



PIC INC-9 HIGHLIGHTS WEDNESDAY, 2 OCTOBER 2002

Delegates met in a morning Plenary to hear reports from Tuesday's meetings of the Working Group on Compliance, the informal group on the budget, and the PIC Regions. The INC then resumed its consideration of issues relating to the consistency between the scope of reported national regulatory actions and the inclusion of chemicals in the interim PIC procedure, agreeing to decisions on DNOC, GRANOX TBC and SPINOX T, asbestos and monocrotophos. It also addressed agenda items on preparation for the COP, issues arising out of the Conference of Plenipotentiaries, and the status of signature and ratification of the Convention. The Working Group on Compliance continued meeting throughout the day and into the evening.

PLENARY

REPORTS FROM GROUP MEETINGS: Compliance

Working Group: Compliance Group Chair Alistair McGlone briefed delegates on Tuesday's meeting, noting "positive preliminary discussions" and an initial examination of the Annex to the Secretariat's Note outlining a model for dealing with non-compliance (UNEP/FAO/PIC/INC.9/16). INC Chair Rodrigues invited the Group to continue its work.

Budget Group: Jim Willis, Joint Executive Secretary of the Interim Secretariat, reported that, as a result of delegates' comments and questions, the Secretariat would produce by Thursday a revised model format for the budget issues, an updated list of financial pledges and contributions for 2001 and 2002, and a written explanation of the budget increases from 2003-2004.

Regional Groups: Delegates were briefed on the deliberations of PIC Regions over whether to extend the mandate of current ICRC members, whose terms of office expired in July 2002, or to nominate new members (UNEP/FAO/PIC/INC.9/12). Representatives of the Near East, Latin America and the Caribbean, North America, and Europe indicated their desire to extend the mandate of their current members to COP-1, while new experts will be nominated from the Asia region. Some current members and some new nominations are expected from the Africa and Southwest Pacific regions. INC Chair Rodrigues requested that government nominations for new experts, as well as their qualifications and conflict of interest forms, be presented as soon as possible.

IMPLEMENTATION OF THE INTERIM PIC PROCEDURE: Issues Arising Out of ICRC-3:

Delegates concluded discussions on the consistency of the scope of reported national regulatory actions and the inclusion of chemicals in the interim PIC procedure (UNEP/FAO/PIC/INC.9/9), finalizing their work on the range and description of the DNOC, GRANOX TBC, SPINOX T and asbestos in Convention Annex III.

On DNOC, the INC agreed to list the chemical and its ammonium, potassium and sodium salts and their individual CAS numbers. Regarding GRANOX TBC and SPINOX T, delegates agreed to list the notified formulations with a footnote clarifying

that the formulations with higher concentrations of active ingredients are also covered. The INC also agreed to recommend that the consistency of Annex III notifications be reviewed, and that the ICRC presents its suggestions to revise the Annex III to the COP.

On asbestos, delegates discussed how to list six forms of asbestos, assuming they are included in the interim PIC procedure. CANADA proposed two options: individual entries for the six forms; or keeping the listing of the amphibole forms and chrysotile separate, which would reflect their different risk levels. The RUSSIAN FEDERATION suggested focusing on amphibole forms. The EUROPEAN COMMUNITY stressed the need for modifying the existing DGD on chrysotile. After some discussion, the INC agreed to recommend that all six forms should be individually listed, while the way these listings are grouped will be examined by the ICRC.

Regarding monocrotophos, the GAMBIA, supported by the EUROPEAN COMMUNITY and SWITZERLAND, preferred the approach whereby an import response is considered to apply to the specific formulations, as it would be confusing to have two sets of import responses for the same chemical. INC Chair Rodrigues proposed that the INC adopt this recommendation, and the INC agreed.

ICRC Chair Arndt informed delegates that ICRC-4 will address the DGDs for DNOC and asbestos and a new notification for Parathion, and noted efforts to submit notifications for tetraethyl lead, tetramethyl lead, and tributyltin oxide.

PREPARATION FOR THE CONFERENCE OF THE PARTIES: Assignment of Specific Harmonized System

Customs Codes: Jim Willis drew delegates' attention to a report (UNEP/FAO/PIC/INC.9/17) outlining cooperation between the Secretariat and the World Customs Organization (WCO) to assign specific Harmonized System customs codes to individual chemicals or groups of chemicals listed in Convention Annex III. He noted that the Secretariat had submitted a proposal to the WCO on how the current Harmonized System of customs codes could be amended. The EUROPEAN COMMUNITY welcomed the progress made on this issue, and highlighted the proposal it had developed for consideration by the WCO.

Discontinuation of the Interim PIC Procedure: Bill Murray, Interim Secretariat to the Rotterdam Convention, introduced a document on this item (UNEP/FAO/PIC/INC.9/18), noting that a working group established at INC-8 had reached consensus on ten issues for consideration at COP-1 and had identified several issues requiring further consideration. After some discussion, INC-9 agreed to transmit the options on the composition of the PIC regions outlined in the document to the COP for further consideration, and recommended that the date of the first COP could be taken as the formal notice of non-response to Parties in relation to chemicals subject to the interim PIC procedure not yet listed in Annex III.

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Tamilla Held <tamilla@iisd.org>, Fiona Koza <fiona@iisd.org>, Richard Sherman <rsherman@icon.co.za>, Chris Spence <chris@iisd.org> and Hugh Wilkins <hugh@iisd.org>. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Operations Manager is Marcela Rojo <marcela@iisd.org> and the On-Line Assistant is Diego Noguera <diego@iisd.org>. The Sustaining Donors of the *Bulletin* are The Netherlands Ministry of Foreign Affairs, the Government of Canada (through CIDA), the United States (through USAID), the Swiss Agency for Environment, Forests and Landscape (SAEFL), the United Kingdom (through the Department for International Development - DFID), the European Commission (DG-ENV), the Danish Ministry of Foreign Affairs, and the Government of Germany (through German Federal Ministry of Environment - BMU, and the German Federal Ministry of Development Cooperation - BMZ). General Support for the *Bulletin* during 2002 is provided by the Ministries of Foreign Affairs and Environment of Finland, the Government of Australia, the Ministry of Environment and the Ministry of Foreign Affairs of Sweden, the Ministry of Foreign Affairs and Trade of New Zealand, the Ministries of Foreign Affairs and Environment of Norway, Swan International, and the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES). The *Bulletin* can be contacted by e-mail at <enb@iisd.org> and at tel: +1-212-644-0204; fax: +1-212-644-0206. IISD can be contacted by e-mail at <info@iisd.ca> and at 161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba R3B 0Y4, Canada. The opinions expressed in the *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD and other funders. Excerpts from the *Earth Negotiations Bulletin* may be used in non-commercial publications only and only with appropriate academic citation. For permission to use this material in commercial publications, contact the Director of IISD Reporting Services. Electronic versions of the *Bulletin* are sent to e-mail distribution lists and can be found on the Linkages WWW server at <http://www.iisd.ca>. Satellite image provided by The Living Earth, Inc. <http://livingearth.com>. For information on the *Earth Negotiations Bulletin* or to arrange coverage of a meeting, conference or workshop, send e-mail to the Director, IISD Reporting Services at <kimo@iisd.org> or call to +1-212-644-0217.



The Plenary could not reach consensus on the proposed options for: the need to resubmit proposals for severely hazardous chemical; the status of notifications and proposals; and maintenance of the list of import responses and the list of contact details.

INC Chair Rodrigues asked delegates to continue working on this issue in an informal group, highlighting concerns that these matters should not be carried over to the COP unresolved, as this could have implications both for the COP and the ICRC's effectiveness in the interim period.

Delegates continued discussions in an informal group chaired by André Mayne (Australia), who reported significant progress to the Plenary in the afternoon. He indicated that further informal discussions were likely once a number of delegations had been able to consult with their capitals on the proposed text.

ISSUES ARISING OUT OF THE CONFERENCE OF PLENIPOTENTIARIES: Support for Implementation: Jim Willis introduced the Secretariat's Note on support for implementation (UNEP/FAO/PIC/INC.9/19), stressing the need for further technical assistance. To support the mobilization of domestic resources, the GAMBIA emphasized the importance of linking the Convention to poverty alleviation strategies. In order to facilitate donors' efforts, the EUROPEAN COMMUNITY suggested that developing countries and countries with economies in transition provide the Secretariat with information on their assistance needs. GERMANY presented the results of a workshop on implementation, as well as a document on the IFCS information exchange network on chemicals management (UNEP/FAO/PIC/INC.9/CRP.5 and INF.8). JAPAN highlighted its US\$100,000 contribution to the trust fund, and stressed the need for synergies between the chemical-related conventions. FRANCE announced its joint contribution of 50,000 Euros to the Stockholm and Rotterdam Conventions. VENEZUELA called for a trust fund to support the chemicals conventions. The INC recommended that the Secretariat report to INC-10 on technical assistance needs and opportunities, and requested that the GEF implementing agencies be invited to consider projects that can support the Convention's implementation.

Dispute Settlement, Illicit Trafficking and Responsibility and Liability: Jim Willis reported on obstacles to progress in combating illicit trafficking, highlighting that the Rotterdam Convention has yet to enter into force and that there is a serious lack of financial resources to follow-up on this issue. However, he did indicate valuable ongoing cooperation with the WCO. INC-9 took note of his oral report, and INC Chair Rodrigues informed delegates that a further progress report would be delivered at INC-10.

STATUS OF SIGNATURE AND RATIFICATION OF THE CONVENTION: Jim Willis presented the document on the status of signature and ratification of the Convention as of 20 September 2002 (UNEP/FAO/PIC/INC.9/INF/1). INC Chair Rodrigues requested States to brief the INC on the status of domestic ratification. INC-9 took note of statements of intent to ratify by the following delegations: VENEZUELA, AUSTRALIA, HONDURAS, NEW ZEALAND, BELGIUM, CONGO, JAPAN, US, ETHIOPIA, ARMENIA, QATAR, POLAND, FRANCE, BURKINA FASO, URUGUAY, CHINA, CHAD, GHANA, ZIMBABWE, EGYPT, YEMEN, CUBA, PHILIPPINES, COTE D'IVOIRE, IRAN, MALAWI, PERU and BRAZIL.

WORKING GROUP ON COMPLIANCE

In the morning, the Working Group resumed its discussions on the Annex to the Secretariat's document on procedures and institutional mechanisms for handling cases of non-compliance (UNEP/FAO/PIC/INC.9/16). Discussions commenced on whether the compliance committee should be a subsidiary body to the COP; however, the alternatives were left bracketed.

On the number of members in the compliance committee, some delegates favored two representatives from each of the UN regions, while others preferred two from each of the PIC Regions. Although a compromise was proposed, agreement was not reached.

Delegates were also unable to reach agreement on whether the committee members should be government-designated experts, Parties, or government representatives. BARBADOS, the EU, JAMAICA, LESOTHO, MALAYSIA, NORWAY, and SWITZERLAND proposed, and CANADA and the US opposed, a suggestion that members serve in their individual capacities. BRAZIL and the NETHERLANDS stated that the issue of capacity was not crucial as the committee will be accountable to the COP. The text remains heavily bracketed.

On equitable geographic distribution of committee members, delegates agreed to delete text stating that due regard should be given to a balance between importing and exporting Parties, or between developing and developed countries.

Regarding the length of committee members' terms, delegates agreed to use the Basel Convention compliance mechanism as a model, but were unable to reach agreement on the number of consecutive terms that can be served.

Regarding the election of officers to the compliance committee, BRAZIL, supported by NIGERIA, recommended that language from Rule 30 of the Convention's Rules of Procedure be applied, requiring the rotation of officers and limiting the terms of office to two consecutive terms. AUSTRALIA, supported by CANADA recommended that the entire paragraph be deleted, as Rule 30 governs this area. The paragraph remains bracketed.

On the frequency of compliance committee meetings, BRAZIL, LESOTHO, NIGERIA, and SWITZERLAND, emphasizing the facilitative role of the committee, stressed the need for the committee to meet frequently. With the EU and JAMAICA, they proposed that committee meetings occur in conjunction with the COP and other PIC meetings. JAPAN and the US stressed the cost implications of holding regular meetings. AUSTRALIA pointed out that the committee's budget and work programme would be subject to COP approval. The Chair proposed that the meetings be held in conjunction with the COP and other PIC meetings "as necessary"; however, agreement could not be reached.

The Group continued to negotiate until 9:00 pm; however, most of the paragraphs remain heavily bracketed.

IN THE CORRIDORS

As INC-9 hit the halfway mark Wednesday, participants were discussing the "smooth and efficient" running of the Plenary meetings, which appeared, if anything, to be ahead of schedule. Indeed, some participants wondered if INC-9 might finish its work earlier than expected. Observers were suggesting that the news from informal consultations on discontinuing the interim PIC procedure was also positive, and that the matter might be wrapped-up by Thursday. Meanwhile, discussions on compliance proceeded slowly as participants set out their positions. Nevertheless, several delegates expressed satisfaction with the group's progress, suggesting that this is an important first step in negotiating a compliance mechanism. One participant noted, however, that "we are hearing all the usual positions from all the usual actors." Another noted parallels with protracted negotiations in other MEAs on this perennially problematic issue, and suggested that countries are holding onto their "negotiating capital" until further down the line, rather than "giving too much away" at INC-9.

THINGS TO LOOK FOR TODAY

PLENARY: Plenary will convene at 10:00 am and is expected to hear reports from the Working Group on Compliance, the PIC Regions that are still deciding on membership of the ICRC, and the informal group on the discontinuation of the interim PIC Procedure. Delegates are then expected to address draft financial rules and provisions and the other remaining agenda items.

COMPLIANCE GROUP: The Working Group on Compliance is expected to continue its work, commencing in the morning with the reporting procedure. Consult the electronic notice board for further details.