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CSD-6 HIGHLIGHTS THURSDAY, 30 APRIL 1998

CSD-6 participants met into the night as they attempted to conclude negotiations in three Drafting Groups. They also heard statements in the High-Level Segment.

HIGH-LEVEL SEGMENT

Chair Habito reported that the informal morning Ministerial meeting featured a presentation by the OECD Director-General. It was noted that there must be an attempt to monitor the extent to which FDI from OECD countries supports or deters sustainable development. The meeting also focused on indicators and stronger developing country involvement in trade agreements.

On freshwater, many developed countries, such as the US, AUSTRIA, GREECE and AUSTRALIA, highlighted, *inter alia*, their national actions and laws to address freshwater problems, international development assistance efforts and sponsorship of meetings. IRELAND stressed: developing locally responsive and participatory management, increasing public or private sector funds, and retaining the right to determine cost recovery plans. The CZECH REPUBLIC called on the CSD to endorse an agreement that ensures drinking water for all. NORWAY called for well-coordinated technical assistance from multilateral and bilateral donors and urged CSD-6 to help overcome the inertia of the "overly complicated" ACC Sub-committee system. Many developing countries, including KENYA, MOROCCO, GABON, BENIN, GUYANA and IRAN, focused on national water scarcity problems, highlighted national programmes and stressed the need for assistance in water management. GABON, on behalf of Francophone countries, recalled the Paris expert meeting and supported establishment of an international water academy.

Several developed and developing countries praised the industry segment. Recommendations for further CSD action included: requesting UNEP to examine the establishment of minimum international environmental standards (GERMANY); articulating the conditions necessary for corporate pursuit of sustainable development (US); and launching a multi-stakeholder review of the efficiency of voluntary initiatives (SWITZERLAND, NORWAY and the PHILIPPINES). AUSTRIA highlighted the Factor 4/Factor 10 concept, which seeks increased resource productivity to increase efficiency four-fold in the short term and ten-fold in the long term. SWITZERLAND said introducing environmental, social and worker's rights into international agreements does not invite protectionism. ICELAND highlighted the links between freshwater management and oceans issues. UKRAINE advocated an EST database under UN auspices. With RUSSIA and BELARUS, he called on the international community to assist with recovery from the Chernobyl disaster.

AUSTRALIA, the EUROPEAN COMMUNITY, GERMANY, AUSTRIA, IRELAND, GREECE, FINLAND, NORWAY and MONACO announced they had signed the Kyoto Protocol. HUNGARY emphasized raising public awareness on sustainable development. SLOVENIA and the CZECH REPUBLIC highlighted the importance of communication, meetings and assistance. KYRGYZSTAN focused on sustainable mountain development.

NEW ZEALAND said there was no reason why ideas and recommendations arising from the Intersessionals or the industry segment should not be incorporated into the deliberations of drafting groups. EGYPT said he had not heard many new ideas and suggested, *inter alia*: presenting ministers with specific questions; presenting documents early; and attracting industry ministers. With the PHILIPPINES, he stressed the need to include developing country industry representatives.

DRAFTING GROUP I

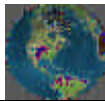
Strategic Approaches to Freshwater Management: On 28 (strengthening capacity), delegates agreed on Agenda 21 language to state that "indigenous people and local communities" require equal access to education and training. On 29 (enabling environment), delegates replaced text specifying the World Water Council as a global-level forum for debate with a general reference to "appropriate existing mechanisms."

On 32 (technology transfer), the G-77/CHINA called for technology transfer "on favorable terms, including on concessional and preferential terms." The US objected and delegates agreed to cite Agenda 21 regarding terms of technology transfer. In 36 (best practices), the G-77/CHINA, UGANDA, COLOMBIA and INDIA expressed concern at the lack of definition of the term "best practices." Delegates accepted COLOMBIA's addition of "taking into account local conditions." On 37 (EST centers), delegates deleted a call for promotion of "know-how and technology exchange, including among developing countries." Delegates added text on promoting local and traditional technology and knowledge and encouraging South-South cooperation from 32.

On 39 (EST transfer), the G-77/CHINA and INDIA deleted text specifying the Global Water Partnership's Technical Advisory Committees as less formal arrangements that may have a role to play. Delegates also deleted text on facilitating EST transfer including private and publicly-owned technology on favorable terms.

In 40 (new and additional resources), the G-77/CHINA proposed stating that effective use of current resources "is also important," rather than "would help to mobilize additional finances from public and private sources." The US objected. Delegates agreed that effective and "efficient" use "is also important and could contribute in helping to

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increase the flow of finances from public and private sources." On 41 (ODA), the G-77/CHINA proposed deleting programmes "aimed at creating participatory frameworks" and "for safeguarding human health." The EU said programmes must be designed to create frameworks that will promote, *inter alia*, safeguarding of human health. Regarding donors meeting ODA targets, the EU said donors should "aim to" meet "international development" targets. The US preferred "targets as agreed." The EU proposed using agreed UNGASS language.

On 42 (private sector), the G-77/CHINA, with SYRIA, objected to text on ODA's role in assisting developing countries to adopt appropriate policy frameworks that encourage private sector participation. AUSTRALIA preferred its retention. Delegates accepted the CHAIR's formulation that "adoption of an enabling financial framework contributes to the promotion of private sector finance mobilization." On 43 (cost recovery), the G-77/CHINA deleted transparent "and well-targeted" subsidies. The EU said such subsidies are "appropriate" rather than "required" in some countries, and costs can be covered either by cost recovery or from public sector budgets. On 45 (initiatives to mobilize more resources), the G-77/CHINA added recycling, energy, irrigation and water hyacinth control to a list of areas requiring resources. The EU deleted a sentence recommending focusing resources on programmes consistent with countries' policies and a reference to WSSD commitments. The US objected to referring to "commitments" of recent UN conferences and bracketed the text.

On 47 (using economic instruments), the G-77/CHINA deleted the need to consider the specific conditions of each region and user pays systems. In 48 (review of existing financial support arrangements), the G-77/CHINA said a review should aim at mobilizing "international" financial resources. AUSTRALIA objected, preferring resources "from all sources." Delegates agreed to mobilizing "financial resources from all sources, particularly international resources," and replaced the potential role of "sub-regional and regional arrangements, including those of the Global Water Partnership" with "formal and informal arrangements." Four paragraphs under Financial resources and mechanisms and the entire Follow-up and Assessment section remained pending at 10:45 pm.

DRAFTING GROUP II

Industry and Sustainable Development: In the morning, the Chair circulated a new three-page draft, reduced from eighteen pages. At an informal meeting countries added FDI to the objectives of policy reforms to create an enabling environment. On ODA, a proposal on leveraging FDI was dropped after meeting resistance. The word "core" was dropped from references to labor standards. On maximizing the positive influence of industrial activities, countries agreed to include "enforcement" in support of environmental protection efforts and to encourage wider implementation of voluntary initiatives. On environmental performance, industry is invited to increase efforts in the area of responsible entrepreneurship and corporate management tools. A sentence calling for a scheme on multilateral recognition of certification was deleted. Countries agreed to recognize "the value of the interactive dialogue" between governments and major groups at the CSD, discussed whether they "should" or "could" be held in the future, and agreed on the need for balanced representation of major groups from developed and developing countries. On a review of voluntary initiatives, it was agreed that: major groups should identify elements for consideration; DESA could assist in this regard; DESA, with UNEP and UNIDO, would examine how initiatives could contribute to CSD work; and DESA should report to CSD-7. On voluntary commitments and initiatives in the financial sector, countries agreed to invite UNEP to report on its work and call for further development of work in the sector.

Guidelines for Sustainable Consumption: The Chair introduced a new draft ECOSOC decision on Consumer Protection Guidelines for Sustainable Consumption at an informal morning meeting. The Chair conducted further consultations on an invitation to the Bureau to organize open-ended consultations among States after several countries queried the purpose and scope of the consultations or meeting envisaged. Others agreed on the need for preparation ahead of the intersessional. At an evening informal, the Chair introduced a new draft. Countries agreed to: note the Secretary-General's report and delete a reference to using it as the basis for deliberations; and "have regard" for the report in the course of open-ended consultations. Drafting Group II convened at 10:30 pm to complete its work.

DRAFTING GROUP III

Information provided by governments and the exchange of national experiences: Delegates considered this draft decision, on which MEXICO had conducted extensive consultations. The EU proposed reaffirming the importance of continued work by the CSD Secretariat to streamline national reporting requirements. Delegates modified this proposal and accepted the decision.

Transfer of ESTs, Capacity Building, Education and Public Awareness, and Science for Sustainable Development: Delegates cleared all brackets by 8:45 pm. In the chapeau, EU-proposed text on the overarching themes of poverty eradication and sustainable consumption and production patterns was reformulated to, *inter alia*, reaffirm their importance, reaffirm the urgent need to implement all relevant commitments, and note efforts to achieve the target to reduce by one-half by 2015 the proportion of people in extreme poverty. On technology transfer, the EU, NORWAY and SWITZERLAND supported the reference to CSD consideration of policies to promote eco-efficiency. The G-77/CHINA objected. Delegates agreed to CSD consideration of policies to promote sustainable production patterns, and in this context to consider the concept of eco-efficiency and examples of its application in developed and developing countries.

On education, delegates accepted the EU deletion of the reference to UNESCO follow-up of recommendations resulting from its survey of existing regional and national strategies. The G-77/CHINA called for task managers to raise awareness of implications of unsustainable patterns of production and consumption, "in particular in developed countries." The EU objected. Delegates accepted the reference along with the US-proposed additional reference to education "in all countries" in the section heading. Compromise text on promoting investments for education calls on UNDP and financing institutions to consider current levels "with a view to (US) develop a strategy or policies for mobilizing new and additional resources (G-77/CHINA) from all sources (EU)." Delegates added a HUNGARIAN-proposed section entitled "Raising Public Awareness."

IN THE CORRIDORS

Those tending display stands on aspects of sustainable development discovered that diplomatic sensitivities extend to the corridors of the UN building this week, according to an industry observer. One industry stand complete with a world map was, reportedly, forced to close down by a member State who discovered that the map was "PC challenged" and included Taiwan.

THINGS TO LOOK FOR TODAY

HIGH-LEVEL SEGMENT: The High-Level Segment is expected to begin at 10:00 am in Conference Room 1.

CLOSING PLENARY: Delegates are expected to consider the draft decisions for adoption during a closing Plenary in the afternoon.

CSD-7 ELECTIONS: CSD-7 will convene to elect the new CSD Bureau.