



## UNCED HIGHLIGHTS

### OVERVIEW OF THE UNCED PROCESS

The United Nations Conference on Environment and Development (UNCED) begins officially on Wednesday. The expected outcomes -- Agenda 21, the Rio Declaration on Environment and Development, the Statement on Forest Principles, the Climate Change Convention and the Biodiversity Convention -- are the results of over two years of preparation by the UNCED Preparatory Committee and the Intergovernmental Negotiating Committees for Framework Conventions on Climate Change and Biodiversity. The Preparatory Committee (PrepCom) was created by the UN General Assembly to carry out the preparatory work and negotiations leading up to UNCED. The PrepCom (composed of approximately 175 national delegations who are participating in UNCED) completed its work on 4 April 1992.

**PrepCom I** was held in August 1990 in Nairobi. At that meeting, the agenda and the negotiating procedures were agreed upon. As well, Working Groups I and II were established. Countries also requested UNCED Secretariat to prepare reports on the various UNCED issues.

**PrepCom II**, which was held in March 1991 in Geneva, was devoted primarily to the review of the Secretariat's reports. Although substantive negotiations did not commence as planned, two important decisions were made: the creation of Working Group III and the decision to proceed with a statement on forest principles that would serve as the basis for a future international convention.

**PrepCom III**, which was held in August 1991 in Geneva, saw the actual start of negotiations. The Secretariat prepared initial negotiating texts for each Agenda 21 subject area. PrepCom III also addressed the legal and institutional issues within the mandate of Working Group III and the cross-sectoral issues under the mandate of the Plenary. These negotiations resulted in little agreement on most of the text.

**PrepCom IV**, which was held in March 1992 in New York, was the final and most serious negotiating session of the preparatory process. After five weeks of negotiations and the production of 24 million pages of documentation, the PrepCom reached agreement on close to 85 percent of Agenda 21. It is, however, the remaining 15 percent that is most problematic. The outstanding contentious issues to be resolved here in Rio include: the statement of forest principles; climate change and atmospheric issues; high seas fisheries; biotechnology safety concerns; technology transfer; institutional arrangements; poverty and consumption; and financial resources. The only unbracketed text sent to Rio from New York is the draft Rio Declaration on Environment and Development (formally known as the Earth Charter). The result of long procedural debates and agonizing substantive negotiations, the Declaration represents a very delicate balance of principles considered important by both developed and developing countries.

Thus, all of the PrepCom's unfinished business has been forwarded to Rio, where what was expected to be a two-week gold-pen cum massive photo opportunity has quickly been transformed into a critical negotiation session.

## POST-PREPCOM HIGHLIGHTS

As the sky brightened over the East River in New York on the morning of 4 April, hundreds of exhausted delegates, NGOs, Secretariat staff and interpreters poured out of the UN Headquarters after an all-night final session of PrepCom IV. During the period between PrepCom IV and UNCED, there have been several meetings held around the world where decision-makers have gathered to discuss UNCED issues.

**EMINENT PERSONS' MEETING ON FINANCING ENVIRONMENT AND DEVELOPMENT:** Former Japanese Prime Minister Noboru Takeshita and Mr. Gaishi Hiraiwa, Chairman of the Japanese Federation of Economic Organizations hosted this meeting of approximately 30 eminent policy and financial leaders, including former and current heads of state, on 15-17 April in Tokyo. The meeting produced a series of recommendations to the governments of the world on how funding for sustainable development might be increased to finance implementation of Agenda 21.

**SECOND MINISTERIAL CONFERENCE OF DEVELOPING COUNTRIES ON ENVIRONMENT AND DEVELOPMENT:** The environment and development ministers from 50 developing countries met in Malaysia from 26-29 April. Their final statement, the Kuala Lumpur Declaration, includes a large section dedicated to UNCED. They called for negotiations on financial resources to resume in Rio with PC/100/L.41/Rev.1 (the G-77 and China text from PrepCom IV). They also stated that negotiations should continue on the forest principles document, but that a further legally binding instrument "would not be required." They also called for a halt to unreasonable unilateral trade measures, such as bans or restrictions on the trade in forest products from developing countries. The statement was significant in that it sent to developed countries a strong and unified message of the Southern position related to key UNCED issues.

**THE IMF AND WORLD BANK DEVELOPMENT COMMITTEE MEETING:** The 43rd meeting of the IMF and World Bank Development Committee took place in Washington, D.C., in late April, under the chairmanship of Mr. Alejandro Foxley, Minister of Finance of Chile. In their final communique, the participants addressed a range of topics including debt, trade, the transfer of resources, economies in transition as well as other UNCED issues. This meeting was significant as it provided a forum for finance ministers to discuss the "interaction between environment and development policies and the preparations for UNCED." They called for a reformed GEF to serve as the leading mechanism for new and additional UNCED funding. As well, they called for a special substantial increase in the form of an "Earth Increment" to the tenth replenishment of the International Development Association (IDA-10) by the end of 1992.

**GLOBAL ENVIRONMENTAL FACILITY (GEF) PARTICIPANTS MEETING:** The GEF participants met in early May to discuss the future of the GEF and, in particular, changes in GEF principles, governance and funds management. The GEF is being used as the funding mechanism for both the Biodiversity and Climate Change Conventions. The proposals made at this meeting addressed many of the UNCED participants' concerns with the GEF, such as cost effectiveness; avoidance of

the creation of new institutions; transparency, accountability and flexibility; and democratic decision making.

**OECD COUNCIL MEETING AT THE MINISTERIAL LEVEL:** The OECD Council met on 18 and 19 May. OECD countries pledged to continue giving high priority to cooperation with developing countries. Such cooperation will take the form of the following: macro-economic policies conducive to non-inflationary growth; further liberalized access to OECD markets for developing country products; and substantial additional aid efforts including debt relief and implementation of the ODA target of 0.7 percent. OECD countries also pledged to cooperate on such fundamental issues as environmental protection, population, poverty, education and technology cooperation. The OECD statement addresses a number of the changes in the North-South relationship that must be made to ensure that the goals of sustainable development are met.

**EUROPEAN COMMUNITY ENVIRONMENT AND DEVELOPMENT MINISTERS MEETING:** The conclusions of the EC Joint Environment and Development Council meeting held on 5 May include: support for the Rio Declaration in its current form; a "package" approach to funding, including a commitment to new and additional resources; commitment to cooperate with developing countries to develop and facilitate access and transfer of environmentally sound technologies on favorable terms, while taking into account intellectual property rights; support for the forest principles document as a basis for a future global convention; support for a global convention on desertification; and reaffirmation of its commitment to the development of internationally agreed principles for safety procedures in a biotechnology convention.

**INC FOR A FRAMEWORK CONVENTION ON CLIMATE CHANGE:** The Intergovernmental Negotiating Committee for a Framework Convention on Climate Change held its fifth and final meeting in New York at the end of April. When the INC failed to reach agreement on a number of contentious issues during the first part of its fifth session in February, the session was reconvened at the end of April. The most contentious issues at that time included: commitment on specific targets and timetables for the reduction of carbon dioxide emissions and financial resources (whether funds will be provided on a voluntary or assessed basis and how the provision of funds will be linked to the commitments taken by developing countries).

The convention was finally adopted on 9 May, after chairman Jean Ripert of France took it upon himself to draft a compromise text. The convention, which does not include any concrete targets or timetables, encourages nations to reduce greenhouse-gas emissions to "earlier levels" by the end of the decade and to report periodically on their progress. The target of reducing carbon dioxide emissions to 1990 levels by the end of the decade, as advocated by the European Community, has been reduced to a voluntary goal, thus making major concessions to the United States in order to obtain its approval of the draft. The treaty is expected to be opened for signature on 4 or 5 June here in Rio.

**INC FOR A FRAMEWORK CONVENTION ON BIODIVERSITY:** Biodiversity negotiations drew to a close on 22 May in Nairobi. The final draft contains provisions that are intended to ensure effective international action to curb the destruction of biological species, habitats and ecosystems. The most important provisions include: the requirement that countries adopt regulations to conserve their biological resources; the imposition of legal responsibility upon nations for the environmental impacts of their private companies in other countries; funding in the amount of US\$200 million to be administered temporarily through the GEF (pending the establishment of a new institutional structure); technology transfer on preferential and concessional terms, where such transfer does not prejudice intellectual property rights or patents; regulation of biotechnology firms; access and ownership of genetic material; and, finally, compensation to developing countries for extraction of their genetic materials.

Several Northern and Southern countries support the substance of the draft. However, to date, France has indicated that it will not

sign the convention in protest of the lack of support for global list of biogeographic regions. As well, at this point, it appears likely that neither Japan nor the United States will sign the convention. They argue that many of the substantive provisions unduly restrict their biodiversity and pharmaceutical industries. Many developing countries remain opposed to the use of the GEF as the funding mechanism for the Convention. They argue that a separate fund altogether should be established since biodiversity resources are resources within the sovereign control of the nation of origin, unlike other resources, such as the atmosphere, that is recognized as part of the "global commons". The treaty is expected to be opened for signature on 4 or 5 June in Rio.

## THINGS TO LOOK FOR TODAY AT UNCED

**PRE-SESSIONAL CONSULTATIONS:** Two days of pre-session consultations will begin this morning. During these organizational meetings, delegates will make important decisions regarding the structure and the procedural mechanisms of the Conference. At the conclusion of these meetings, a set of recommendations will be forwarded to the Plenary for adoption on 3 June.

One of the first items on the agenda of the pre-session consultations will be the election of officers, including the Chair of the Conference, 39 Vice Chairs, an ex officio Chair and Rapporteur. Elections will also be held for Chairman of the Main Committee and four Vice Chairs, one whom will serve as Rapporteur. It is generally accepted that Brazilian President Fernando Collor de Mello will be elected as Chair of the Conference and will preside over the Plenary. The ex officio Chair, who will take over the responsibilities of chairing the Plenary when the Chair is not able to attend, is expected to be Brazilian Foreign Minister Celso Lafer. It is also expected that Tommy T.B. Koh of Singapore will be elected Chair of the Main Committee.

Other items on the agenda of the organizational meeting include decisions on the agendas for the Plenary and the Main Committee, the agenda for the Summit portion of the Conference, the adoption of rules of procedure, and the organization of the Main Committee. With regard to the Main Committee, one of the issues to be dealt with is the creation of either formal sub-bodies or informal contact groups to deal with individual problem areas, including finance, technology transfer, atmosphere, biodiversity, biotechnology and the Statement of Forest Principles. Due to the lack of time, it is most likely that the Chair of the Main Committee will simply appoint coordinators who will then hold informal consultations and meetings in an attempt to resolve the outstanding issues left in bracketed text at PrepCom IV.

**ORGANIZATION OF THE CONFERENCE:** The Conference itself is to be divided into two main bodies: the Plenary and the Main Committee. The Plenary will be the site of the opening ceremony on Wednesday morning and the general debate from 3-11 June. On 12 June, the Summit segment of the Conference is expected to begin. At that point, only Heads of State will be allowed to speak in the Plenary. The Summit will continue on 13 June. If time permits, the Plenary will adjourn for a roundtable discussion restricted to Heads of State. On 14 June, the Plenary is expected to reconvene to adopt the report of the Main Committee and to conduct the closing ceremonies. The Main Committee will be the working committee of the Conference where negotiations will be conducted on the outstanding items in Agenda 21, the Rio Declaration and the Statement of Forest Principles.