GRADUATION: Discussions focused on the appropriateness of addressing graduation in the BPOA review process. Facilitator MacKay noted that as graduation is being addressed in the Economic and Social Council (ECOSOC), it may not be appropriate to address the issue at this stage in the SIDS negotiations. While recognizing ongoing ECOSOC negotiations, the G-77/China said the IM needs to address the current manner in which graduation criteria is applied, in order to ensure that the special vulnerabilities and characteristics of SIDS are taken into consideration. He reminded delegates that the Committee on Development Policy's 2002 report recommended that the IM address graduation issues. He proposed a new formulation for this section, noting that graduation of countries should be based on agreed criterion that demonstrates that countries have made sustainable socioeconomic progress, and that identifies the need to ensure that SIDS graduating from LDC status undergo a "smooth transition" strategy taking into account their special vulnerabilities. The US, supported by the EU and Canada, said ECOSOC is the correct forum for addressing this, and called for the entire section to be deleted. Australia underscored the importance of addressing graduation issues in the Strategy Paper. This section remains bracketed.

TRADE: GLOBALIZATION AND TRADE LIBERALIZATION: Discussions focused on placement of the section, and the importance of addressing trade issues in relation to the sustainable development of SIDS. On placement, Facilitator MacKay proposed moving this entire section to the implementation section; the G-77/China said there was a need to identify some trade elements in this section and identify actions for the implementation section; the US proposed addressing trade issues in the implementation section only; and the European Commission (EC) said there was some overlap between issues in this section and the implementation section. Australia said they would circulate some additional language on trade.

On the importance of trade, the G-77/China said trade is the only way SIDS can build their resilience and address sustainable development. The US expressed concerns with the orientation of the trade language in the Strategy Paper. He said issues concerning trade negotiations must be resolved in the WTO and not in the BPOA review process. While recognizing that not all SIDS are WTO members, he opposed creating a special WTO category for SIDS. The G-77/China said they did not want to make amendments to the WTO categories, and stressed the need for the BPOA review process to identify SIDS trade-related concerns that can be addressed by the WTO.

On Monday afternoon and evening, an informal trade expert group convened in parallel to the informal informals to move discussions forward on the issue. On Tuesday morning, Facilitator MacKay reported that the trade group had drafted new proposals for text on

the special situation of SIDS and the Doha Development Agenda (paragraphs 65 and 66), and that text on actions required to address SIDS concerns (paragraph 67) would be considered in conjunction with the implementation section in Mauritius. Other proposals were made, including an EC proposal to open the trade section with text from Monterrey Consensus paragraph 26. This section remains bracketed.

SUSTAINABLE CAPACITY DEVELOPMENT AND EDUCATION FOR SUSTAINABLE DEVELOPMENT: Following some discussion, the G-77/China agreed to take onboard two Canadian proposals to recognize that the right to education is a human right (paragraph 70), and to further strengthen the training and teaching of the principles and practices of human rights (subparagraph 70*bis* (h)). Delegates agreed to move a paragraph on capacity development to the implementation section, and agreed with minor amendments to the text relating to: promoting comprehensive and accessible universal primary education; and working towards an integrated gender perspective in curriculum development. This section is agreed.

SUSTAINABLE PRODUCTION AND CONSUMPTION: Delegates discussed text on the implementation of the 10-year framework on sustainable consumption and production (SCP) (subparagraph 71(b)). The US noted that SCP was not particular to SIDS, and that the language in the proposed text went beyond agreements made at the World Summit on Sustainable Development and the International Expert Meeting on a 10-Year Framework of Programmes for SCP in Marrakech. Delegates agreed to language on taking appropriate measures to facilitate implementation of the 10-year framework on SCP. Delegates also agreed to move to the implementation section text on mechanisms to address challenges regarding the design and implementation of SCP strategies. This section is agreed.

NATIONAL AND REGIONAL ENABLING ENVIRONMENTS: Delegates reached agreement on this section, with the G-77/China noting that it would reflect on its necessity and placement following discussions on the implementation text.

HEALTH: Delegates discussed whether to specify areas of public health policy and prevention programmes (subparagraph 74*bis* (c)). The G-77/China highlighted potential ethical and moral issues associated with highlighting reproductive health, and said specifying other areas such as violence reduction was too prescriptive. Following some discussion, delegates agreed to retain reference to reproductive health and delete reference to violence reduction. Following minor discussion, delegates agreed to text on development and implementation of effective surveillance initiatives at the local, national and regional levels (subparagraph 74*bis* (d)). This section is agreed.

KNOWLEDGE MANAGEMENT AND INFORMATION FOR DECISION MAKING: Delegates agreed to the section after moving text on the Digital Solidarity Agenda to the implementation section.

CULTURE: Delegates discussed the G-77/China's request to make venture capital and access to credit available to small and medium enterprises (SMEs), including through the

establishment of culture support funds (subparagraph 77(d)). The G-77/China underscored the need to ensure that SMEs in SIDS are able to flourish, as cultural industries build SIDS' economic resilience. The EU noted that the language calls on the international community to provide venture capital, which is often provided by the private sector. Delegates agreed to a US proposal that SIDS "seek" venture capital. This section is agreed.

IMPLEMENTATION: New text on implementation was circulated by the G-77/China on Thursday morning, following which delegates undertook a first reading of the section. On Friday, development partners forwarded proposed amendments and additions to the text. Delegates continued discussions on this section on Monday evening based on the G-77/China text and the various proposals.

The new implementation section comprises an introduction and four sections on: Access to and the provision of financial resources; Science and Development and Transfer of Technology; Capacity Development; and National and International Governance. This text brings together cross-cutting issues from the thematic sections and replaces previous sections on: Implementation, Access to Financial Resources, and Monitoring and Evaluation. *Editor's note: There are currently no paragraph numbers associated with the implementation section.*

Introduction: Discussions on the introductory paragraphs focused on: balancing the importance of the BPOA with other international agreements; reference to the Rio Principles; and actions to support SIDS in achieving the BPOA and other international goals.

The G-77/China urged prioritizing action on the BPOA before taking in account other relevant international sustainable development agreements. The EU opposed the deletion of references to the MDGs, and the G-77/China underscored the implementation of the BPOA as necessary for achieving the MDGs. Facilitator MacKay proposed, and delegates agreed to language indicating that the BPOA and the MDGs are mutually reinforcing.

The US, opposed by the G-77/China, could not agree to include references to the Rio Principles, in particular the principle of common but differentiated responsibilities.

Delegates agreed to a paragraph in which SIDS reaffirm their commitment to meet the sustainable development goals and priorities in the BPOA by, *inter alia*, more effective utilization of available resources and reinforcing their national sustainable development strategies and mechanisms; and in which the international community agrees to support SIDS' goals and to assist in the implementation of actions to achieve them, particularly through the provision of financial and technical support.

The EU's proposed paragraph that identifies a list of priority actions remains bracketed.

Access to and the provision of financial resources: Discussions focused on actions to be taken by the international community to support the sustainable development of SIDS, including through ODA, Foreign Direct Investment (FDI) and the GEF.

Delegates agreed to several actions, with minor amendment, including those relating to: strengthened country-driven donor coordination for SIDS; regional and interregional cooperation among SIDS; broad based partnerships that ensure involvement and participation of all relevant stakeholders; and actions to support the full involvement of the private sector.

Delegates could not agree to the EU's proposal to include national country-driven and country-owned plans for poverty reduction and sustainable development. Opposing the placement of this language, the G-77/China suggested moving this proposal to the section on national and international enabling environments. The proposal remains bracketed.

On FDI flows, the US agreed to delete its proposal on the development of well-regulated financial systems and said it would raise the issue later in the negotiations and in another part of the implementation section.

On ODA, Facilitator MacKay proposed two new subparagraphs based on agreed text from Monterrey paragraphs 42 and 43. The G-77/China, opposed by Canada, the EU and the US, called for deleting agreed language from Monterrey that encourages developing countries to build on progress achieved to use ODA effectively to help achieve internationally agreed development goals. He said the emphasis on the effective use of ODA was an unfair conditionality on SIDS. The US expressed caution with selectively using language from the Monterrey Consensus, arguing that in some cases it was out of context. Noting that the US does not share the "fixation" with ODA, he urged delegates to recognize other sources of finance. The EU, supported by the US and the G-77/China, suggested creating a separate subsection for ODA issues in the implementation section. Both paragraphs on ODA remain bracketed.

On GEF funding, discussion focused on language concerning increasing SIDS' access to GEF funds. The G-77/China proposed encouraging the GEF to take into account the special circumstances of SIDS in the application of its rules of access. The US and the EU preferred language reflecting facilitating access to GEF funds, rather than changing the GEF's rules for SIDS. The G-77/China noted that the GEF Council is currently revising its rules, and stressed the need for greater SIDS' access to GEF funds. Delegates discussed an alternative proposal tabled by Canada and amended by the G-77/China inviting the GEF to consider ways of improving access and the effectiveness and efficiency of its disbursement procedures with regard to SIDS. The EU expressed concern regarding the request to give special consideration to SIDS. This text remains bracketed.

Discussions on this section also focused on the purpose and placement of the following list of issues, which the G-77/China said represented key areas that the SIDS would not be able to implement without further support from the international community.

Energy: Following some discussion on the appropriateness of highlighting particular energy options, delegates agreed to an EU proposal amended by the G-77/China to address the energy vulnerability of SIDS, and promote access to energy efficient technologies, renewable energy and advanced clean energy technologies.

Climate change: The G-77/China proposed language on the need to expedite access to the LDC Fund and the Special Climate Change Fund, and noted that discussion on climate change issues were deferred to the IM.

Intellectual property rights and development: Delegates agreed to a Facilitator's text on assisting SIDS in protecting intellectual property, including traditional knowledge and folklore, but could not agree on text concerning facilitating access to and benefit sharing of genetic resources.

Culture and development: Delegates agreed with no discussion to text on assisting SIDS to promote the development of cultural industries, including through cultural exchanges among SIDS and other countries

Insurance: Delegates could not agree on whether to use G-77/China text on facilitating SIDS access to insurance, or the EU's proposal to consider the specific concerns of SIDS with regard to disaster insurance. The G-77/China raised the possibility of using BPOA+5 language on this issue. The text remains in brackets.

Marine resources: Discussions focused on language referring to sustainable utilization of marine resources, with the US opposing such language noting its association with the whaling agenda. The EU underscored the importance of conservation and sustainable management. The G-77/China proposed text on supporting SIDS' efforts for the sustainable management of their marine resources. The text remains bracketed.

Agriculture and rural development: Delegates discussed an Australian proposal on assisting SIDS to promote long-term development of efficient agricultural industries with a reference to the global reform of agricultural trade, and a G-77/China proposal to promote agricultural competitiveness and diversification and food security, with a Canadian amendment to include reference to research and development. This text remains in brackets.

HIV/AIDS: Delegates agreed to intensify action at all levels to prevent and combat the spread of HIV/AIDS, tuberculosis and malaria and other communicable and non-communicable diseases, and to mitigate the impact of these diseases.

Transport and security: Delegates agreed with minor discussion to text promoting access to appropriate technology and increased technical and other assistance to support SIDS to

further develop and manage transport infrastructure to meet international requirements including those relating to security, as well as to minimize environmental impacts.

Science and Development and Transfer of Technology: This section opens with a chapeau stating that the international community commits itself to facilitate SIDS access to appropriate technology and outlines a series of activities to be implemented, including on: dissemination and use of technology; information on resilience-building technologies; making technological choices; accessing technological systems licenses; developing intellectual patents; promoting inter-sectoral synergies; strengthening science and technological collaboration; and facilitating research into new products.

Discussions focused on the establishment of a SIDS-dedicated Technology Transfer and Development Facility within the UN system. The US questioned the need for such a Facility. The G-77/China underscored that such a framework was essential for achieving the goals outlined in the section. Text characterizing SIDS vulnerability and addressing the promotion of access to technological systems licenses and the rights of license holders remains bracketed.

Text on the following items was agreed to with minor or no amendment:
disseminating information on resilience-building technologies deployed in SIDS;
assisting SIDS in making critical technological choices, providing information on previous experience with the technology in SIDS, in partnership with SIDSNet as the mechanism for dissemination, and the tertiary institutions in SIDS;
providing technical assistance to SIDS to help them develop institutional arrangements conducive to the registration of intellectual patents and identification of potential partners for full scale commercialization;
promoting inter-sectoral synergies;
strengthening science and technological collaboration through north-south and south-south cooperation; and
facilitating research into new products maximizing the use of existing SIDS resources.

Capacity Development: This section begins with an introductory sentence stating that the international community commits itself to support SIDS' human and institutional capacity development and is followed by ways in which these capacities can be developed, specifically through: cooperation with other capacity development initiatives and existing programmes; investing in appropriate training; and supporting the SIDS Universities Consortium.

Discussions focused on the chapeau language, with the EU urging for balanced text reflecting that SIDS with the support of the international community will enhance their capacities. The G-77/China noted outstanding issues with chapeau language and highlighted the possibility of using BPOA language on this issue. The chapeau remains bracketed. Delegates agreed to the remainder of the section with a minor amendment.

National and International Governance: This section addresses the national enabling environment, the international enabling environment, and monitoring and evaluation.

National enabling environment: In this subsection SIDS reaffirm their commitment to establishing a domestic enabling environment for sustainable development through the adoption of national sustainable development strategies in an integrated and holistic manner.

Discussions focused on balancing SIDS' responsibilities with those of the international community, and elaborating additional domestic implementation measures for SIDS. The US and EU expressed concern over the limited scope of this section, underscoring the need for a substantial expansion of the measures related to national implementation. The US said the issue of national governance deserves equal attention as aspects of international governance. Following the tabling of additional proposals by the EU and the US, discussions focused on which text would serve as the basis of the negotiations. Facilitator MacKay proposed using the EU text, noting that it was based on agreed language from the Monterrey Consensus. The US supported this, but said the EU text pays too little attention to the role of the private sector. The EU said elements of the US proposal covering the role of the private sector could be added to their text. The G-77/China proposed new text as the basis of negotiations. Delegates could not agree on which text to base the negotiations on, and the entire section remains bracketed.

International enabling environment: This subsection addresses the role of the international community in ensuring that international financial institutions (IFIs) pay attention to the needs and priorities of SIDS, and formulate policies in relation to: the flexible application of WTO rules; trade-related measures; competition constraints; smooth transition; SIDS adjustment to post-Doha trade liberalization and long-term debt sustainability; and access to international capital markets. It further calls for an UNCTAD work programme on the special problems of SIDS, including the development of integrated framework for trade-related technical assistance.

In the discussion, the US expressed concern regarding the prescriptive nature of this section, noting that in some cases guidance was being given to institutions outside of the UN system. The G-77/China stressed the importance of the international community providing direction to IFIs, and reiterated that similar language exists in the BPOA. The EU, with the US, called for deleting references to SIDS as a special group, and replacing it with references to individual SIDS instead. The G-77/China opposed text referencing individual SIDS, and said the EU proposal dilutes the special case of SIDS recognized in Agenda 21. The EU proposed deleting references to the smooth transition for SIDS graduating from LDC status, noting ongoing ECOSOC discussions on this issue. The G-77/China stressed the need for the IM to support, in principle, a smooth transition.

Following the tabling of new proposals by the EU and the US, discussions focused on: highlighting SIDS specific benefits and concerns regarding trade liberalization; agricultural trade negotiations; completion of the Doha Round; examining the relationship between trade, environment and development; the erosion of trade preferences; and long-term financial mechanisms. Discussions were inconclusive, with all paragraphs remaining in brackets, except a reference to taking into account the

specific circumstances of each small island developing state when assessing the perspective of long-term debt sustainability.

Monitoring and evaluation: This subsection addresses the role of the UN system in the further implementation of the BPOA, and the role of SIDS regional institutions in monitoring and implementation.

Discussions focused on the role of the Commission on Sustainable Development (CSD) and other UN organs. The US opposed language indicating that the CSD is the only intergovernmental body addressing the implementation of SIDS commitments, and proposed text stating that it is the primary intergovernmental body and adding reference to the role of other relevant UN organs and programmes. He also cautioned against being too prescriptive in defining the roles of the UN Department for Economic and Social Affairs (DESA) and the Office of the High Representative of Least Developed Countries, Landlocked Least Developed Countries, and SIDS (OHRLLS). The G-77/China underscored the need for coordination and streamlining of BPOA implementation. Facilitator MacKay reported that DESA and the OHRLLS are developing text on their respective roles.

Delegates agreed to text stating that the CSD will continue to be the primary intergovernmental body for the implementation and follow-up to the commitments related to SIDS, and to text stating that other relevant UN organs, programmes and organizations also continue to have an important role within their respective areas of expertise and mandates, and that these programmes should coordinate and rationalize their work in implementing the Strategy for the Further Implementation of the BPOA.

Delegates agreed with no discussion to text stating that:

- the international community recognizes that SIDS should have the flexibility to report jointly on implementation through simplified procedures for the BPOA and internationally agreed development goals; and
- SIDS regional institutions should play a key role in monitoring the implementation of the Strategy for the Further Implementation of the BPOA.

CLOSING

Delegates did not discuss the convening of informal consultations prior to the IM, noting that this decision could be taken up by the Second Committee.

Mauritius informed participants that DESA and the OHRLLS are developing the IM agenda and side events, and said it could organize a briefing session for delegates when arrangements for the IM were clarified.

Delegates praised Facilitator MacKay and the Secretariat for their patience and hard work. Facilitator MacKay closed the meeting at 12:47 am, on Tuesday, 12 October.