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## CSD-8 HIGHLIGHTS: THURSDAY, 4 MAY 2000

Delegates at the Commission on Sustainable Development met throughout Thursday and into the early hours of Friday.

Drafting Group I met briefly in the morning to convene two contact groups to address biotechnology and genetic resources, and the multifunctionality of agriculture. In the afternoon, the Drafting Group heard reports from the contact groups. A contact group on Integrated Planning and Management of Land Resources convened in the evening.

Drafting Group II met in the morning to discuss a revised draft on Financial Resources and Mechanisms and in the afternoon to deliberate on a revised draft on Economic Growth, Trade and Investment. The group reconvened in the evening to discuss revised drafts on both issues. Drafting Group III met in the afternoon to discuss Rio+10 preparations and "other matters."

#### DRAFTING GROUP I

AGRICULTURE: Drafting Group I met briefly in the morning to convene two contact groups to address biotechnology and genetic resources, and the multifunctional "character" of agriculture. Drafting Group I convened in the afternoon to recommence work on the revised text on Agriculture. Chair McDonnell reported that the contact group working on biotechnology and genetic resources had made progress.

On desertification and drought, BENIN noted that reference to action programmes should replace reference to action plans as per agreed language. Delegates concurred, and the text was accepted. On access to land and security of land tenure, most delegates agreed to incorporate language from the Habitat Agenda, but deferred discussion on exact wording. On emergency preparedness, the G-77/CHINA proposed adding reference to assistance "as appropriate." The text was agreed. The US proposed adding language on the critical importance of water resources. EGYPT agreed but stated, with support from TURKEY, that importance "at the national level" should be specified. INDIA, supported by EGYPT, called for uniformity between this text and similar language elsewhere in the document.

On information exchange, delegates agreed to text identifying roles for the World Bank and the International Monetary Fund, and for the FAO in the development of a cross-sectoral programme on organic agriculture. On data collection and indicators, the G-77/CHINA proposed deleting reference to "gender disaggregation" and, opposed

by the EU, deleting reference to the Convention on Biological Diversity. The US proposed keeping the reference and stated that this was the only way to monitor progress for women in agriculture. BENIN described gender disaggregation as a new concept. The paragraph remains in brackets. On negotiation of an international instrument on Persistent Organic Pollutants, the G-77/CHINA opposed a Canadian proposal to recognize the importance of assisting developing countries and EITs in fulfilling obligations. On stakeholder participation, the G-77/CHINA, supported by NEW ZEALAND, proposed deleting a paragraph on a participatory mechanism for SARD. The EU, supported by the US and the CZECH REPUBLIC, supported continuing an actionoriented stakeholder dialogue while deleting reference to a working group as "ad hoc" and "open-ended." The G-77/CHINA said that nobody can dictate the types of meetings or consultations to be undertaken by relevant UN bodies. ARGENTINA noted that stakeholders from developing countries are unable to participate in such a dialogue. The US proposed text on developing country representation. Chair McDonnell proposed informal consultations. The relevant text remains bracketed. On outstanding agricultural and trade issues, the EU proposed that the Drafting Group await outcomes from Drafting Group II on related trade issues.

At an early evening meeting of Drafting Group I, Chair McDonnell invited Dr. Fernandez Modesto (Cuba) to report on the contact group covering the multifunctional "character" of agriculture. Dr. Modesto said the issues will continue to be controversial. The contact group conducted a twenty-minute conceptual discussion and decided to refer the issue back to the Drafting Group.

Navid Hanif (Pakistan) reported that the contact group on biotechnology and genetic resources had reached agreement on: exploring the potential of biotechnology using transparent, science-based risk assessment and risk management procedures, applying the precautionary approach; encouraging governments to develop legal frameworks and other measures for risk analysis and management of living modified organisms; promoting only those applications of biotechnology that do not pose unacceptable risks, bearing in mind ethical considerations; and urging governments to finalize negotiations on an International Undertaking on Plant Genetic Resources for Food and Agriculture "as soon as possible." The group agreed to delete a paragraph on labelling genetically modified products.

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INTEGRATED PLANNING AND MANAGEMENT OF LAND RESOURCES: Drafting Group I met briefly to review a revised text prepared by Chair McDonnell. Delegates agreed on a G-77/CHINA-proposed reference to watershed management providing "one of the commonly understood" frameworks for achieving a holistic approach to sustainable development. After inviting delegations to identify problematic paragraphs, Chair McDonnell appointed Navid Hanif (Pakistan) to facilitate another contact group that would address outstanding issues. Delegates debated references to, *inter alia*: "equal" access to land and "legal" security of tenure; an enabling political, social, and economic environment, in accordance with the concept of good governance; farmers and agro-food industries; land mines; protection and enhancement of carbon sinks and carbon sequestration; signing, ratifying and promoting implementation of relevant conventions by 2002; and gender disaggregation.

#### **DRAFTING GROUP II**

FINANCIAL RESOURCES AND MECHANISMS: In the morning, Drafting Group II reviewed a revised draft on Financial Resources and Mechanisms. On common but differentiated responsibilities, delegates accepted the G-77/CHINA's proposed text including reference to Principle 7 of the Rio Declaration. An informal contact group was established to discuss text on additional financing to address impacts of globalization. On governance, the EU continued to advocate "good" governance, and the G-77/CHINA and CAMEROON proposed language from GA Resolution 54/231 describing governance as "responsive to the needs of the people with efficient, transparent and accountable service." The proposals were bracketed. On new ODA, JAPAN, with the US, suggested that this be "preferably" as grants.

Delegates reconvened in the evening to consider an updated draft. On ODA, the G-77/CHINA proposed text integrating earlier bracketed options, including preference for ODA to be provided as grants. JAPAN's proposed text providing for the needs and financial situation of recipient countries was accepted. The EU's proposed amendment underlining the "critical" role of sustainable development in poverty eradication and deleting reference to the promotion of productive employment was deferred to Plenary. The EU and the G-77/CHINA failed to reach agreement on the issue of governance, and the issue was deferred to Plenary. On the provision of multilateral debt-relief funds, delegates agreed to text from GA Resolution 202, encouraging donors to continue efforts in this regard. JAPAN's proposal on the "equivalent relief" of debt was deferred to Plenary. Text on the relationship between debt relief and trade liberalization remains bracketed. Text on studying the means to implement trade-distorting and environmentally harmful subsidies was deferred to Plenary. The US and the G-77/ CHINA stated they were not prepared to accept reference to CDM within the text. AUSTRALIA, CANADA, NORWAY and the EU urged its retention. The text, as proposed by AUSTRALIA, was deferred to Plenary. Delegates failed to reach agreement on the proposal to convene an ad hoc intergovernmental panel to study the lack of progress in fulfilling commitments made in the area of finance.

ECONOMIC GROWTH, TRADE, AND INVESTMENT: In the afternoon, Drafting Group II continued deliberations on a revised draft on Economic Growth, Trade and Investment. The EU, opposed by the G-77/CHINA, proposed deleting text on food security. The text was bracketed with an alternative US proposal, which omits reference to "ensuring" food security. The US proposed text to "promote," as opposed to "ensure," benefits from trade liberalization. All three options were bracketed.

On the transfer of ESTs, AUSTRALIA's proposal to delete reference to specific articles of the TRIPs Agreement was accepted. On technology transfer, the G-77/CHINA proposed text based on the UNCTAD-X Plan of Action. Reference to the GEF was bracketed.

On international trade implications, the G-77/CHINA stressed that economic and social implications of trade are "mutual," and proposed text referencing the effects of environmental requirements on developing country exports. Text was bracketed. On the relationship between MEAs and WTO Agreements, the G-77/CHINA, with NORWAY and the EU, suggested text stating that they should have "equal status." Delegates accepted text on: assisting developing countries in implementing MEAs; addressing potential risks from short-term capital flows; and environmentally responsible corporate behavior. Delegates could not agree to text referring to FDI and environmental and social standards, and to research on the possible trade implications of the Rio Declaration principles.

Delegates reconvened from 11:00 p.m. until 2:30 a.m to consider the Chair's revised text and contact group text. During discussions, delegates failed to agree on a number of contentious issues including, *inter alia*: sustainability impact assessments of trade; the "equitable" distribution of gains from trade; the proposal that trade contributes to improving labour conditions; and text encouraging the promotion of markets for environmentally friendly products, ESTs and services. The EU presented compromise text on the relationship between MEAs and WTO Agreements, and between the CBD and the TRIPs Agreement, which included CANADA's proposed text on taking into account that trade agreements and MEAs are developed and negotiated in pursuit of legitimate multi-lateral objectives in support of sustainable development.

### DRAFTING GROUP III

In the afternoon, delegates in Drafting Group III accepted draft decisions on: the Intergovernmental Forum on Forests; the proposed Sub-programme "Sustainable Development" of the draft medium-term plan; matters related to inter-sessional work of the Commission; the Report of the Committee on Energy and National Resources for Development on its First Session; and Preparations for the Ten-Year Review of Progress Achieved in the Implementation of the Outcome of UNCED. The EU's Proposed Draft on Freshwater was withdrawn, following expression of concern from many delegations on the existing CSD-9 workload. Delegates were invited to resolve differences of opinion regarding the EU Draft Decision on Education, Public Awareness and Training in an informal session before the Friday Plenary.

#### IN THE CORRIDORS

"Informal informal" discussions were reported to be proceeding in the early hours of Friday morning on the issue of the multifunctional character of agriculture. At a contact group on Thursday, one developing country participant described the issue as a "spectre, haunting CSD-8" as he supported a G-77/China proposal to delete reference to the concept from the draft agriculture text. A Cairns Group supporter of the G-77/China position clarified that the problem with multifunctionality is not conceptual but political: a number of countries believe it is a "cloak for protectionism." Some opponents also questioned the CSD-8's mandate to introduce the concept for discussion, in the absence of agreement to do so at the CSD Intersessional Working Group.

## THINGS TO LOOK FOR TODAY

**PLENARY:** The Plenary is expected to convene at 10:00 a.m. in Conference Room 1. Drafting Group II will meet at 10:00 a.m. in Conference Room 3.