

the Subsidiary Body for Implementation (SBI). The COP, however, could not arrive at any decision on the Rules of Procedure and composition of the Bureau.⁴

(iii) First Session of the AGBM

The first session of the AGBM was held in Geneva from 21-25 August 1995. The Chairman recognized that AGBM marked the beginning of a new phase in the life of the Convention. He recalled that the COP. 1 had concluded that the current commitments for Annex I Parties to the UNFCCC were inadequate to achieve the objectives of the Convention. The Berlin Mandate therefore initiated a process for strengthening these commitments.

During the discussions, several delegates cautioned against reopening the negotiation on Berlin Mandate and stressed that the analysis and assessment of policies and measures of Annex I Country Parties to the Convention should be carried out. Some others, particularly from the developing countries, considered that such analysis and assessment should be integrated into setting up quantified targets and time frames. It was suggested that existing information from Annex I parties national communications and the background work carried out by organizations such as IPCC, OECD, IAEA, World Bank and UNEP will provide useful source and inputs. Some delegates drew attention to the lack of information available on the economic impacts of reduction of emissions on the developing countries and recognized the need for further studies.

(iv) Meetings of the Subsidiary Bodies

The AGBM Session was followed by the meetings of the Subsidiary Body on Scientific and Technical Advice (SBSTA) and Subsidiary Body for Implementation (SBI). During the discussions in SBSTA, the relationship between the SBSTA and the IPCC attracted wide range of comments. It was noted that while the IPCC could provide independent assessment and analysis of the scientific issues, the SBSTA was a vital channel between the COP and the IPCC. Further, instead of duplication in the work of the two bodies, a mechanism could be established with a view to achieve co-ordination and seeking continuous and objective inputs of scientific information. Concern was expressed over the lack of participation of the experts from the developing countries in the IPCC mainly because of the financial constraints. No consensus could be reached on the proposal for the establishment of Technical Advisory Panels (TAPs). The composition

of the Panels, its funding and the role and functions that could be assigned to them were some of the contentious issues.

Another item for consideration related to the elaboration of guidelines concerning first communications from non-Annex I parties to the Convention. Discussions focussed on the approach paper submitted by G-77 and China and another one by the United Kingdom. The Philippines, introducing the approach paper on behalf of the G-77 and China stressed the need to take into account diverse capacities within developing countries regarding technology and finance. Attention was also drawn to the fact that the initial communications from non-Annex I parties was contingent upon Annex I parties fulfilling their financial and technological commitments. A suggestion was made that the FCCC Secretariat should be requested to prepare a document identifying the technical difficulties being faced by the developing countries in preparing their first communications. It was observed that the modalities and coverage for Annex I parties did not apply to non-Annex I Parties. The need to meet the "agreed full costs" from the GEF Fund to assist the developing countries in the preparation of first national communications was also recognized.

On the item concerning "Transfer of Technology" and the establishment of Technical Advisory Panels, the Chairman suggested that the focus of discussion could be on procedural issues. The delegate of China recognized that the Convention set out the commitments for the transfer of technology. He stressed the need for the identification of relevant technologies with regard to adaptation activities. Spain, on behalf of the European Union suggested that the SBSTA consider technology development and assessment issues and matters concerning transfer of technology could be taken up in the COP. Trinidad and Tobago, on behalf of AOSIS stated that SBSTA and TAP should identify the best available technology in the sectors such as energy, transport, industrial, forestry and waste management. As regards the assessment of mitigation and adaptation technologies, it should be done in co-ordination with the GEF.

Discussion in the first meeting of the Subsidiary Body for Implementation centered mainly on the organizational matters including consideration of the progress report on an in-depth review of the communications from Annex I Parties. While there was general satisfaction over the review experience, it was suggested that the FCCC Secretariat should prepare a synthesis document compiling the experiences with the process. Further, developing countries should be encouraged to nominate their experts for the review process.

With regard to the matters relating to the financial mechanism, the document containing the Memorandum of Understanding (MoU) between

4. A detailed Report on the Berlin Conference may be found in the Document AALCC/UNGA/L/95/1, prepared by the AALCC Secretariat for the 50th Session of the General Assembly (pages 149-174).

the COP and the GEF Council, was considered as "balanced" both in its format and content. However, certain amendments were proposed to the draft on operational strategy annexed to the MoU. A few delegates also pointed out the difficulties they faced in seeking GEF funding.

With regard to the future work programme of the SBI, Spain, on behalf of EU recognized the important role of the SBI in preparation of guidelines for initial communications from non-Annex I parties and compilation of information regarding financial mechanism and transfer of technology. Japan while emphasizing the importance of the issue of transfer of technology, drew attention to the work of the Japan International Co-operation Agency (JICA) and other organizations engaged in similar activities. Malaysia suggested that a report on inventory of technology should be prepared by the SBI. The Republic of Korea, India and China underscored the importance of the consideration of issues related to the transfer of technology.

(v) Second Session of AGBM

The Second Session of AGBM was held in Geneva from 30 October to 3 November 1995. During the discussion on the item concerning organizational matters, the Philippines on behalf of the G-77 and China stated that the AGBM should consider specific impact on the developing countries of policies and measures as identified in the national communications of Annex I Parties. Saudi Arabia cautioned against diluting the main objective of the Berlin Mandate and recognized the need for analysis and assessment in the early stages. The Islamic Republic of Iran was of the view that the AGBM should carry out a realistic analysis so that policies and measures could be commensurate with the situation. Kuwait suggested preparation of a study of the impact on economic and social systems of non-Annex I Parties.

On the item concerning strengthening of commitment in Article 4.2 (a) and (b), divergent views continued to impede the progress in the discussions. The USA was of the view that AGBM 2 agenda was missing a review of historic trends and projections of future emissions. The Philippines, on behalf of the G-77 and China reacting on the USA's observation stated that it shifted the focus from the AGBM process.

Commenting on the item "Policies and Measures", Japan considered that policies and measures should be implemented within a time-frame which allows economic development in a sustainable manner. Further, there could be a variety of possible commitments which need not be identical among all Annex I Parties. Germany was of the view that policies and measures should be driven by quantified targets in an agreed time-frame. Malaysia expressing concern about the delay in the establishment of

Technical Advisory Panels felt that it would affect the AGBM's analysis work. Australia and Switzerland suggested that the list of policies and measures should be narrowed down. Canada suggested a combined approach reflecting policies and measures and the quantified emission reductions. The UK preferred a "basket approach" rather than "gas-by-gas", which would allow for flexibility and cost-effectiveness.

On the agenda item, "Continuing to advance the Implementation of Article 4.1", the Chairman observed that this item had been placed on the agenda of AGBM for the first time. While it did not envisage introduction of new commitments for non-Annex I Parties, it could explore issues related to technology and communications by non-Annex I Parties. The Philippines, on behalf of the G-77 and China recognized the inclusion of this item as a contribution of the G-77 to the Berlin Mandate process. It was suggested that the AGBM could provide a forum to share experiences on national communications and based on these discussions the Secretariat should provide draft guidelines.

Several delegations, especially from the developing countries were of the view that provisions of resources and technology transfer were of key importance. There was wide support to the Malaysian proposal for forming a group of experts from non-Annex I Parties under the AGBM which could undertake preparation of guidelines for the format of non-Annex I countries. This proposal was later submitted as a position paper on behalf of the G-77 and China.

AGBM II held preliminary discussion on the agenda item "possible features of a protocol or another Legal Instrument". The Chairman drew attention to consider the issues related to membership of protocol, links between the Convention and Protocol, institutional mechanism and the nature of annexes.

It was recalled that the AOSIS had submitted a draft of a protocol which was supported by 70 Parties at the COP. 1. Another proposal was put forward by Spain on behalf of the EU which recognized three principles namely, consistency with the BM, consistency with the Convention and the need for a dynamic instrument. The USA was of the view that an agreement to modify with Convention could achieve the goal of a protocol without an elaborate legal instrument. Australia considered that the proposed protocol should address all GHG's sources and sinks in a comprehensive manner. The Russian Federation suggested that the AGBM should examine developing a series of protocols divided by regional or other principles. Such an arrangement would allow grouping of countries by economic conditions or regional instruments and encourage accession to protocols

voluntarily by non-Annex I countries. Argentina drew attention to lessons on amendments and institutional arrangements from the Montreal Protocol. China and Saudi Arabia stressed that initially focus should be on substantive issues rather than the structure. Egypt considered that the protocol should deal only with new commitments and the reaffirmation of existing commitments could be left to COP.

(vi) First Session of Ad Hoc Group on Article 13

The *Ad Hoc* Group on Article 13 (AG 13) which was established pursuant to a decision taken at the COP. 1 in Berlin⁵ met in Geneva from 30 to 31 October 1995. It held preliminary discussion on issues related to the establishment of a multilateral consultative process and its design. It was recognized that the *Ad Hoc* Group would not be able to complete its work prior to COP. 2. It decided to issue a detailed questionnaire seeking views from parties to the Convention and interested International Organizations on key issues related to design and purpose of a multilateral consultative process.

(vii) AALCC Secretariat's Comments

The guiding principle set out in Article 3(1) of the Convention clearly states that the State parties to the Convention should "protect the Climate System for the benefit of present and future generations of humankind on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country parties are expected to take the lead in combating climate change and the adverse effects thereof". Implementation of the Convention's provisions by all the Parties is the key aspect.

The COP in Berlin recognized that commitments as envisaged in Article 4.2(a) and (b) were inadequate to achieve the objectives of the Convention. It took the momentous decision to launch a process and gave a time-bound mandate to take appropriate action for the period beyond 2000, including the strengthening of those commitments of Annex I Parties through adoption of a protocol or another legal instrument. However, the priority should be given to implementation of the Convention in accordance with its provisions.

Given the complex nature of the issues involved, one can understand why little progress has been made at the two sessions of AGBM so far. It is, however, imperative that if the task has to be completed in time, the negotiating process needs focussed discussion on priority issues.

5. Decision 21/CP.1.

The need to utilize the wealth of information available from the first communications from the Annex I Parties and the ongoing work in several International Organizations and National Institutions can hardly be over-emphasized. The IPCC's second Assessment Report finalized recently may set at rest many of the issues which are being raised in the context of analysis and assessment. The emphasis ought to be on the identification of possible policies and measures which might facilitate early elaboration of a legal instrument to supplement the Convention regime.

The SBSTA and SBI have important role to play in AGBM process. A consensus, if achieved on accelerating the establishment of the Technical Advisory Panels, would further strengthen the institutional mechanism to deal with the matters concerning scientific, technical and technological assessment.

Provision concerning mobilization of adequate financial resources and transfer of environmentally sound technologies are the two key issues which reflect the concern and interest of the developing countries in their effective participation in the implementation of the Convention. These issues need to be addressed seriously in the AGBM process.

While no consensus has yet been achieved, it appears that the proposed legal instrument could be in the form of a protocol together with certain annexes. Such an instrument therefore should contain in clear and precise terms the commitments of Annex I Parties indicating quantified targets and specified time-frames.

The very purpose of the AGBM is to find ways to strengthen the commitments of Annex I Parties. Paragraph 2.b of the Berlin Mandate clearly states that "the process will not include any new commitments for parties not included in Annex I, but reaffirm" existing commitments mentioned in Article 4.1 and continue to advance the implementation of these commitments. Some of the developing countries are obliged to submit their national communications in 1997 but that is contingent upon providing them necessary financial and technological assistance whether by the GEF or from other sources.

The Second Meeting of the Conference of the Parties to the FCCC scheduled in Geneva from 8 to 19 July 1996 will be an occasion to review the progress thus far made by the AGBM process. It is hoped that by that time issues concerning rules of procedure and composition of the Bureau will be resolved and the AGBM would be able to register satisfactory progress on substantive issues, particularly on the preparation of a working draft on the proposed legal instrument for adoption in 1997.

IIT The Convention on Biological Diversity: Progress of Implementation at National and International Levels

(i) Background

The Convention on Biological Diversity was opened for signature at the UNCED held in Rio De Janeiro (Brazil) on 5 June 1992 to which 157 States and EC gave signatures at that time. The Convention entered into force on 29 December 1993. By 31 December 1995, 134 States had ratified the Convention.

This Convention can be regarded as a framework Convention in two senses. In the first sense, it leaves up to individual Parties to determine how most of its provisions are to be implemented. The Convention contains three national level obligations: the conservation of biological diversity; the sustainable use of its components; and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. In the second sense, it leaves it to the Conference of the Parties (COP) to further negotiate annexes and protocols.

In order to prepare the operational phase of the implementation, interim mechanisms and measures were called for by the Resolution of the Conference for the Adoption of the Convention held in Nairobi in May 1992. This resolution invited the UNEP's Executive Director to convene meetings of an Intergovernmental Committee on the Convention on Biological Diversity (ICCBD) to operate until the first meeting of the COP at the end of 1994.

(ii) First Session of the ICCBD

The first meeting the ICCBD was held in Geneva from 11 to 15 October 1993 to address a long list of tasks mandated to it. It established two Working Groups. Working Group I dealt with the conservation and sustainable use of biological diversity, the scientific and technical work between meetings of the ICCBD and the issue of bio-safety. Working Group II tackled issues related to the financial mechanism, the process for estimating funding needs, the meaning of "full incremental costs", the rules of procedures for the COP; and technical cooperation and capacity building. The Working Groups were not, however, able to produce reports that could be approved. The Plenary adopted only two decisions: the establishment of a scientific and technical committee to meet before the second session of the ICCBD; and a request to the Secretariat to use the unadopted Working Groups' reports as guidance during the inter-sessional period.

(iii) Second Session of the ICCBD (June-July 1994)

The second session of the ICCBD was held in Nairobi from 20 June to 1 July 1994. The issues addressed at this meeting in preparation for the COP-1 included: institutional, legal and procedural matters; scientific and technical matters; and matter related to the financial mechanism. Progress was made on issues including rules of procedures; the subsidiary body on scientific, technical and technological advice (SBSTTA) and the Clearing-House Mechanism (CHM). However, on such critical issues as the need for bio-safety protocol, ownership and access to *ex situ* genetic resources, farmers' rights and the financial mechanism, no progress was made.

(iv) COP-1 (November-December, 1994)

The first meeting of the Conference of the Parties (COP-1) was convened in Nassau, the Bahamas, from 28 November to 9 December 1994. It reached agreement on the basic machinery for the Convention's implementation. Some of the key decisions taken at COP-1 included: adoption of a medium-term programme of work (1995-97); transformation of an interim Secretariat into a permanent Secretariat; establishment of a Clearing House Mechanism (CHM) and the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA); and the designation of the Global Environmental Facility (GEF) as the interim institutional structure for the financial mechanism. However, the location of the permanent Secretariat and the permanent financial mechanism were left unresolved.

(v) COP-2 (November 1995)

The second meeting of the Conference of the Parties (COP-2) was held in Jakarta (Indonesia) from 6 to 17 November 1995. The items discussed and decisions taken thereon were as follows:

Location of the Secretariat—It was decided to locate the Permanent Secretariat of the CBD in Montreal (Canada). Four countries had offered to host the Secretariat: Kenya, Spain, Switzerland and Canada.

Report of the SBSTTA COP-2—reviewed the report of the SBSTTA on its first meeting. The decision adopted took note of the report of the SBSTTA, endorsed its *modus operandi* and financing of the global diversity outlook through voluntary contributions and requested it to consider a programme of work for 1996 consistent with the priorities of the work programme and decisions of COP-2.

Clearing House Mechanism (CHM)—The CHM is a mechanism to promote scientific and technical cooperation as a basis for discussion. The decision adopted called for the CHM to begin its pilot phase in

1996-97, using print and electronic media, including the Internet, in cooperation with and by enhancing networking between international centres and other organizations. In the pilot phase, the Secretariat was asked to develop a network of partners and facilitate technology transfer relevant to the conservation and sustainable use of bio-diversity. It was agreed to provide funding for the pilot phase through the CBD budget and to request the GEF to explore providing support to developing countries.

Ways and means to promote and facilitate access to and transfer and development of technology—COP-2 considered the role of the SBSTTA regarding the CHM and technology transfer and terms of reference for an inter-sessional group of experts on technology transfer. The decision adopted has requested the Executive Secretary to prepare for the second meeting of the SBSTTA a background paper on technology transfer, considering biotechnology *vis-a-vis* conservation and sustainable use, capacity building and financial resources and has invited inputs on technology transfer from among others, the CSD and the private sector. It has also requested the SBSTTA to submit a detailed report to COP 3.

Consideration of the need for and modalities for a Protocol on the safe transfer, handling and use of living modified organism (LMO)—COP-2 considered the report of the inter-sessional open-ended *Ad Hoc* Group of Experts Meeting on Bio-safety. The Group of 77 and China called for a working group to draft guidelines for a bio-safety protocol. The EU supported a two-track approach, involving a protocol under the Convention as well as UNEP's draft guidelines. The decision adopted called for "a negotiating process to develop a protocol on bio-safety especially focussing on transboundary movement of any LMO resulting from modern biotechnology that may have adverse effect on the conservation and sustainable use of biological diversity, setting out for consideration, in particular, appropriate procedure for advanced informed consent". It has also established an open-ended *Ad Hoc* Working Group to meet as soon as possible to elaborate, as a priority, the modalities and elements of a protocol.

The guiding principles for the Working Group will be to: take into account the principles of the Rio Declaration, in particular the precautionary approach; not exceed the scope of the Convention; not override or duplicate any other international legal instrument in this area; provide for a review mechanism; be efficient and effective and seek to minimize unnecessary negative impacts on biotechnology research and development; and not hinder access to and transfer of technology.

Financial resources and mechanism—Deliberations in COP-2 centered on: the selection process, eligibility criteria; cycle and evaluation of GEF projects; diversity and predictability of funding resources; the relationship between the SBSTTA and the GEF's Scientific and Technical Advisory Panel (STAP); and the relationship between the CBD and the GEF as well as their respective secretaries. While Jordan, Australia and the EU expressed support for the GEF as the permanent institutional structure for the financial mechanism, the Group of 77 and China supported an interim designation. The decision adopted indicates that "the restructured GEF shall continue to serve as the institutional structure to operate the financial mechanism on an interim basis, with the COP endeavouring to make a decision on the permanent designation at its third meeting. The decision also calls for the first review of the effectiveness of the financial mechanism at COP-4 with subsequent reviews every three years; takes note of the draft MoU with the institutional structure; and requests the Secretariat to submit a revised draft MoU, based on consultations and reflecting comments by Parties for decision at COP-3; recommends that GEF explore diverse forms of public participation and more effective collaboration between all tiers of government and civil society, including the feasibility of a programme of grants for medium-sized projects taking into account the eligibility criteria set out by the COP"; and requests the Secretariat to explore possibilities of additional financial resources".

Article 6 (general measures for conservation and sustainable use) and 8 (in situ conservation)—The decision adopted has urged all Parties and Governments and other interested stakeholders to exchange relevant information and share experience on measures taken for the implementation of Articles 6 and 8. It has also stressed the importance of regional and international cooperation, capacity-building and adequate financial resources to assist Parties in the implementation of these Articles.

Components of Biological Diversity under Threat—Discussions focussed on methodologies employed and priorities established by the SBSTTA, as well as area and components of biodiversity under threat and action and policies for their protection. The decision adopted underscores the ecosystem approach as the primary framework for action. It also endorsed relevant paragraphs of the SBSTTA report on this item, including the identification of the driving forces determining the status and trends of components of biodiversity so that appropriate action can be taken to control them.

Forests and Biological Diversity—The decision adopted has called the COP to transmit the annexed Statement on Biological Diversity and Forests to the IPF. The annexed statement calls for a dialogue between the COP

and the IPF on issues related to forests and biodiversity. It includes the role of forests in maintaining biodiversity; the relation between ecological progresses and forest biodiversity; indigenous and local communities and forests; access to forest-based genetic resources; sustainable forest management; *in situ* conservation; education and awareness and the need for research.

Conservation and Sustainable Use of Marine and Coastal Biodiversity—The decision adopted on marine and coastal biodiversity consists of three parts: the decision; Annex I (additional conclusions) on SBSTTA recommendation 1/8; and Annex II (programme for further work). The decision takes note of the SBSTTA recommendation 1/8, supporting paragraphs 10 to 19. It instructs the Executive Secretary to provide the SBSTTA with scientific, technical and technological options for recommendations to the COP. Options are to be developed through inputs from Parties and an open-ended roster of experts to support the Secretariat's work. Annex I contains the COP's comments regarding the SBSTTA's advice including concern that paragraphs 10-19 were unbalanced; an offer of SBSTTA's expertise in the elaboration of guidelines for implementation of the FAO Code of Conduct for Responsible Fisheries; and a note that reference of subsidies in paragraph 14 was contentious. Annex II lists issues for the Executive Secretary and the roster of experts to address, as well as approaches to use and outputs to produce.

Access to Genetic Resources—A major point of debate was a proposal to request the Secretariat to compile the views of Parties on definitions of some of the key terms of Article 15, including, for example, "prior informed consent", "mutually agreed terms", and "fair and equitable sharing of benefits". The decision adopted has called the secretariat to continue compiling information on governmental measures to implement Article 15, including any national interpretations of terms used in that Article; requested compilation of information on the social and economic valuation of genetic resources, including "the demand by industry for genetic resources. The decision also reaffirmed that human genetic resources did not fall within the purview of CBD.

Intellectual Property Rights—During the discussions, while the EU noted the importance of coordinating TRIPS with CBD, the Group of 77 and China called for the COP to assert the primacy of CBD over the relevant WTO issues. The need for interaction between the CBD and WTO Secretariats was also emphasized. This was deemed necessary to help prepare COP-3's possible input to the Ministerial Conference of the Committee on Trade and Environment of the WTO in December 1996 which will decide whether WTO multilateral trading rules should be revised to take

into account environmental considerations. The decision adopted has requested the Secretariat to "liaise with the WTO Secretariat in order to inform it of the goals and the ongoing work of the CBD and to invite it to assist in the preparation of a paper for the COP that identifies the synergies and relationship between the objectives of the CBD and the TRIPS Agreement". It has called for a preliminary study on the impact of IPR systems on the objectives of the CBD, including the relationship between IPR and traditional knowledge and the role of IPR in the transfer of biotechnology. Following adoption of this decision, India recorded a statement noting the need for a study of patent procedures as one mechanism for ensuring prior informed consent, through inclusion of source of biological materials and knowledge in patent applications.

Cooperation with other Biodiversity-related Conventions—The decision adopted has requested the Executive Secretary to coordinate with the secretariat of relevant biodiversity-related conventions (CITES, Ramsar Convention) and to report to COP-3 on modalities for enhanced cooperation with relevant international biodiversity-related bodies such as the FAO, UNESCO and the CSD. It has also requested the Secretariat to convene an international workshop on cooperation between the CBD and other conventions on related issues.

Food and Agricultural Plant Genetic Resources (PGR)—Two decisions were adopted on this topic. The decision entitled "FAO Global System for the Conservation and Utilization of Plant Genetic Resources for Food and Agriculture" recognized and special nature of agricultural biodiversity, and recalled the need to seek solutions to such outstanding matters as "access to *ex situ* collections not acquired in accordance with the CBD and" the question of farmers' rights. The second decision entitled "statement to the International Technical Conference on PGR" welcomed preparation of the reports on the Global Plan of Action and the State of the World's Genetic Resources for Food and Agriculture, asserted the sovereign rights of States over their natural resources, and called upon the international technical conference to make every effort to promote complementarity and consistency with the goals of the CBD.

Form and Intervals of National Reports by Parties—The decision adopted specifies that the first national reports will focus on Article 6 (conservation and sustainable use), as far as possible, and are due at COP-4. COP-4 is to decide the intervals and form of subsequent reports, based on the experience of Parties in preparing their first national reports and taking into account the state of CBD implementation. It directs the Executive Secretary to prepare a report based on a synthesis of the national reports

and to suggest the next steps. An annex suggests guidelines for the report format.

Medium-Term Programme of Work—The decision adopted on the Medium-Term Programme of Work of the COP for 1996-97 contains a number of standing and rolling issues. Standing issues include matters relating to the financial mechanism, the budget for the Secretariat, SBSTTA report and recommendations, operation of the CHM and the relationship of the CBD with the CSD and other related international conventions and processes. The rolling issues for 1996 include: agricultural biodiversity; terrestrial biodiversity; knowledge, innovations and practices of indigenous and local communities; access to genetic resources, and issues relating to bio-safety. Items for 1997 include a review of the medium-term work programme, including the *modus operandi* of the CBD; linkages between *in situ* and *ex situ* conservation and consideration of matters related to benefit sharing.

Budget—COP-2 adopted a budget that represents a doubling in total amount from that provided for in 1995, and a three-fold increase in professional staff for the Secretariat. The decision adopted the budget for 1996-97 (Annex-I) and the Financial Rules for the Administration of the Trust Fund for the CBD (Annex-II).

It was decided to accept Argentina's offer to host COP-3 in Buenos Aires, from 4 to 15 November 1996.

(vi) Ministerial Segment and its Declaration (November 1995)

The Ministerial Segment of COP-2 took place on 15-16 November 1995 and was addressed by 80 speakers including 36 Ministers. At the conclusion of the second day, the Jakarta Ministerial Declaration was adopted. The declaration reaffirmed the CBD as a global partnership; noted that COP-2 provided momentum for global agreement on consideration of the need for the modalities of a bio-safety protocol; stressed biodiversity education and the importance of the CHM for national implementation; and welcomed the establishment of a Secretariat position on indigenous and local communities issues.

(vii) An Overview of COP-2

COP-2 seems to have made marked progress towards the implementation of the aims and objectives of the Convention. A large number of wide-ranging decisions were adopted at COP-2 interlinking biodiversity conservation with IPRs, access, technology, forests, plant genetic resources and bio-safety. This appears to have been influenced by the emergence of a new world trade regime under the WTO Agreement. Forests was

an unmentionable topic in COP-1; the establishment of IPF has changed things. COP-2 has emphasized the need to inject CBD provisions and principles into IPF deliberations. It has also become involved with the work of FAO Commission on Plant Genetic Resources and has made provision for consideration of a progress report in 1996. There is, however, some contention on this issue. While some delegates in COP-2 wanted the formulation of any protocol on plant genetic resources within the framework of the CBD, others have preferred the FAO as the proper forum. How the COP will address this issue is not very clear.

At the institutional level, the implementation machinery appears to be well set. It has been decided to locate the Permanent Secretariat of the CBD in Montreal (Canada). The budget for the Secretariat for 1996-97 has almost been doubled and there is to be a three-fold increase in the professional staff. The CHM is to begin its pilot phase in 1996-97. The SBSTTA has already adopted a *modus operandi*. As for the proposed protocol on bio-safety, and *Ad Hoc* Working Group has been established to elaborate the modalities and elements therefore. The status of the SBSTTA has been clarified. It will only be a scientific, technical and technological body to provide advice to COP and its recommendations will not necessarily be binding on the COP. Although the COP has asserted its authority over SBSTTA, it has still to further specify this relationship. While the SBSTTA has already adopted a *modus operandi*, the COP is yet to set out such a formal blueprint for its basic functioning. Finally, the issue related to the status of the institutional structure to operate the financial mechanism continues to remain contentious. While the developed countries have expressed support for the GEF as the permanent institutional structure for the financial mechanism, developing countries have preferred the GEF as interim designation.

IV. AALCC's Future Work-Programme in the field of Environment

Issues concerning environmental protection have been on the agenda of the AALCC for over 20 years. After preliminary discussions at the Tehran (1975) and Kuala Lumpur (1976) Sessions, a detailed questionnaire was sent to the Member Governments with a view to seek information on their national legislation and the administrative machinery including implementation measures. The information thus collected was examined by an Expert Group which met in 1978. The Expert Group recognized the importance of collective regional action to tackle marine pollution problems. It also suggested that the Secretariat should take up the question