



POPS INC-5 HIGHLIGHTS MONDAY, 4 DECEMBER 2000

On the first day of INC-5, delegates met in morning and afternoon Plenary sessions to hear opening statements and begin consideration of draft Article K (Financial resources and mechanisms). The Legal Drafting Group began its work in the afternoon.

OPENING PLENARY

Chair John Buccini (Canada) opened INC-5 and introduced Rejoice Mabudafhasi, South African Deputy Minister for Environmental Affairs and Tourism. She emphasized the importance of public education and awareness, especially for those exposed to POPs, and called for capacity building, a clear financial mechanism and technical assistance to enable developing countries to fulfill their obligations. She stressed the ultimate goal of elimination, but noted the necessary use of DDT to control malaria, and called for accelerated research on cures.

UNEP Executive Director Klaus Töpfer reiterated that the poorest are suffering most from the effects of POPs. He emphasized timely, adequate, new and additional financial resources, and common but differentiated responsibilities. He acknowledged necessary use of DDT, and said convention language must stimulate development of alternatives. He highlighted a memorandum of understanding between UNEP and the World Bank on helping to reduce POPs releases into the environment, and a CAD \$20 million contribution to this endeavor from the Canadian government.

Chair Buccini informed delegates that a master list of actions on POPs had been produced, and said these need to continue and expand. He noted that understanding, cooperation, creativity and a commitment to seek out compromises are necessary to conclude negotiations, and stressed communication throughout all aspects of the meeting. Emphasizing that history will be made this week, he reiterated the importance of openness, transparency, inclusiveness and accountability in the process.

INTERSESSIONAL ACTIVITIES: After adoption of the Agenda (UNEP/POPS/INC.5/1), Jim Willis, UNEP Chemicals, presented the Secretariat report on intersessional work and noted that reports had been received from 108 countries, fourteen IGOs and eight NGOs on their actions taken to reduce and/or eliminate POPs. He said UNEP had organized eight regional and sub-regional workshops, and was implementing 27 country-based projects on POPs.

The FAO, WHO and World Bank summarized their activities related to monitoring, reducing, replacing and/or eliminating POPs substances. The World Bank underlined its recent POPs trust fund agreement with Canada for US \$14 million, aimed at supporting capacity building in developing countries and countries with economies in transition (CEITs). Mohamed El-Ashry, CEO of the Global Environment Facility (GEF), reported that the last GEF Council Meeting had agreed that, should the GEF become the

designated financial mechanism for POPs, new and additional financial resources would be made available specifically for this purpose through the third replenishment. Responding to IRAN on the meaning of "new" resources, he emphasized that these would be financial resources beyond the normal replenishment for other GEF activities.

The CANADIAN ARCTIC INDIGENOUS PEOPLES said Arctic people were the world's early warning indicator for POPs, and called for financial and technical assistance to developing countries and CEITs. THE GLOBAL CROP PROTECTION FEDERATION noted its cooperation with the FAO and its work on stockpiles. The HARVARD UNIVERSITY CENTER FOR INTERNATIONAL DEVELOPMENT emphasized high costs of implementation, and called for mandatory legally binding terms for funding to developing countries and a financial mechanism based on grants. MALARIA FOUNDATION INTERNATIONAL called for guaranteed financial assistance in the form of grants.

COUNTRY STATEMENTS: Many delegations thanked the governments of South Africa and Denmark for sponsoring the meeting and the Secretariat for its intersessional work. Delegates supported using the Chair's draft text (UNEP/POPS/INC.5/5) as the basis for continued negotiations.

CANADA stated that the final convention text should, *inter alia*: be simple and straightforward with clear, unambiguous and practical obligations; be measurable in terms of effectiveness; and result in real action on the ground. He supported the GEF's commitment to new and additional funds for POPs and expressed satisfaction that the GEF is prepared to serve as the primary financial mechanism for the convention. CANADA and AUSTRALIA supported use of the precautionary approach in accordance with the Rio Declaration, while avoiding undefined and ambiguous references.

AUSTRALIA supported, with limited exceptions, international commitments to prohibit or restrict production, use, export and import of intentionally-produced POPs and supported eliminating byproducts, where feasible, while taking account of technical and socioeconomic realities. He said the convention should facilitate technical assistance and necessary funding for developing countries and CEITs. FRANCE, on behalf of the EU, and supported by POLAND, supported reflecting the precautionary principle in the preamble, objective and general obligations of the text. She said the convention must: explicitly state the objective of halting the production and use of intentionally-produced POPs; address import and export; strictly limit general exemptions; eliminate byproduct POPs in the long term; and provide technical and financial assistance to developing countries and CEITs.

FINLAND highlighted the October 2000 meeting of the Arctic Council, which stated that completion and early ratification of the POPs convention is an objective of great importance to all Arctic States. THAILAND said proposals for exemptions on DDT should

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be considered carefully, and that reductions on releases of byproducts depended on the availability of financial and technical assistance. He highlighted the need for a clear commitment from both developed countries and POPs-exporting countries for this assistance, and supported steps taken by the GEF on POPs, while also encouraging bilateral measures.

JAPAN said legally-binding obligations should be effective and achievable, and that the GEF can play an important role in helping developing countries and CEITs fulfill their obligations, as could the development of a capacity assistance network (CAN). The US called for a strong, realistic and effective treaty, noting that an effective treaty will require a strong financial mechanism. He emphasized, *inter alia*, an effective waste regime and a meaningful mechanism for adding new chemicals. He said the instrument is inherently precautionary, opposed renegotiating the precautionary principle as defined by the Rio Declaration, noted their revised position on general exemptions, and supported the goal of ultimate elimination if expressed in realistic terms.

TANZANIA, the PHILIPPINES, IRAN, MALAYSIA and ZAMBIA supported reference to the precautionary principle. The REPUBLIC OF KOREA highlighted difficulties in interpreting and applying the principle in certain areas of the convention. IRAN called for a clear definition of the principle, as well as identifying cost implications of its application. SOUTH AFRICA supported applying the principle where it does not compromise public health or sound science. COLOMBIA proposed inclusion of a new article stating that specific guidelines regarding liability, responsibility and compensation would be developed in the future, and highlighted the example of the Basel Convention Protocol on Liability and Compensation. The RUSSIAN FEDERATION called for including the principle in the preamble, using the Rio Declaration definition. He supported its inclusion in Article D(2)(*bis*) (Newly developed POPs), and urged its deletion in Article F (Listing of chemicals in Annexes A, B and C).

CHINA and ZAMBIA said common but differentiated responsibilities should be reflected in the preamble. THE GAMBIA, TANZANIA, GHANA, the PHILIPPINES, CHINA, VENEZUELA, and MALAYSIA supported reduction with the goal of ultimate elimination.

URUGUAY expressed concern that his proposal on preventing the emergence of new POPs, presented at INC-4, was not reflected in the text. The RUSSIAN FEDERATION opposed including a provision on compensation for losses. FIJI highlighted the need for special treatment of small island developing States (SIDS). SOUTH AFRICA and TANZANIA said the phasing out of DDT is contingent upon provision of affordable alternatives.

The PHILIPPINES, VENEZUELA and MALAYSIA supported a separate funding mechanism. VENEZUELA called for new and additional resources. GHANA called for a dynamic mechanism to provide technical and financial assistance. SOUTH AFRICA highlighted concerns regarding existing financial mechanisms, such as the GEF, and expressed concern with the lack of a consolidated response from donor countries to the G-77/China position. CHINA stressed new, additional and adequate resources in the form of grants. IRAN emphasized an efficient mechanism. ZAMBIA called for assurance of technical and financial assistance.

NIGERIA, on behalf of the G-77/CHINA, advocated narrowly-tailored exemptions with regard to laboratory research. NEPAL opposed exemptions except for scientific research. NEPAL and JAMAICA supported focusing on developing alternatives. ZAMBIA supported language reflecting the difficulties in eliminating byproducts.

JAMAICA and ZAMBIA called for a clear, verifiable and strong treaty in which no party is unduly overburdened. The PHILIPPINES supported involvement of national stakeholders in implementation. NEPAL emphasized information exchange on pesticides.

Chair Buccini reiterated that only proposals and text discussed in Plenary had been included in the Chair's text, and that other proposals were included in an annex. The Secretariat called on delegates to provide feedback on translated versions.

FINANCIAL RESOURCES AND MECHANISMS

(ARTICLE K): Chair Buccini announced the Legal Drafting Group would begin its work immediately, and initiated discussion on Article K (Financial resources and mechanisms). He outlined attributes of a financial mechanism as identified at the intersessional meeting on Article K in Vevey, Switzerland (UNEP/POPS/INC.5/4). The G-77/CHINA called for negotiation of Article K to be based on the Group's proposed text, and underlined the importance of common but differentiated responsibilities. The EU, supported by the CZECH REPUBLIC and NORWAY, advocated the establishment of a GEF-based mechanism which provides a coordinated framework for adequate and sustained support from a variety of multilateral, regional and bilateral sources to developing countries and CEITs. ANTIGUA AND BARBUDA called for language regarding least developed countries and SIDS. SWITZERLAND supported a central role for the GEF. THE GAMBIA questioned the degree to which GEF funding would be binding.

Canada called attention to a submission from a number of delegations including the EU, JUSCANZ members, CEITs and other countries, on Article K (UNEP/POPS/INC.5/CRP.2) that identifies the need for a GEF-based mechanism that could provide resources in a timely manner; specifically for POPs; and that could support early action in countries with different needs. With the US, he noted there would also be opportunities for other organizations to provide assistance under the guidance of the COP. CAMEROON stated that discussion on draft resolutions would have to wait until the issue of financial mechanisms was resolved.

PAKISTAN stressed a transparent, simple and comprehensible mechanism and proposed a committee to assess the needs of developing countries and CEITs. JAPAN signaled hope that the reformulated Article K submission would meet the needs of developing countries and CEITs. BRAZIL supported predictability of funds, queried the effectiveness of GEF procedures and emphasized avoiding predetermined solutions. COLOMBIA called for responses from developed countries regarding funding commitment questions, and stressed taking heed of past mistakes. ZAMBIA asked the GEF how it will meet financial mechanism criteria identified at the Vevey intersessional meeting, and queried why it has taken until the POPs convention for the GEF to identify its deficiencies. The GEF responded that the Vevey criteria apply to the GEF, and that the GEF has addressed its deficiencies through an evolving process that began before the POPs process. KENYA voiced willingness to hear how the GEF will apply the Vevey criteria. Jim Willis confirmed that the reformulated Article K submission would be translated overnight into the UN languages.

IN THE CORRIDORS

The opening day buzz at INC-5 dwelled on the difficult obstacles to resolving the issue of a financial mechanism for the convention, with some participants also forecasting divisive debates over the precautionary principle. Others dwelled on the shadow cast by the recently-suspended climate change negotiations. Some participants suggested that, as a result, the G-77 would approach this meeting with renewed solidarity.

THINGS TO LOOK FOR TODAY

PLENARY: Delegates will reconvene in Plenary at 10:00 am in Ballroom 1 to begin consideration of draft Article D (Measures to reduce or eliminate releases), particularly those paragraphs dealing with elimination, import/export issues, restriction, and byproducts.