



**CONVENTION ON
BIOLOGICAL
DIVERSITY**

Distr.
GENERAL

UNEP/CBD/COP/7/21
13 April 2004

ORIGINAL: ENGLISH

CONFERENCE OF THE PARTIES TO THE
CONVENTION ON BIOLOGICAL DIVERSITY
Seventh meeting
Kuala Lumpur, 9-20 and 27 February 2004

**REPORT OF THE SEVENTH MEETING OF THE CONFERENCE OF THE PARTIES TO
THE CONVENTION ON BIOLOGICAL DIVERSITY**

CONTENTS

	<i>Page</i>
INTRODUCTION	5
ITEM 1. OPENING OF THE MEETING	12
1.1 Welcome address by Dato’ Seri Law Hieng Ding, Minister of Science, Technology and Environment of Malaysia	12
1.2 Opening of the meeting and statement by Mr Hans Hoogeveen, President of the sixth meeting of the Conference of the Parties.....	13
1.3 Opening statement by Dato’ Seri Law Hieng Ding, President of the Conference of the Parties at its seventh meeting.....	13
1.4 Opening statement by Mr. Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP).....	14
1.5 Opening statement by Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity	14
1.6 Keynote presentation by Mr. David Suzuki, Chairman of the David Suzuki Foundation	15
1.7 Keynote presentation by Mr. Emile Frison, Director General of the International Plant Genetic Resources Institute	16
ITEM 2. ELECTION OF OFFICERS	17
	<i>/...</i>

ITEM 3.	ADOPTION OF THE AGENDA.....	18
ITEM 4.	ORGANIZATION OF WORK.....	20
ITEM 5.	REPORT ON THE CREDENTIALS OF REPRESENTATIVES TO THE SEVENTH MEETING OF THE CONFERENCE OF THE PARTIES.....	22
ITEM 6.	PENDING ISSUES.....	22
ITEM 7.	DATE AND VENUE OF THE EIGHTH MEETING OF THE CONFERENCE OF THE PARTIES	23
ITEM 8.	REPORTS OF REGIONAL MEETINGS	23
ITEM 9:	REPORTS OF THE SUBSIDIARY BODY ON SCIENTIFIC, TECHNICAL AND TECHNOLOGICAL ADVICE	32
ITEM 10.	REPORT OF THE PRESIDENT ON THE OUTCOME OF THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT	33
ITEM 11.	REPORT OF THE INTER-SESSIONAL MEETING ON THE MULTI-YEAR PROGRAMME OF WORK OF THE CONFERENCE OF THE PARTIES UP TO 2010.....	33
ITEM 12.	REPORT OF THE AD HOC OPEN-ENDED WORKING GROUP ON ACCESS AND BENEFIT-SHARING	34
ITEM 13.	REPORT OF THE WORKING GROUP ON THE IMPLEMENTATION OF ARTICLE 8(j) AND RELATED PROVISIONS.....	35
ITEM 14.	REPORT ON THE STATUS OF THE CARTAGENA PROTOCOL ON BIOSAFETY.....	35
ITEM 15.	REPORT OF THE GLOBAL ENVIRONMENT FACILITY	36
ITEM 16.	REPORT OF THE EXECUTIVE SECRETARY ON THE ADMINISTRATION OF THE CONVENTION AND THE BUDGET FOR THE TRUST FUND OF THE CONVENTION	36
ITEM 17.	THEMATIC PROGRAMMES OF WORK: PROGRESS REPORTS ON IMPLEMENTATION AND CONSIDERATION OF PROPOSALS FOR FUTURE ACTION: FOREST BIOLOGICAL DIVERSITY; BIOLOGICAL DIVERSITY OF DRY AND SUB-HUMID LANDS; AND AGRICULTURAL BIOLOGICAL DIVERSITY	37
ITEM 18.	THEMATIC PROGRAMMES OF WORK—REVIEW, FURTHER ELABORATION AND REFINEMENT: BIOLOGICAL DIVERSITY OF INLAND WATER ECOSYSTEMS AND MARINE AND COASTAL BIOLOGICAL DIVERSITY	40
	18.1 Biological diversity of inland water ecosystems.....	40
	18.2 Marine and coastal biological diversity	43

ITEM 19.	CROSS-CUTTING ISSUES: PROGRESS REPORTS ON IMPLEMENTATION AND CONSIDERATION OF PROPOSALS FOR FUTURE ACTION	45
19.1.	Identification, monitoring, indicators and assessments (Article 7)	45
19.2.	Global Taxonomy Initiative	46
19.3.	Global Strategy for Plant Conservation	47
19.4.	Ecosystem approach.....	48
19.5.	Sustainable use (Article 10)	49
19.6.	Alien species that threaten ecosystems, habitats or species (Article 8 (h)).....	50
19.7.	Biological diversity and tourism	52
19.8.	Article 8(j) and related provisions.....	53
19.9.	Liability and redress (Article 14, paragraph 2)	56
19.10.	Incentive measures (Article 11)	56
19.11.	Access and benefit-sharing as related to genetic resources (Article 15).....	58
19.12.	Biodiversity and climate change	61
ITEM 20.	MECHANISMS FOR IMPLEMENTATION.....	62
20.1.	Financial resources and mechanism (Articles 20 and 21).....	62
20.2.	Scientific and technical cooperation and the clearing-house mechanism (Article 18, paragraph 3).....	65
20.3.	Education and public awareness (Article 13).....	66
20.4.	National reporting	67
ITEM 21.	COOPERATION WITH OTHER CONVENTIONS AND INTERNATIONAL ORGANIZATIONS AND INITIATIVES.....	68
ITEM 22.	BUDGET FOR THE PROGRAMME OF WORK FOR THE BIENNIUM 2005-2006	70
ITEM 23.	MOUNTAIN BIOLOGICAL DIVERSITY.....	72
ITEM 24.	PROTECTED AREAS (ARTICLES 8 (a)-(e)).....	74
ITEM 25.	TRANSFER OF TECHNOLOGY AND TECHNOLOGY COOPERATION (ARTICLES 16 AND 18)	77
ITEM 26.	FOLLOW UP TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT, MULTI-YEAR PROGRAMME OF WORK OF THE	

	CONFERENCE OF THE PARTIES UP TO 2010, STRATEGIC PLAN AND OPERATIONS OF THE CONVENTION	78
ITEM 27.	OTHER MATTERS.....	86
ITEM 28.	ADOPTION OF THE REPORT	91
ITEM 29.	CLOSURE OF THE MEETING.....	91

INTRODUCTION

1. In accordance with rules 3 and 4 of the rules of procedure for meetings of the Conference of the Parties to the Convention on Biological Diversity and decision VI/31 adopted at its sixth meeting, the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity was held at the Putra World Trade Centre, Kuala Lumpur, from 9 to 20 February, and reconvened on 27 February, 2004.

2. All States were invited to participate in the meeting. The following Parties to the Convention attended:

Albania	Egypt
Algeria	El Salvador
Angola	Estonia
Antigua and Barbuda	Ethiopia
Argentina	European Community
Australia	Fiji
Austria	Finland
Bahamas	France
Bangladesh	Gambia
Barbados	Germany
Belgium	Ghana
Belize	Greece
Benin	Grenada
Bhutan	Guinea
Bolivia	Guinea-Bissau
Botswana	Guyana
Brazil	Haiti
Bulgaria	Hungary
Burkina Faso	Iceland
Burundi	India
Cambodia	Indonesia
Cameroon	Iran (Islamic Republic of)
Canada	Ireland
Central African Republic	Italy
Chad	Jamaica
Chile	Japan
China	Jordan
Colombia	Kenya
Comoros	Kiribati
Congo	Kuwait
Cook Islands	Kyrgyzstan
Costa Rica	Lao People's Democratic Republic
Côte d'Ivoire	Latvia
Croatia	Lesotho
Cuba	Liberia
Czech Republic	Libyan Arab Jamahiriya
Democratic People's Republic of Korea	Lithuania
Denmark	Luxembourg
Djibouti	Madagascar
Dominica	Malawi
Ecuador	Malaysia

Maldives	Serbia and Montenegro
Mali	Seychelles
Marshall Islands	Singapore
Mauritania	Slovakia
Mauritius	Slovenia
Mexico	Solomon Islands
Micronesia (Federated States of)	South Africa
Monaco	Spain
Mongolia	Sri Lanka
Morocco	Sudan
Mozambique	Suriname
Myanmar	Swaziland
Namibia	Sweden
Nepal	Switzerland
Netherlands	Syrian Arab Republic
New Zealand	Tajikistan
Nicaragua	Thailand
Niger	The former Yugoslav Republic of Macedonia
Nigeria	Togo
Norway	Tonga
Oman	Trinidad and Tobago
Pakistan	Tunisia
Palau	Turkey
Panama	Tuvalu
Papua New Guinea	Uganda
Peru	Ukraine
Philippines	United Arab Emirates
Poland	United Kingdom of Great Britain and Northern Ireland
Portugal	United Republic of Tanzania
Qatar	Uruguay
Republic of Korea	Vanuatu
Russian Federation	Venezuela
Rwanda	Viet Nam
Saint Kitts and Nevis	Yemen
Saint Lucia	Zambia
Samoa	Zimbabwe
Sao Tome and Principe	
Saudi Arabia	
Senegal	

3. The following States were represented by observers:

Brunei Darussalam	Timor-Leste
Holy See	United States of America
Iraq	

4. Observers from the following United Nations bodies, Secretariat units, convention secretariats, specialized agencies and related organizations also attended:

African-Eurasian Migratory Waterbird Agreement Secretariat (AEWA)	Convention on Migratory Species (CMS)
--	--

Convention on the Conservation of
Migratory Species of Wild Animals
(CMS)
Convention on Wetlands (Ramsar)
Food and Agriculture Organization of
the United Nations (FAO)
Global Environment Facility (GEF)
Mediterranean Action Plan of the United
Nations Environment Programme
(UNEP/MAP)
Permanent Forum on Indigenous Issues
United Nations Office of Legal Affairs
United Nations Convention to Combat
Desertification (UNCCD)
United Nations Development
Programme (UNDP)

United Nations Educational, Scientific
and Cultural Organization (UNESCO)
United Nations Environment Programme
(UNEP)
UNEP Division of Global Environment
Facility Coordination (UNEP/GEF)
UNEP World Conservation Monitoring
Centre (UNEP-WCMC)
United Nations Forum on Forests
(UNFF)
United Nations Framework Convention
on Climate Change (UNFCCC)
United Nations Office in Nairobi
(UNON)
United Nations University (UNU)
World Bank

5. The following other organizations were represented:

A. P. B. Ass for the Promotion of
BATWA
Aboriginal and Torres Strait Islander
Services
Academy of Sciences
Acción Ecológica
Action d'appui pour la protection des
droit de minorities en Afrique centrale
Action Group on Erosion, Tech and
Concentration
Africa 2000+ Network
Africa Resources Trust
African Centre for Biosafety
African Indigenous Women
Organization
Agence Intergouvernementale de la
Francophonie
ALMACIGA
Altermed Corporation
An Guang University
Apu Agbibilin Community Inc.
Arab Center for the Studies of Arid
Zones and Drylands (ACSAD)
Association of South-East Asian Nations
(ASEAN)
Asia Indigenous Peoples Pact
Asian Development Bank
Asian Indigenous Peoples Pact
Asociación ANAI
Asociacion Aradikes
Asociacion Autonoma San Rafael
Asociación Ixacavaa De Desarrollo e
Información Indígena
Asociacion Napguana
AS-PTA Brasil

Association Burundaise pour la
Protection des Oiseaux
Association des peuples Pygmees du
Kivu
Association for Science and Maths
Education Penang
Association of aboriginal people of the
Altai
Association of Indigenous Peoples of
Buryatia
ATSIC
Bangladesh Adivasi Forum
BAR Council
BELOVO S.A
BIOFORUM
Biolatina
BIOM
BioNET-INTERNATIONAL
Biotani Pan Indonesia
BirdLife International
BirdLife International / Royal Society
for the Protection of Birds
Bologna University
Born Free Foundation
Bornean Biodiversity and Ecosystems
Conservation Programme
Borneo Biodiversity & Ecosystems
Conservation in Sabah
Borneo Resources Institute Malaysia
(BRIMAS)
Botanic Gardens Conservation
International (BGCI)
Bougainville Adult Education Resources
Development Agency

Brazilian Indigenous Institute for
 Intellectual Property
 Buko Agrar Koordination
 CAB International
 Camera de Deputati
 CAMPAGAO Farmers' Production and
 Research Association
 Canadian Indigenous Biodiversity
 Network
 Canadian Indigenous Forum on
 Biodiversity
 Cantho University
 Capitania de Alto y Bajo Isoso
 CBDC Network
 Center for Conservation and Insect
 Studies
 Center for Environment, Technology
 and Development
 Center for Environmental Law &
 Community Rights Inc.
 Center For International Environmental
 Law
 Center for International Forestry
 Research (CIFOR)
 Center for International Sustainable
 Development Law
 Center for Study and Agriculture
 Development
 Central and East European Working
 Group for the Enhancement of
 Biodiversity
 Centre for Economic and Social Aspects
 of Genomics
 Centre for Environment, Technology &
 Development Malaysia (CETDEM)
 Centre for Environmental Technologies
 Centre for Genetic Resources
 Centre for International Forestry
 Research
 Centre for Orang Asli Concerns (COAC)
 Centre for Sustainable Development in
 Mountainous Areas
 Centre for the WTO Studies
 Centro de Estudios Aymara
 Centro de Estudios e Investigaciones
 Costero
 Chibememe Easth Healing Association
 China-Hongkong Ecology Consultants
 Chotanagpur Adivasi Seva Samiti
 Church Development Service
 (Evangelischer Entwicklungsdienst)
 CIED
 Climate Community and Biodiversity
 Alliance
 Coecoceiba- FoE Costa Rica
 Comit de Emergencia Garipana de
 Honduras
 Commonwealth Secretariat
 Community Biodiversity Action
 Network
 Community Biodiversity Development
 and Conservation Programme
 Community Kampung
 Community Technology Development
 Trust (CTDT)
 Comunidad Indigena de Nuevo
 Parangaricutiro
 Concern Women Action for Peace
 Sudan
 Consejo de Todas Las Tierras
 Conservation and Community
 Investment Forum
 Conservation International
 Consultative Group on International
 Agricultural Research (CGIAR)
 Consumers Association of Penang
 (CAP)
 Consumers International
 Coord. Mapuche de Neuquen
 Council of Europe
 CPR
 CropLife International
 David Suzuki Foundation
 Defenders of Wildlife
 Department of Chemistry
 Dewan Pengelolran Tamir Nisional
 Buniken
 DNAPRO
 Ecoagriculture Partners
 ECOFARE
 Ecole Instrument de Paix
 Ecological Tourism in Europe (ETE)
 Economic Planning Unit
 Ecotone
 Ecumenical Coalition on Third World
 Tourism
 Ekuri Initiative
 Environment Action Committee Sabah
 Environment Liaison Centre
 International (ELCI)
 Environment Management & Research
 Association of Malaysia
 Environmental / Ecological Core
 Funding Group
 Environmental Investigation Agency

Environmental Management and
 Research Association of Malaysia
 Environmental Protection Society
 Malaysia
 Ethnic Minority and Indigenous Rights
 Organization of Africa
 European Centre for Nature
 Conservation
 European Seed Association
 Experts Associates of Malaysia
 Fauna & Flora International
 Federation of German Scientists
 Federation of Malaysian Consumers
 Association (FOMCA)
 Forest Peoples Programme
 Forest Research Institute of Malaysia
 Forest Restoration Research Unit
 Forest Trends
 Forest Watch Indonesia
 Forte Solutions
 Foundation for International
 Environmental Law and Development
 (FIELD)
 Freie University
 Friends of the Earth International
 Fundación de Médicos Tradicionales
 Zio-ai
 Fundacion Espave
 Fundación Natura - Asaraty
 Fundacion Pro-reserva Forestal Monte
 Alto
 Fundacion Sociedades Sustentables
 Ganfuna Comite de Emergencia de
 Honduras
 German NGO Forum Environment
 Development
 Global Biodiversity Information Facility
 (GBIF)
 Global Environment Centre
 Global Forest Coalition/E. Labore
 Global Industry Coalition
 Global Invasive Species Programme
 (GISP)
 Global Tiger Forum
 Great Ape World Heritage Species
 Project
 Greenfields Consulting
 Greenpeace International
 Guassa-Menz Natural Resource
 Management Initiative
 Hadzabe Survival Council
 Hamelin Sustentabilidade Agricultura
 Timor Leste
 Hanna Instruments
 HATI
 HATOF Foundation
 Herbalwise
 HSBC
 Human Resource Development Centre
 Human Rights & Democracy Movement
 - Tonga
 IBRS
 IKPM-JPM
 IMCG
 Indian Institute of Forest Management
 Indigenous Cultural Foundation Taipei
 Indigenous Information Network
 Indigenous Network on Economies and
 Trade
 Indigenous People Alliance of Indonesia
 Indigenous Peoples Biodiversity
 Information Network (IBIN)
 Indigenous Peoples Council on
 Biocolonialism
 Indigenous Peoples Development Centre
 Indigenous Peoples' Secretariat on the
 CBD (Canada)
 Indonesian Biodiversity Foundation
 Institut du Développement Durable et
 des Relations Internationales
 Institute for Applied Ecology
 Institute for Biodiversity
 Institute for Development of Alternative
 Living
 Institute for European Policy
 Instituto de Derecho y Economia
 Ambiental
 Instituto Mayor Campesino
 Instituto para Desarrollo Integral de
 Kuna Yala
 Instituto SocioAmbiental
 Instituto Turismo Responsable
 Intermediate Technology Development
 Group (ITDG)
 International Agricultural Centre
 International Alliance & International
 Indigenous Forum On Biodiversity
 International Alliance of Indigenous and
 Tribal Peoples of the Tropical Forests
 International Centre for International
 Intergrated Mountain Development
 International Centre for Trade and
 Sustainable Development (ICTSD)
 International Centre of Insect
 Physiology and Ecology
 International Chamber of Commerce

International Collective in Support of Fish Workers	Japan International Cooperation Agency
International Coral Reef Action Network	Jharkhandis Organisation for Human Rights
International Council for Game and Wildlife Conservation (CIC)	Jumonji University Tokyo
International Crane Foundation	Junta de Manejo Participativo Pesquero
International Development Research Centre (IDRC)	Justice and Peace Trust - Social Action Centre
International Environmental Resources	Kadoorie Farm and Botanic Garden
International Forestry Students Association	KAFRED Community
International Indian Treaty Council	Kalinga Mission for Indigenous Children and Youth Development
International Indigenous Forum on Biodiversity	Kalpavriksh
International Institute for Environment & Development (IIED)	Kenya Wildlife Service
International Institute for Sustainable Development	KERUAN Association
International Islamic University Malaysia	Kibale Association for Rural and Environmental Development
International Organization for Biological Control	Kinabatangan Orang Utan Conservation Project
International Petroleum Industry Environmental Conservation Association	Kolej Universiti Sains Dan Teknologi Malaysia
International Plant Genetic Resources Institute (IPGRI)	Kowalisyon ng Katutubong Samahan ng Pilipinas
International Ranger Federation	Lia Via Capesina
International Rubber Research Development Board	Ligue Nationale des Associations Autochtones Pygmes Du Congo (LINAPYCO)
International Scientific Council for Islands Development	Limkokwins Institute of Creative Technology University
International Seed Trade Federation/International Association of Plant Breeders	Local Earth Observation
International Service for the Acquisition of Agri-biotech Applications	Lumber Recalamation / Recycling
International Support Centre for Sustainable Tourism	Magsasaka at Siyentipiko Para Sa Pag-Unlad ng Agrikultura
International Tropical Fruits Network	Malaysian Agricultural Research and Development Institute
International Tropical Timber Organization (ITTO)	Malaysian Biotechnology Information Centre
International Union for the Protection of New Varieties of Plants	Malaysian Business Magazine
International Work Group for Indigenous Affairs	Malaysian Environmental NGOs (MENGO)
IUCN Environmental Law Centre	Malaysian Nature Society (MNS)
IUCN The World Conservation Union	Malaysian Palm Oil Association
IUCN Commission on Environmental, Economic and Social Policy	Malaysian Timber Council
Japan Bioindustry Association	Malitbog Sustainable Farmers' Association
Japan Broadcasting Corporation	Man & Nature
Japan External Trade Organization	Mandailing All Clans Assembly
	Maritime Institute of Malaysia
	MESCOT-KOPEL
	Millennium Ecosystem Assessment
	Ministerial Conference on Forest Protection in Europe
	Mitsubishi Research Institute
	Monash University

Moscow State University
 Movement for the Survival of the Ogoni
 People
 Na Koa Ikaika o Ka Lahui Hawai'i
 Naga Peoples' Movement for Human
 Rights
 Nanyang Siang Pau
 National Aboriginal Health Organization
 (NAHO)
 National Association of Rural Women
 Farmers in Chile
 National Association of Rural Women
 Farmers in Colombia
 National Consortium for Forest and
 Nature Conservation in Indonesia
 National Settlers Foundation
 Nationalities Youth Development
 Program
 Nepal Federation of Indigenous
 Nationalities
 Netherlands Center for Indigenous
 Peoples (NCIV)
 Netherlands Committee for IUCN - The
 World Conservation Union
 NGATA TORO
 Nimura Genetic Solutions (M) Sdn Bhd
 Nordic Council of Ministers
 Novib / Oxfam Netherlands
 O le Siosiomaga Society Inc.
 Observatorio de Derechos Indigenas /
 Asociación De La Juventud Indígena
 Argentina
 ONG E.I.P. Niger
 Organizacion des femme Tuareg -
 Burkina Faso
 Organization for the survival of the
 Ilaikipia Indigenous Maasai Group
 Initiative
 Pacos Trust
 Papua Customary Council
 Participatory Plant Breeding in
 Mesoamerica
 Partners of Community Organizations
 Pasatuan Dayak Bakong Tinjar
 Pastoralist Integrated Support Programme
 Patronet Consultants
 Peguis First Nation
 Peninsular Malaysia
 Peninsular Malaysia Orang Asli
 Association
 People Potential
 Persatuan Kebajikan Masyarakat Nanga
 Tada Kanowit
 Persatuan Mahasiswa Universiti Malaya
 Persatuan Orang Asli Semenanjung
 Malaysia
 Pesticide Action Network Asia and The
 Pacific
 Plantlife International
 Pollution Prevention Partnership
 Malaysia
 Pred Nai Community Forestry Group
 Premiere Fondation de la Nation
 Prime Minister's Department Malaysia
 Proyecto Nasa-Toribio Cauca Colombia
 Rain Forest Properties
 Rainforest Foundation Norway
 Red Ape Encounters
 Red de Mujeres
 Redes Amigos de la Tierra
 Resource Stewardship Consultants
 Royal Botanic Gardens, Kew
 Royal Dutch Shell
 Rufiji Environment Management
 Programme
 Russian Association of Indigenous
 People of the North (RAIPON)
 Saami Council
 Sabah Wildlife Department
 Sabat Alam Malaysia
 Safari Club International Foundation
 (SCIF)
 Sarawak Community Co-operation
 Institute
 Selangor Waters Management Authority
 Semelai Association for Boating and
 Tourism
 Senato Italiano
 Simba Maasai Outreach Organisation
 (SIMDO)
 Sime Darby Technology Centre
 Smithsonian Environment Research
 Center
 Smithsonian Institution
 Social Equity in Environmental
 Decisions
 Sociedade Civil Mamiraua
 Socio-Economic & Environmental
 Research Institute
 Solar Connect Association
 SoS/USC-Canada-CBDC
 South Asia Indigenous Women Forum
 South East Asia Council for Food
 Security and Fair Trade

South East Asia Regional Initiatives for Community Empowerment (SEARICE)	Uma Bawang Residents' Association
South Pacific Regional Environment Programme (SPREP)	UNI PROBA
Sri Lanka Bachelor of Development Studies	Universiti Kebangsaan Malaysia
Stakeholder Forum for Our Common Future	Universiti Malaysia Sabah
Stratos Inc. - Strategies to Sustainability	Universiti Teknologi Malaysia
SWAN International	University Kebangsaan Malaysia
Swedish Society for Nature Conservation	University of Leiden
Syzygy	University of Technology, Sydney
Tapei Economic and Cultural Office	University Putra Malaysia
Te Waka Kai Ora	Voluntary Organization in Interest of Consumer Education
Tebtebba Foundation	Wetlands International
Technology Park Malaysia Corporation	Wildlife Conservation Society
TELAPAK	Wildlife Reserves Singapore
The Committee for the People's Rights	Wildlife Trust of India
The Development Fund	Wildlife Trusts
The Edmonds Institute	World Agroforestry Centre (ICRAF)
The Fridtjof Nansen Institute	World Alliance of Mobile Indigenous Peoples
The Indonesian NGOs Network for Forest Conservation	World Assembly of Youth
The Nature Conservancy	World Association of Zoos and Aquariums
The Phoenix Foundation	World Endangered Species Protection Association (WESPA)
The Sunshine Project	World Fish Center
Third World Network	World Resources Institute (WRI)
TILCEPA	World Wide Fund for Nature (WWF)
Torra Conservancy	WorldFish Center
Tourism Investigation and Monitoring Team	WRM
TproBio Forest	Yale University
TRAFFIC International	YATAMA
Treat Every Environment Special S/A	Yayasan Anak Wawasan Alam
Trinamul Unnayans Sangstha	Yayasan Bindu Nusantara
Tulalip Tribes of Washington	Yayasan Kesenian Perak
Twin Dolphins Inc.	Yayasan Sabah (Sabah Foundation)
Uganda Wildlife Authority	Young Meng Christian Association
	ZAMORA Organic Farmer's Researcher Association
	Zelkova

I. ORGANIZATIONAL MATTERS

ITEM 1. OPENING OF THE MEETING

1.1 Welcome address by Dato' Seri Law Hieng Ding, Minister of Science, Technology and Environment of Malaysia

6. At the opening of the meeting, on 9 February 2004, Dato' Seri Law Hieng Ding, Minister of Science, Technology and the Environment of Malaysia welcomed all participants to Kuala Lumpur and expressed his gratitude to the Executive Secretary and to all Parties for the trust and confidence shown in accepting Malaysia's invitation to host the seventh meeting of the Conference of the Parties. He also

expressed his gratitude to all donors and sponsors who had assisted in the arrangements for the meeting. Noting that in 1998 his country had launched its national policy to reduce the loss of species and habitats, he underlined its commitment to the principle of sustainable development. Malaysia was currently finalizing national legislation on biosafety and was formulating legislation on access and benefit-sharing. He drew attention to the exhibition on the activities and programmes of the country in the field of biological diversity, which was taking place during the meeting. He expressed appreciation for participants' efforts at the meeting, and wished all of them a pleasant and memorable stay in Kuala Lumpur.

1.2 Opening of the meeting and statement by Mr Hans Hoogeveen, President of the sixth meeting of the Conference of the Parties

7. The meeting was then opened by Mr. Hans Hoogeveen, Director of the Office of the Minister of Agriculture of the Netherlands, President of the sixth meeting of the Conference of the Parties.

8. Mr. Hoogeveen expressed his gratitude to Dato' Seri Law Hieng Ding and to the Government of Malaysia for hosting the meeting and for the warm welcome. Noting that the issue of biological diversity had never been so high on the political agenda, he said that the Convention on Biological Diversity was one of the most successful conventions within the United Nations system. At the sixth meeting of the Conference of the Parties, Ministers had given the clear message that conservation and sustainable use of biological diversity represented one of the cornerstones for achieving sustainable development and poverty eradication. That message had also been echoed by the Heads of State and Government at the World Summit on Sustainable Development (WSSD). The sixth meeting, as well as the World Summit, had also marked the shift from making ambitious plans to their implementation. For that implementation phase, it was crucial that the current meeting adopt the multi-year programme of work up to 2010. That also required funds, and he urged participants to support the necessary increase in the budget of the Convention.

9. Noting the tasks at hand concerning how to assess the status of biodiversity, he stressed the need to make use of the political momentum that had been generated. In addition, a broader and more coherent approach was required at the international level. It had to build on the success of other processes and be based on the support and participation of the stakeholders, the private sector, the non-governmental organizations and the scientific community. In conclusion, he praised the work of the staff of the Secretariat, particularly the leadership and management skills of the Executive Secretary, Mr Hamdallah Zedan, and expressed confidence that the Secretariat would continue to take the lead in the challenges ahead.

1.3 Opening statement by Dato' Seri Law Hieng Ding, President of the Conference of the Parties at its seventh meeting

10. Upon his election as President, Dato' Seri Law expressed thanks for the honour accorded to him. Underlining the importance of the Convention on Biological Diversity, he urged all participants to apply their expertise and participate actively and constructively in the deliberations of the meeting, so as to ensure the adoption of decisions that would assist all Parties in carrying out their programmes pertaining to biological diversity. He drew particular attention to the need for new partnerships for sustainable development at the local, national and regional levels; the need for new and additional financial resources for the developing countries; and the need for a framework for technology transfer. He hoped that discussions at the current meeting would lead to concrete actions to address those issues. Underlining the need to address gaps and institute capacity-building for conservation and sustainable use of biodiversity, he pointed to the need for a follow-up to the commitment undertaken at the World Summit on Sustainable Development. He also stressed the need to agree on a general framework for the fair and equitable sharing of the benefits of genetic resources. In conclusion, he urged participants to spare no effort to ensure that the main challenges were successfully addressed.

1.4 Opening statement by Mr. Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP)

11. Also addressing the opening session of the meeting, Mr. Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP), expressed thanks to the Government and people of Malaysia for their hospitality and hard work in hosting the meeting. He also expressed congratulations to Dato' Seri Law on his election as President of the seventh meeting, and to Mr. Zedan and his staff for their achievements in the preparatory work for the meeting, which was of considerable importance. The World Summit on Sustainable Development had initiated a change in outlook, and its Plan of Implementation provided a road map for the objectives of the Convention. The loss of biodiversity had not ceased, and it was hoped that criteria could be agreed to attain the 2010 target.

12. To ensure the integration of all countries in the processes of the Convention there was a need for capacity-building and management of biological diversity in the developing countries. For the poorest of the poor, nature represented wealth, and its sustainable use was vital. Responsible and sustainable tourism was also necessary to ensure that the local people benefited from their biodiversity assets. The importance of biodiversity was linked to the issue of access and benefit-sharing. He expressed gratitude to GEF for its collaboration in the UNEP/GEF capacity-building project for biosafety. It was necessary to combine that process with poverty-reduction strategies in developing countries.

13. He pointed to the outstanding contribution to the work of UNEP that had been made by the World Conservation Monitoring Centre (WCMC), particularly with regard to its cooperation in the Millennium Ecosystem Assessment, and to the contributions made by the International Coral Reef Initiative and the Great Apes Initiative. Stressing that UNEP was honoured to be linked to the achievements of the Convention on Biological Diversity, he expressed his thanks to all participants who had also contributed to its success.

1.5 Opening statement by Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity

14. At the opening session of the meeting, Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity, welcomed participants and reiterated his appreciation to the Government of Malaysia for its generosity and hospitality in hosting and organizing the current meeting. He also expressed thanks to those countries that had contributed financially and in kind to the activities under the Convention, and to enable the participation of representatives from developing countries and countries with economies in transition at the current meeting. Those Parties included: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland and the United States of America. He also expressed personal appreciation to the outgoing President of the Conference of the Parties, the other members of the Bureau, the Chair and Bureau members of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA), the Intergovernmental Committee on the Cartagena Protocol (ICCP) and the various other bodies that had been a source of support and guidance during the inter-sessional period.

15. He said that the previous ten years had seen a striking change in thinking and perception with regard to the conservation and sustainable use of biological diversity, most notably in the growing movement to put biodiversity issues at the forefront of efforts to achieve sustainable development and poverty eradication. The Convention had evolved from a set of principles into a comprehensive programme of work, which was currently moving into the phase of implementation. Progress to date had provided a solid foundation and evidence of the effectiveness of the Convention. But much work lay ahead, and the current meeting would determine the shape that that work would take.

16. The Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010 had sent a clear message that there needed to be enhanced focus on implementation of existing programmes, reviewing the effectiveness of the mechanisms for implementation and assessing the progress toward achieving the 2010 target and the Millennium Development Goals. That shift in approach also implied increased political support and commitment, provision of additional financial resources, the strengthening of ongoing implementation measures, complemented by new and innovative approaches, as well as increased collaboration and strategic partnerships.

17. At the current meeting the Conference of the Parties was invited to consider a framework for setting goals, targets and indicators and their application to the elaborated programmes of work. The framework should be viewed as being flexible, enabling the setting of national targets and indicators, which would be critical in the pursuit of the 2010 target.

18. One issue on the agenda deriving from an express request by the World Summit on Sustainable Development concerned the negotiation of an international regime to promote and safeguard the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. Achieving consensus on the terms of reference for the negotiations would be a critical test of the Convention.

19. A more action-oriented approach for the Convention process implied added importance for the mechanisms for implementation, including the work programme on communication, education and public awareness (CEPA), national reporting, the clearing-house mechanism, and the financial mechanism. With respect to the broader issue of financial resources for the implementation of the Convention, participants were invited to consider the financial implications of the 2010 target, and to decide how best to address the needs of developing countries and countries with economies in transition in that regard.

20. In addition, bold and inclusive new partnerships were required for optimal effectiveness in both policy and resources. The Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010 proposed the establishment of a global partnership on biodiversity, comprising the major biodiversity-related organizations, together with the Secretariat. He invited participants to consider that proposal and to define a mandate and institutional structure for such a partnership.

21. Finally, he announced that the Cartagena Protocol on Biodiversity now had 82 Parties, and ratifications continued at a brisk pace, providing evidence of the relevance of the Protocol for the safe development of biotechnology, an activity of crucial significance to the future. He invited all participants to rise to the challenges facing the Convention, and assured them of the full support of the Secretariat to ensure its success

1.6 Keynote presentation by Mr. David Suzuki, Chairman of the David Suzuki Foundation

22. At the 1st plenary session of the meeting, on 9 February 2004, the Conference of the Parties heard a keynote presentation by Mr. David Suzuki, Chairman of the David Suzuki Foundation. It first watched a short film of the statement made by Mr. Suzuki's daughter, Severn, on behalf of the Environmental Children's Organization to the Earth Summit in 1992, after which Mr. Suzuki said that he could not over-emphasize the importance of the work being done by the Conference of the Parties and noted that the future of the participants' children and grandchildren, as well as of all other species, depended on them. He stressed that the recognition of and response to the scale and severity of the global eco-crisis had been far too slow and superficial. He noted that for decades leading scientists had been calling for action and that in 1992 some of then world's most respected scientists had issued a warning that only a few decades remained to avert the threats now faced by the environment. He lamented that at the time these concerns had been completely ignored by the world press.

23. Mr. Suzuki said that mankind had traditionally understood itself to be embedded in, and dependent upon, nature. All over the world people celebrated with stories, song and ritual this embeddedness and acknowledged the responsibility to sustain the environment. He was concerned that more recently mankind had forgotten these ancient and hard-earned truths and instead had been transformed with explosive speed into a new super-species that had become the most numerous mammal on Earth, seeking resources from every nook and cranny. Mankind had acquired the scientific and technological power to alter, extract from and pollute the Earth, but it had not acquired the sense of responsibility that went with this new power. He noted that in a time of globalization, products had been disconnected from their place of extraction, and that the view of the world had been so fragmented that it was no longer possible for some to see the relationship between cause and effect. He expressed concern that when there was no sense of interconnection, there was also no sense of responsibility.

24. He observed that the response to environmental problems had generally been by means of regulation. He was concerned however that effective regulation was impossible as there was insufficient knowledge to anticipate the consequences of new technologies. He illustrated this with the example of the introduction of DDT and CFCs and expressed concern that there was still insufficient knowledge of the possible consequences of the introduction of genetically modified organisms into the environment for such introductions to be completely safe. He said that to manage anything, both an inventory and a blueprint of the interaction between the elements of the inventory was needed. In the case of biodiversity, the actual number of species was unknown, while among the named species, in less than 0.1% of the cases did this knowledge go beyond the name of the species. In closing, he said that there was a need for a fundamental shift in the way that mankind lived. Mankind needed both to recognize humanity's dependence on nature, and to be humble in the face of its ignorance. Nature had to be protected and restored and the ecological had to be incorporated into human activity.

1.7 Keynote presentation by Mr. Emile Frison, Director General of the International Plant Genetic Resources Institute

25. At the 2nd plenary session of the meeting, on 9 February 2004, the Conference of the Parties heard a keynote presentation by Mr. Emile Frison, Director General of the International Plant Genetic Resources Institute (IPGRI). Mr. Frison said that while the world had made great strides in reducing hunger, this had concealed the hidden hunger that resulted from a lack of micronutrients, vitamins and other important components in a diet, and stressed that adequate calories alone were not enough. Biodiversity had a crucial role to play in mitigating the effects of a lack of micronutrients, which were debilitating to hundreds of millions of people in developing countries, particularly women and children. He also said that the diseases often associated with affluence were increasing in developing countries, especially among urban dwellers. Such malnutrition was to a large extent linked to a shift in diet that he called the nutrition transition. That was particularly an urban phenomenon related to refined carbohydrates. While these refined foods provided adequate energy, they were bereft of other vital nutritional elements. Diets had also become much simpler and heavier in fried foods. A more diverse diet was one key to combat this trend.

26. One of the most difficult tasks in promoting the nutritional benefits of a diverse diet was to measure the exact contributions made by the individual components of the diet. Scientific data could fail to capture important information about foods in the diet. Farmers and others, however, were often well aware of these types of differences and often described certain kinds of food as having particular nutritional or therapeutic value. He then highlighted two of the programmes that the International Plant Genetic Resources Institute had been involved in to increase the diversity of local diets. One of these had taken place in Tamil Nadu in the south of India and had focused on minor millets which were particularly hardy under marginal conditions and were useful to diabetics as a result of their low glycemic load. The other project concerned African leafy green vegetables, and efforts had been made to sensitize both the farmers and the urban dwellers to the benefits of their use. He said that these were just two examples of ways in which biodiversity could serve health and conservation. He observed that there was enough

evidence to suggest that a deliberate strategy to link nutrition, health and biodiversity had much to recommend it.

ITEM 2. ELECTION OF OFFICERS

Election of the President

27. In accordance with rule 21 of the rules of procedure, at the opening session of the meeting, on 9 February 2004, the Conference of the Parties elected by acclamation the Hon. Dato' Seri Law Hieng Ding, Minister of Science, Technology and Environment of Malaysia, as President of its seventh meeting.

28. In accordance with the same rule, the ten Vice-Presidents elected at the sixth meeting of the Conference of the Parties remained in office for the duration of the meeting. It was agreed that Ms. Gordana Beltram, Vice-President from Slovenia, should serve as Rapporteur. The Bureau of the Conference of the Parties for the meeting thus comprised:

<i>President:</i>	Dato' Seri Law Hieng Ding (Malaysia)
<i>Vice-Presidents:</i>	Mr. Soumayila Bance (Burkina Faso) Mr. Sherif Baha El Din (Egypt) Mr. Desh Deepak Verma (India) Mr Mahfuzul Haque (Bangladesh) Mr. John Ashe (Antigua and Barbuda) Mr. Fernando Casas Castañeda (Colombia) Mr. Alexander Shestakov (Russian Federation) Mr. Max Kitchell (Australia) Ms. Ines Verleye (Belgium)
<i>Rapporteur:</i>	Ms. Gordana Beltram (Slovenia)

Election of ten Vice-Presidents

29. In accordance with rule 21 of the rules of procedure (as amended by decision V/20), the Conference of the Parties elected, at the 6th plenary session of the meeting, on Friday, 13 February 2003 the following representatives to serve as Vice-Presidents of the Conference of the Parties for a term of office commencing upon the closure of the current meeting and ending at the closure of the eighth meeting of the Conference of the Parties:

Ms. Karen Brown (Canada)
Mr. Philip Buckley (Ireland)
Mr. Moustafa Fouda (Egypt)
Mr. Sem Taukondjo Shikongo (Namibia)
Mr. Alexander Shestakov (Russian Federation)
Mr. Zamir Dedej (Albania)
Ms. Dalia Salabarría Fernández (Cuba)
Mr. Antonio Matamoros (Ecuador)
Ms. Tererei Abete-Reema (Kiribati)
Ms. Oyundari Navaan-Yunden (Mongolia)

Review of the effectiveness of rule 21 of the rules of procedure of the Conference of the Parties

30. At the 1st session of the meeting, on 9 February 2004, the President recalled that, when the Conference of the Parties had amended rule 21 of the rules of procedure for its meetings at its fifth meeting to provide that the term of office of Bureau members should commence at the end of the meeting at which they were elected, it had also decided to review the effectiveness of those changes in the light of

experience. After discussing the matter, the Bureau had concluded that it was premature to evaluate the effectiveness of the new arrangement. It had, however, considered the possibility of further amending rule 21 to ensure greater institutional memory and facilitate the task of the new President. To that end, a new amendment might be required to allow the outgoing President to serve on the Bureau following the election of the new President. He proposed, and the Conference of the Parties agreed, that the recommendations should be taken up under item 26 during the discussion of operations of the Convention.

Election of the Chair of the eleventh and twelfth meetings of the Subsidiary Body on Scientific, Technical and Technological Advice

31. At the 1st session of the meeting, on 9 February 2004, the Conference of the Parties, elected Mr. Christian Prip (Denmark) as Chair of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) for its eleventh and twelfth meetings.

ITEM 3. ADOPTION OF THE AGENDA

32. At the opening session of the meeting, on 9 February 2004, the Conference of the Parties adopted the following agenda, on the basis of the provisional agenda (UNEP/CBD/COP/7/1 and Corr.1):

I. ORGANIZATIONAL MATTERS

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Report on the credentials of representatives to the seventh meeting of the Conference of the Parties.
6. Pending issues.
7. Date and venue of, and preparations for, the eighth meeting of the Conference of the Parties.

II. REPORTS

8. Reports of regional meetings.
9. Reports of the Subsidiary Body on Scientific, Technical and Technological Advice.
10. Report of the President on the outcome of the World Summit on Sustainable Development.
11. Report of the Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010.
12. Report of the Ad Hoc Open-ended Working Group on Access and Benefit-sharing.

13. Report of the Open-ended Ad Hoc Inter-Sessional Working Group on the Implementation of Article 8(j) and Related Provisions.
 14. Report on the status of the Cartagena Protocol on Biosafety.
 15. Report of the Global Environment Facility.
 16. Report of the Executive Secretary on the administration of the Convention and the budget for the Trust Funds of the Convention.
- III. REVIEW OF THE IMPLEMENTATION OF THE PROGRAMME OF WORK
17. Thematic programmes of work—progress reports on implementation and consideration of proposals for future action: forest biological diversity; biological diversity of dry and sub-humid lands; and agricultural biological diversity.
 18. Thematic programmes of work—review, further elaboration and refinement:
 - 18.1 Biological diversity of inland waters ecosystems;
 - 18.2 Marine and coastal biological diversity.
 19. Cross-cutting issues—progress reports on implementation and consideration of proposals for future action:
 - 19.1 Identification, monitoring, indicators and assessments (Article 7);
 - 19.2 Global Taxonomy Initiative;
 - 19.3 Global Strategy for Plant Conservation;
 - 19.4 Ecosystem approach;
 - 19.5 Sustainable use (Article 10);
 - 19.6 Alien species that threaten ecosystems, habitats or species (Article 8 (h));
 - 19.7 Biological diversity and tourism;
 - 19.8 Article 8(j) and related provisions;
 - 19.9 Liability and redress (Article 14, paragraph 2);
 - 19.10 Incentive measures (Article 11);
 - 19.11 Access and benefit-sharing as related to genetic resources (Article 15);
 - 19.12 Biodiversity and climate change.
 20. Mechanisms for implementation:
 - 20.1 Financial resources and mechanism (Articles 20 and 21);

- 20.2. Scientific and technical cooperation and the clearing-house mechanism (Article 18, paragraph 3);
- 20.3. Communication, education and public awareness (Article 13);
- 20.4. National reporting.
- 21. Cooperation with other conventions and international organizations and initiatives.
- 22. Budget for the programme of work for the biennium 2005-2006.

IV. PRIORITY ISSUES

- 23. Mountain biological diversity.
- 24. Protected areas (Article 8 (a) to (e)).
- 25. Transfer of technology and technology cooperation (Articles 16 and 18).
- 26. Follow up to the World Summit on Sustainable Development, multi-year programme of work of the Conference of the Parties up to 2010, Strategic Plan and operations of the Convention, including the integration of outcome-oriented targets into the programmes of work of the Convention.

V. FINAL MATTERS

- 27. Other matters.
- 28. Adoption of the report.
- 29. Closure of the meeting.

ITEM 4. ORGANIZATION OF WORK

33. At the opening session of the meeting, on 9 February 2004, the Conference of the Parties approved the organization of work of the meeting, on the basis of the suggestions contained in annex II to the revised annotations to the provisional agenda (UNEP/CBD/COP/7/1/Add.1/Rev.1).

34. Accordingly, the Conference of the Parties established two working groups: Working Group I, under the chairmanship of Mr. Hans Hoogeveen (Netherlands), to consider agenda items 17, 18, 19.1 to 19.7, 19.12, 23, 24 and those elements of agenda item 26 relating to the Strategic Plan of the Convention and integration of outcome-oriented targets into the programmes of work of the Convention; and Working Group II, under the chairmanship of Mr. Desh Deepak Verma (India), to consider agenda items 19.8 to 19.11, 20, 21, 25 and those elements of agenda item 26 relating to: (i) the follow-up to the World Summit on Sustainable Development; (ii) the multi-year programme of work of the Conference of the Parties up to 2010; and (iii) the operations of the Convention. The remaining items would be taken up directly in plenary.

35. The Conference of the Parties also agreed to hold short plenary sessions at the conclusion of each day to permit the Chairs of the Working Groups to give interim oral reports on the work of their group.

36. In light of the entry into force of the Cartagena Protocol on Biosafety on 11 September 2003, and the fact that the ultimate authority with regard to providing guidance to the financial mechanism and for deciding on budgetary arrangements for those costs of Secretariat services that are not distinct from the costs for the Convention lay with the Conference of the Parties to the Convention, it was proposed that the latter should agree to suspend its seventh meeting on Friday, 20 February 2004, and to reconvene in the afternoon of Friday, 27 February 2004 to consider the recommendations on budgetary matters and the guidance to the financial mechanism adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol.

37. The representative of Mexico said that, because his country would have different delegates attending the two meetings, his Government would prefer to consider and adopt the relevant decisions on budgetary matters and the financial mechanism before 20 February 2004 and to allow the Parties to the Cartagena Protocol to discuss only budgetary matters related to the Protocol, it being understood that any decision adopted by the Conference of the Parties at its seventh regular meeting should not be modified at its first meeting serving as the meeting of the Parties to the Cartagena Protocol.

38. At the 10th plenary session of the meeting, on 19 February 2004, following the interim progress reports by the Chairs of Working Groups I and II, the Conference of the Parties established an informal group of Friends of the President comprising, as core members, Canada, Ghana (on behalf of the African Group), Ireland (on behalf of the European Union and the Accessing Countries* and Bulgaria and Romania as Candidate Countries), Norway, the Russian Federation, and Qatar (on behalf of the Group of 77 and China), to consider the issues that had arisen within the respective working groups concerning the number, mandates and periodicity of working group meetings in the inter-sessional period up to the eighth meeting of the Conference of the Parties.

39. Also at the 10th plenary session of the meeting, the representative of Qatar, speaking on behalf of the Group of 77 and China, requested that the Conference of the Parties endeavour to adopt its decisions at the end of the current week's proceedings, namely on Friday, 20 February 2004, since a number of delegations directly concerned would not be present at the end of the following week, when the Conference of the Parties reconvened on 27 February 2004.

Work of the sessional working groups

40. Working Group I held 20 meetings, from 10 to 20 February 2004. It adopted its report (UNEP/CBD/COP/7/L.4/Add.2) at its 20th meeting, on 20 February 2004.

41. Working Group II held 19 meetings, from 10 to 20 February 2004. It adopted its report (UNEP/CBD/COP/7/L.4/Add.3) at its 17th meeting, on 19 February 2004.

42. At the 3rd to 10th plenary sessions of the meeting, the Conference of the Parties heard interim progress reports from the chairs of the working groups.

43. The final reports of the working groups were presented to the Conference of the Parties at the 11th plenary session of the meeting, on 20 February and are incorporated into the present report.

* The Accessing Countries are Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

ITEM 5. REPORT ON THE CREDENTIALS OF REPRESENTATIVES TO THE SEVENTH MEETING OF THE CONFERENCE OF THE PARTIES

44. At the 11th plenary session of the meeting, on 20 February 2004, Ms Ines Verleye, Vice-President from Belgium, said that, according to rule 19 of the rules of procedure for meetings of the Conference of the Parties, the Bureau had examined the credentials of the representatives of 128 Parties attending the meeting. The credentials of 120 representatives had been found to be in full compliance with the provisions of rule 18 of the rules of procedure. Those of eight representatives only partially complied with those provisions and were therefore not in good order. A further 40 Parties attending the meeting had not yet submitted their credentials. All the delegations concerned, a total of 48, had agreed to sign a declaration undertaking to provide the Executive Secretary with their credentials in good order within 30 days of the closure of the meeting. In accordance with past practice, the Bureau recommended that the participation of those delegations in the meeting be provisionally approved on the basis of that understanding.

45. The Conference of the Parties approved the report and the recommendation of the Bureau on the credentials of representatives to the eighth meeting of the Conference of the Parties.

ITEM 6. PENDING ISSUES

46. Agenda item 6 was taken up at the opening plenary session of the meeting, on 9 February 2004. The item was introduced by Mr. Hoogeveen, who said that, following consultations with the Parties, no consensus had been reached concerning the outstanding issues related to the rules of procedure and the financial rules for the administration of the Trust Fund for the Convention on Biological Diversity.

47. The Conference of the Parties agreed to continue informal consultations during the meeting to resolve the matter and to take it up again at the end of the meeting should there appear to be a consensus allowing the Conference of the Parties to adopt the pending rules.

48. At the 11th plenary session of the meeting, on 20 February 2004, the President announced that, following consultations with the Parties, no consensus had been reached for the resolution of the pending issues related to the rules of procedure and the financial rules for the administration of the Trust Fund. In light of the lack of progress on the pending issues, he proposed to undertake further consultations with Parties inter-sessionally, with a view to resolving the issues before the eighth meeting of the Conference of the Parties.

49. The Conference of the Parties decided to continue informal negotiations and take up the issue again at the eighth meeting of the Conference of the Parties.

50. The representative of Argentina voiced his Government's concern about paragraph 4 of the financial rules of the Convention, which had been unresolved since the first meeting of the Conference of the Parties. The Group of 77 and China had put forward a proposal, but it had not been taken up. He hoped that, in the inter-sessional period, the President would be able to undertake consultations to find a solution to the problem of the scale of assessed contributions by Parties.

51. The representative of Qatar, speaking on behalf of the Group of 77 and China, said that paragraph 4 of the financial rules of the Convention stated that the Conference of the Parties would determine the scale of contributions based on the United Nations scale of contributions. However, the bracketed phrase stated that the scales should be adjusted to provide that no developing country should pay more than a developed country Party. In fact, developing country Parties paid an even higher percentage to the Convention than they did to the United Nations, to account for the absence of a major developed country from the Convention and the cap placed on the contributions of another developed country. That situation

placed an undue burden on developing countries and was contrary to the principle of common, but differentiated responsibility. After consultations in the contact group on budget, the Group of 77 and China proposed that the bracketed text of paragraph 4 of the financial rules be replaced by the words: "No developing country Party will have a percentage of assessed contributions that exceeds the one determined by the United Nations scale". He asked that consultations be held in the period up to the eighth meeting of the Conference of the Parties to explore a possible solution to the issue.

52. In reply, the President confirmed that he would do his best, but the outcome of the issue depended on the goodwill of other parties involved.

ITEM 7. DATE AND VENUE OF THE EIGHTH MEETING OF THE CONFERENCE OF THE PARTIES

53. At the 8th plenary session of the meeting, on 17 February 2004, the representative of Brazil announced his Government's offer to host the eighth ordinary meeting of the Conference of the Parties and the third meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety.

54. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties gratefully accepted the offer of the Government of Brazil to host the eighth ordinary meeting of the Conference of the Parties and the third meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety in the first half of 2006 on a date to be specified by the Bureau and communicated to all Parties. The Conference of the Parties adopted decision VII/35 on the basis of the draft decision contained in document UNEP/CBD/COP/7/L.35. The text of the decision is contained in the annex to the present report.

55. At the same session, the representative of Guatemala announced his Government's offer to host a meeting of the Subsidiary Body on Scientific, Technical and Technological Advice during the inter-sessional period.

II. ADOPTION OF REPORTS

ITEM 8. REPORTS OF REGIONAL MEETINGS

56. Agenda item 8 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the reports of the conclusions of the Chairman, Mr. Juan del Alamo, Secretary-General of the Ministry for the Environment of Spain, on the Pan-European regional meeting in preparation for the Seventh Meeting of the Conference of the Parties to the United Nations Convention on Biological Diversity (UNEP/CBD/COP/7/INF/35) and the report of the Latin American and Caribbean regional preparatory meeting for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/INF/37).

57. The representative of Ethiopia, speaking on behalf of the African Group, said that although Africa was endowed with plentiful natural resources, it had lacked the financial means to convene a regional meeting before delegates arrived in Kuala Lumpur. It had therefore been able to hold just one meeting on the previous day, when it had briefly explored the various issues on the agenda. Faced with such a lack of resources, Africa had developed the New Partnership for Africa's Development (NEPAD). The biodiversity problems facing Africa were immense, and extremely complex owing to the interaction of biological with socio-economic conditions. Consequently, particular attention needed to be paid to the issues of capacity-building and additional funding from the Global Environment Facility, especially with

a view to achieving the 2010 targets. Since Africa had been freely providing biodiversity knowledge and technologies, without seeing any benefit therefrom, it was now only fair that there should now be a legally binding protocol on access and benefit-sharing. In today's business-oriented world, things had to be done in a businesslike manner, not on the basis of the unsustainable generosity of the poor: just as technology transfer cost money, so too biodiversity transfer had to cost money.

58. The representative of India, speaking on behalf of the Asian and Pacific Group, reported that there had been attempts to hold a preparatory meeting in the Islamic Republic of Iran, but that they had not come to fruition owing to financial constraints. Consequently, the countries of the region had met on the day preceding the opening of the meeting of the Conference of the Parties. Informal discussions were continuing, during which the region's position on the various issues and draft decisions would be finalized.

59. The representative of Argentina, speaking on behalf of the Latin American and Caribbean Group, reported that a preparatory meeting had been held in Buenos Aires with financial support from the Government of Switzerland and the Fundación Vida Silvestre Argentina. The regional meeting had discussed the draft decisions to be presented at the Conference of the Parties. Its report was available as an information document (UNEP/CBD/COP/7/INF/37). While expressing their firm determination to adopt and implement a programme of work on protected areas, the countries of the region had also stressed that achievement of the target of reducing the rate of biodiversity loss by 2010 would require additional financial efforts by Governments in implementing the other two pillars of the Convention. The countries of the region believed that the targets proposed in the documentation before the meeting needed to be more focused, more realistic and related to the provision of financial resources. With regard to access and benefit-sharing, they had stressed the need to establish an international instrument for certifying the legality of transfers of genetic material and preventing biopiracy. The regime to be negotiated would have to observe the rights of countries of origin and providers, guarantee respect for national laws and ensure the effective transfer of benefits to the countries of origin. The countries of the region had also stressed the importance of sustained contributions to the GEF on the part of the donor countries, had called for equal attention to be given to all three objectives of the Convention, and had urged that more resources be channelled towards sustainable use. It had also stressed the importance of concentrating on implementation of decisions and of ensuring that the various work programmes were consistent among themselves and with the multi-year programme of work. Finally, the Latin American and Caribbean countries had raised the issue of payment plans to allow Parties to meet their financial obligations to the Convention, and had expressed opposition to any increase in the amount of the budget.

60. The representative of Spain, speaking on behalf of the countries of the European Union and Central and Eastern Europe, reported on the Third Pan-European Intergovernmental Conference on Biodiversity in Europe, held in the framework of the Pan-European Biological and Landscape Diversity Strategy. The Conference had concentrated on the five main topics on the agenda of the Conference of the Parties. In the area of follow-up to the World Summit on Sustainable Development it had welcomed the proposal from SBSTTA for establishment of a mechanism to monitor progress towards the 2010 targets and for countries to carry out voluntary assessments of their own progress. It had recommended that the Conference of the Parties support the negotiation of a transparent and effective regime on access to genetic resources and equitable benefit-sharing. With regard to protected areas and ecological networks, it had recommended that the Conference of the Parties adopt an ambitious and specific programme of work on protected areas and ecological networks and secure the commitment of the Parties to implement it immediately. In the area of marine and coastal biodiversity, the Conference had recommended, in line with recommendations from SBSTTA, that the limited representation of marine and coastal protected areas should be rectified, through the establishment by 2012 of a system of networks of such areas, in accordance with international law. In the area of mountain biodiversity, the Pan-European Intergovernmental Conference had recommended to the Conference of the Parties that it adopt the programme of work on mountain biodiversity proposed by SBSTTA in its recommendation IX/12. With

regard to technology transfer and technological cooperation, the Conference welcomed recommendation IX/5 of SBSTTA, but suggested that there were some points that needed further review.

61. Under this item, over the course of a number of plenary sessions, the Conference of the Parties also heard statements from the representatives of Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), France, Palau, Qatar (on behalf of the Group of 77 and China), the International Indigenous Forum on Biodiversity, the Global Biodiversity Forum, the secretariat of the Ramsar Convention on Wetlands, UNDP, UNESCO, FAO, IUCN, WIPO, the International Union for the Protection of New Varieties of Plants (UPOV), Institute of Advanced Studies (IAS) of the United Nations University (UNU), the International Tropical Timber Organization (ITTO), United Nations Forum on Forests (UNFF), Greenpeace Kids for Forests Youth Project, International Plant Genetic Resources Institute (IPGRI), the Commonwealth Secretariat, the Global Tiger Forum, the FAO Commission on Genetic Resources for Food and Agriculture, the Secretariat of the United Nations Framework Convention on Climate Change, and the Aboriginal and Torres Strait Islander Commission (ATSIC). In those statements, participants, *inter alia*, expressed their appreciation for the high quality of the documentation prepared by the Secretariat for the meeting.

62. The representative of Ireland said that the current meeting was a particularly significant one, in that it was the first since the World Summit on Sustainable Development, which had set the ambitious target of significantly reducing the current rate of biodiversity loss by 2010. The European Union was committed to halting biodiversity loss within its frontiers by 2010. While underscoring that the Convention should contribute to the Millennium Development Goals, the European Union also stressed the need to ensure that the achievement of those Goals was not detrimental to biodiversity. There was a need to identify and communicate the relationship between biodiversity and human development targets at all levels. In that respect, it would be particularly important to be involved in the ongoing cycle within the Commission on Sustainable Development, starting in two months time with the twelfth meeting of the Commission. Protected areas and ecological networks were an essential tool without which it would probably not be possible to meet the biodiversity commitments entered into. The Conference of the Parties needed to adopt an ambitious and targeted work programme, respecting the bottom-up approach, to be implemented immediately. A further need was to pursue ways to address biodiversity outside protected areas, and to integrate biodiversity into policies such as trade or development cooperation, which would require improved collaboration with other relevant agreements. The European Union also believed that the Conference of the Parties should adopt a strategic and coherent multi-year programme of work, as proposed by the Inter-Sessional Meeting of March 2003, which should include review of the progress made towards the 2010 targets. In relation to the Strategic Plan, the European Union put forward proposals: for development of a framework and a core set of clear and manageable indicators; for a mechanism to evaluate changes in biodiversity; for a mechanism to assist countries, through voluntary national performance reviews, in identifying limitations, constraints and opportunities, and support for the proposal of the Inter-Sessional Meeting on the establishment of a Global Partnership on Biodiversity. In the area of access and benefit-sharing, the European Union strongly supported the application of the Bonn Guidelines, as well as negotiation of a transparent and comprehensive international regime. In the area of international cooperation with and support to developing countries and countries with economies in transition, the European Union had a clear commitment to helping to provide adequate financial, human and technical resources for the implementation of the Convention. It also felt, however, that a “business-as-usual” approach would not achieve the 2010 target. There was an urgent need to mobilize public opinion in support of biodiversity and the work of the Convention. Therefore, the Global Initiative on Communication, Education and Public Awareness would be particularly important.

63. The representative of France announced the convening of a conference in Paris in January 2005 in close collaboration with UNESCO, with the general aim of highlighting the work done by the players in the field of biodiversity research and enriching the dialogue between decision makers and scientific experts.

64. The representative of Palau noted that the traditional resilience of small island developing States (SIDS) had now been stretched to breaking point. While welcoming the statement made at the recent SIDS meeting in the Bahamas expressing the need for a globally representative system of marine and coastal protected areas by 2012, Palau and other SIDS called for the establishment of an ad hoc group of technical experts on island biodiversity, to present recommendations to the tenth meeting of SBSTTA.

65. The representative of Qatar, speaking on behalf of the Group of 77 and China, said that the effective implementation of the Convention could be only achieved through the concerted efforts of stakeholders at all levels in developed and developing countries. Yet the technical and financial capacity of most developing countries was limited and therefore support from industrialized countries to raise that capacity was desirable. The Conference of the Parties needed to focus on the three objectives of the Convention in order to alleviate poverty in the developing world and to change patterns of consumption and production in the developed world. The strong link between sustainable livelihoods and poverty alleviation should be emphasized in the programme of work on protected areas, as well as in every other thematic and cross-cutting programme of the Convention. It was also necessary to adopt the draft Guidelines on the Sustainable Use of Biological Diversity and integrate them in the thematic programmes of work and in national biodiversity strategies and action plans. The work carried out under Article 8(j) of the Convention was crucial for the preservation and maintenance of the traditional knowledge of indigenous and local communities, which must therefore be included and participate in decision-making in the relevant environmental processes. For that reason, it was imperative that the traditional knowledge of indigenous and local communities was not used without their prior consent. While the Group of 77 and China recognized the importance of adopting the Bonn Guidelines, they strongly believed that developing an international regime on access and benefit sharing of the type endorsed by the World Summit on Sustainable Development would ensure a fair and equitable balance between the utilization of and benefits from those genetic resources and would represent a practical step towards achieving the sustainable development of developing countries. It was vital that the meeting should produce the terms of reference for such a regime and delegates should therefore commence the negotiation of such a regime forthwith.

66. The representative of the International Indigenous Forum on Biodiversity reported on the Forum's preparatory meeting held in Sabah, Malaysia, from 6 to 8 February. She said that indigenous peoples were committed to the implementation of previous decisions of the Conference of Parties that respected their rights, but opposed to initiatives that did not respect those rights, such as the proposed international regime on access and benefit-sharing and international systems of registration of biodiversity and indigenous knowledge. Any decisions in that area had to be made by indigenous peoples in accordance with existing and emerging international law. The draft decision and the proposed programme of work on protected areas were highly disappointing and needed to be revised in order to guarantee the rights of indigenous people to participate and give their free prior and informed consent. The Forum was also concerned that the policies of the GEF continued to support an exclusionary model of protected areas and failed to respect indigenous knowledge, in contravention of Articles 8(j) and 10(c) of the Convention.

67. The representative of the Global Biodiversity Forum reported that it had met immediately preceding the Conference of the Parties to address the three issues: livelihoods, poverty and biodiversity; technology transfer and capacity-building with equity; and the value of biodiversity for securing the future. In its discussions, the Forum had noted the critical dependence of hundreds of millions of people on biodiversity and biological resources, but that that dependence was often ignored in poverty eradication, development and conservation programmes. The private commercial sector had direct or indirect impacts on biodiversity, and the Forum had explored ways to enable it to contribute to Convention objectives. The Forum had suggested various concepts for priority consideration by the Conference of the Parties including: that managing entire landscapes and seascapes, rather than focusing only on protected areas, would better implement the ecosystem approach; the need to legally guarantee

the rights and responsibilities of indigenous and local communities, including restitution of land and resource rights taken away earlier without their prior informed consent; effective and participatory technology transfer would be better achieved if it was demand-driven and ecologically and culturally appropriate; and the need to promote markets in ecosystems supporting livelihoods for indigenous and local communities, including market instruments and incentive measures.

68. Mr. Peter Bridgewater, Secretary-General of the Ramsar Convention on Wetlands, gave a brief update on the progress in the work of the Ramsar Convention and its relevance to the current meeting. He noted that the recent meeting of the Ramsar Standing Committee had underlined the need to see the implementation of the joint work plan between the two conventions in all relevant areas. More coordinated global water management was called for, and the Ramsar Convention appeared as the most relevant existing international agreement to deal with that new and increasing responsibility. While species and habitat conservation was still key to the Ramsar Convention, it had moved to address key environmental issues, such as the provision of water as a means to alleviate poverty; reducing loss of biological diversity; enhancing food and water security; and promoting integrated ways of managing environmental systems. In those tasks, linkage and synergy with other conventions were essential, and there was no convention with which Ramsar had more connection than the Convention on Biological Diversity. Yet even there, there was scope for further development, and he hoped that both conventions could continue to build support for linkages and synergy from coordination between secretariats, to coordinated actions at the national level.

69. The representative of the United Nations Development Programme (UNDP), said that for UNDP biodiversity had everything to do with improving the lives of the poor and advancing sustainable development. Biodiversity loss exacerbated poverty but, likewise, poverty was a major threat to biodiversity. One of the most important developments was the increasing recognition that the protection and sustainable management of biodiversity was central to achieving the Millennium Development Goals. UNDP supported more than 140 countries in their work to maintain and sustainably use biodiversity, and a recent survey of UNDP country offices had found that biodiversity was one of the highest priorities. To date, UNDP had directed over \$2 billion through grants and other financing to developing countries for biodiversity-related projects. Through the UNDP-GEF Small Grants Programme, more than 3,000 biodiversity projects of community-based organizations and local non-governmental organizations had been funded in 73 countries for a total of more than \$58 million. Another key UNDP programme was the Equator Initiative, and he announced that UNDP, on behalf of all the Equator Initiative partners, was pleased to accept the Convention Secretariat's invitation to host the Equator Prize 2004 at the current meeting. UNDP was also glad to accept the Secretariat's invitation to help in the Convention's long-standing efforts to fully involve indigenous peoples and local communities. On behalf of the UNDP Administrator, Mr Mark Malloch Brown, he wished the meeting productive deliberations.

70. The representative of UNESCO, on behalf of the Assistant Director-General of UNESCO for Natural Science, Dr. Walter Ertleden, said that UNESCO's World Network of Biosphere Reserves currently comprised 440 sites in 97 countries, and each of them included at least one protected area. The 172 natural and mixed World Heritage Sites of UNESCO included more than 500 protected areas, and covered well over 12 per cent of the global area of protected areas. The application of the World Heritage Convention to protecting natural areas and biodiversity also increasingly promoted both land and seascape-level initiatives. The UNESCO Man and the Biosphere (MAB) programme was currently collating examples for a new publication to guide the practical application of the twelve principles of the ecosystem approach in and around the Biosphere Reserves. UNESCO was playing a key role in the Global Initiative on Communication, Education and Public Awareness (CEPA) and in October 2003 had hosted at the fourth meeting of the Consultative Working Group of Experts on Biological Diversity Education and Public Awareness, the report of which (UNEP/CBD/COP/7/INF/10) included a strategy for operationalizing decision VI/19 of the Conference of the Parties. UNESCO extended its fullest cooperation to all Parties and to the Secretariat of the Convention for implementing the protected areas

programme, which was before the current meeting for adoption, as well as in implementing other relevant programmes and initiatives of the Convention.

71. The representative of the Food and Agriculture Organization of the United Nations (FAO) said that biodiversity was the basis of food production. The achievement of Millennium Development Goal number one thus depended on the effective management of agricultural biodiversity. In its work, FAO had been guided by its member Governments, particularly through the Intergovernmental Commission on Genetic Resources for Food and Agriculture, which dealt with all components of biological diversity of interest to food and agriculture. With the support of the Convention, FAO had developed major international technical and policy frameworks for plant genetic resources for food and agriculture. In fisheries, FAO had developed the Code of Conduct on Responsible Fisheries and, for forestry, FAO chaired the Collaborative Partnership on Forests, of which the Secretariat of the Convention was an active member. Because of their complementary mandates, FAO had worked closely with the Secretariat since the Convention had entered into force, and a number of documents before the current meeting recognized the technical and financial importance of that collaboration. For the effective management of biodiversity and agro-environments, FAO wished to strengthen and further deepen that cooperation and would explore with the Secretariat ways in which that could be achieved. During the current year, the theme for World Food Day, celebrated on 16 October, would be "Biodiversity and Food Security". That represented a theme where the responsibilities of FAO towards those whose food was not secure would meet the joint concern for the conservation and sustainable use of biodiversity.

72. The representative of the World Bank said that there was an emerging recognition that few of the Millennium Development Goals would be met unless development in both rich and poor countries became more environmentally sustainable. It was scientifically possible to manage ecosystems in a sustainable manner, but the political will to do so was lacking. He urged convention secretariats and Parties to recognize the implications of the interlinkages among environmental issues and their relation to sustainable development. Between 1992 and 2002, the World Bank had invested more than \$1.3 billion in over 90 projects that supported biodiversity conservation and sustainable use in mountain ecosystems. The Bank had recognized the need to move from isolated project areas to networks, with interconnected corridors and buffer zones, managed so as to incorporate not only biological considerations but also social factors and the rights and needs of local communities. The Bank, primarily through the GEF and the Prototype Carbon Fund, was promoting renewable energy-efficiency technologies and, through the Biocarbon Fund, was promoting land-use and forestry practices that sequestered carbon in the terrestrial biosphere and conserved and enhanced biodiversity. The recent report of the Ad Hoc Technical Expert Group on Biological Diversity and Climate Change had highlighted those interventions that were simultaneously beneficial for both climate change and biodiversity, and those where sequestering carbon could affect biodiversity. Another great challenge for the future lay in achieving financial sustainability. The Bank encouraged a range of instruments, including removal of perverse agricultural subsidies, appropriate user charges in protected areas, conservation trust funds, payment for ecological services, carbon financing, and others.

73. The representative of IUCN said that the recognition by the World Summit on Sustainable Development of the Convention's target of a significant reduction in the rate of biodiversity loss by the year 2010 was an acknowledgement of the leading role that biodiversity played in sustainable development. The Conference of the Parties now faced the challenge of undertaking an ambitious plan of action to reach that target. In that context, IUCN welcomed the recommendations of SBSTTA to develop a framework that would guide the development of national and regional targets within the context of national biodiversity strategies. The Conference also needed to develop reporting and monitoring systems and to ensure the provision of the necessary financial resources and capacity-building. IUCN noted that the current meeting was the first time, in the Convention's ten years of operation, that the issue of protected areas had been approached in an integrated manner. In September 2003, IUCN had organized the 5th World Parks Congress, which had stressed the crucial role of protected areas in

achieving the 2010 targets. It had noted that the number of protected areas had tripled in the past 20 years, to cover 11.5 per cent of the world's total land surface, with the growth occurring primarily in the developing countries. However, there were still significant gaps in the coverage of important species, and the management of many protected areas remained inefficient owing to insufficient resources and lack of management capacity.

74. The representative of the World Intellectual Property Organization (WIPO) stated that several agenda items intersected substantively with intellectual property systems and intellectual property policy development. Those intersections had evolved from what appeared as a matter of conflict, towards a conscious and careful coordination, in mutual respect for the mandates of the forums and their competence in biodiversity policy-making, on the one hand, and intellectual property policy, on the other. The fruitful coordination between the work of WIPO and the Convention on Biological Diversity was institutionally reflected in a Memorandum of Understanding between WIPO and the Secretariat. More importantly, the practical outcomes of the coordination were reflected in the tangible products and activities which were before the current meeting. The WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore had held five sessions under its original mandate from 2001 to 2003. In September 2003, the WIPO General Assembly had extended the Committee's mandate and required it to accelerate its work and focus, in particular, on the international dimension of intellectual property issues arising in this area. WIPO was transmitting to the Conference of the Parties the WIPO Technical Study on Patent Disclosure Requirements Concerning Genetic Resources and Traditional Knowledge, which had been requested by the Conference of the Parties at its sixth meeting in decision VI/24 C.

75. The representative of the International Union for the Protection of New Varieties of Plants (UPOV) said that the Convention on Biological Diversity and other international instruments dealing with intellectual property rights should be mutually supportive. He also said that the community of breeders needed access to all forms of breeding material to sustain progress in plant breeding to optimize the use of genetic resources for the benefit to society. That was reflected in the concept of the breeder's exemption in the International Convention for the Protection of New Varieties of Plants (UPOV Convention). He explained that plant breeding is a fundamental aspect of the sustainable use and development of genetic resources and that for UPOV access to genetic resources was a key requirement for sustainable and substantial progress in plant breeding. He also said that the UPOV Convention had inherent benefit-sharing principles and that UPOV was concerned about measures for benefit-sharing that introduced unnecessary barriers to progress in breeding and the utilization of genetic resources. UPOV urged the Conference of the Parties to recognize those elements when negotiating an international regime on access and benefit-sharing.

76. Mr. A.H. Zakri, Director of the Institute of Advanced Studies (IAS) of the United Nations University and Co-Chair of the Millennium Ecosystem Assessment, highlighted the IAS activities. In introducing its flagship programme on the Biodiplomacy Initiative and its capacity-building efforts in selected developing countries, he emphasized the institute's collaboration with other organizations. He also described other research areas of the Institute of Advanced Studies in relation with this meeting, including protected areas, technology transfer, Article 8(j), agricultural biodiversity and access and benefit sharing. He stressed the importance of mobilizing resources and expertise to develop appropriate capacities in various knowledge-building and negotiating skills, and of the commitment by the international community to nurture them. He concluded by assuring the Conference of the Parties that the United Nations University, as a key United Nations institution for research and education, would play its role in the provision of neutral and impartial analysis on policy issues and training. Regarding the status of the Millennium Ecosystem Assessment, he summarized the outcome of the sixth meeting of the Conference of the Parties and the SBSTTA recommendation on the Millennium Ecosystem Assessment review process. He underlined the importance of the review and urged Governments to fully participate to ensure scientific credibility, political balance, and the necessary level of ownership.

77. The representative of the International Tropical Timber Organization (ITTO) said that his organization believed that the sustainable use of forests was a necessary element for their conservation. ITTO had developed policies for the sustainable management of natural tropical forests, including guidelines for the conservation of tropical forest biodiversity in production forests. It had backed up that work with a sweeping programme of projects aimed at encouraging the adoption of such policies. The total value of the project programme was over \$250 million. ITTO recognized that a very large amount of tropical forests had been degraded by logging, agriculture, fire and other agents, and had recently published policy-level guidelines to assist in the restoration and management of such forests. In cooperation with IUCN and Intercooperation, ITTO was hosting a series of regional and national-level workshops throughout the tropics to introduce those guidelines to policy makers. It was also currently preparing a report on the status of forest management in tropical forests, which would be published at the end of the year. ITTO had formed strong partnerships with a number of international, non-governmental and indigenous organizations. There were also many practical ways in which the relationship with the Convention on Biological Diversity could be greatly strengthened.

78. Mr. Pekka Patrosaaari, Coordinator and Head of the Secretariat of the United Nations Forum on Forests (UNFF), said that the Secretariat of the Convention on Biological Diversity was a member of the Collaborative Partnership on Forests (CPF), which represented a unique collaboration of 14 key international organizations, instruments and convention secretariats relevant to forests. The Convention Secretariat played an important role in the CPF as the focal agency for two issues: traditional forest-related knowledge, and forest biological diversity. He stressed that collaboration between the UNFF and the Convention on Biological Diversity and their secretariats was of great importance and that it was necessary to work together to find ways for poverty eradication and to achieve the Millennium Development Goals and build capacity for sustainable forest management.

79. The representatives of the Greenpeace Kids for Forests Youth Project, describing first-hand the environmental and social results of unsustainable logging, urged the Conference of the Parties to take action to protect the forests and oceans and to carry out its duty to protect the last remaining tropical rainforests.

80. Mr. Emile Frison, Director General of the International Plant Genetic Resources Institute (IPGRI), speaking on behalf of the Future Harvest Centres of the Consultative Group on International Agricultural Research (CGIAR), explained that there were 15 Future Harvest Centres around the world, working to improve agriculture, forestry, and fisheries for food security, for the eradication of poverty and for the protection of the environment. The centres were committed to the aims of the Convention on Biological Diversity and had supported the development of programmes of work and other activities of the Convention from the very beginning. He wished to reconfirm their commitment to the work programmes, especially those on agricultural biodiversity, forestry, mountain biodiversity and marine and inland waters. They would continue to provide inputs to the work on access and benefit-sharing and the ecosystem approach. IPGRI, within the framework of the System-wide Genetic Resources Programme of CGIAR, brought together researchers from non-governmental organizations, national agricultural research systems, advanced research institutes and other Future Harvest Centres to share experiences. Following a successful meeting in Nairobi in March 2003, the Future Harvest Centres of CGIAR, in collaboration with many partners, stood ready to further contribute to the work plan on agricultural biodiversity. In order to assist in the avoidance of duplication of activities, and to promote the sharing of best practices, IPGRI, on behalf of the System-wide Genetic Resources Programme of CGIAR, would explore the establishment of an efficient and practical facilitation mechanism for agricultural biodiversity research. He looked forward to guidance on how the Future Harvest Centres could best assist in the important tasks ahead.

81. The representative of the Commonwealth Secretariat noted that that organization attached great importance to the Convention, since the conservation and sustainable use of biological resources and the

fair and equitable sharing of their benefits held great promise for sustainable development and poverty alleviation in developing countries. The Commonwealth Secretariat had been carrying out capacity-building activities focusing on access to genetic resources, traditional knowledge and *sui generis* systems; bioprospecting, marketing and benefit-sharing, grass-roots innovations in agriculture and traditional medication; taxonomy; clearing-house mechanism; and biosafety. The agenda for the Convention and in particular the 2010 targets would require huge financial resources, and the Commonwealth Secretariat urged the Conference of the Parties to give favourable consideration to an increase in the budget, while appealing to the donor countries and organizations to provide increased financial resources.

82. The representative of the Global Tiger Forum described the activities of his organization in support of long-term tiger conservation; appealed for financial assistance to enhance its own meagre resources; and invited all tiger range States or non-range States interested in tiger conservation to support the programmes of the Forum or to become a member of it. He pointed out that, of eight subspecies of tiger, three were already extinct and the South China tiger was perhaps on the way to extinction. It would be sad, and an injustice, to leave the world bereft of those magnificent animals.

83. Mr. Jose Esquinas-Alcazar, Secretary of the FAO Commission on Genetic Resources for Food and Agriculture, described the International Treaty on Plant Genetic Resources for Food and Agriculture, which had been adopted by the FAO Conference in November 2001 and which was a unique agreement, linking biodiversity to food security and sustainable agriculture. The objectives of the Treaty were to be achieved in harmony with the Convention on Biological Diversity, and there had been very good cooperation with the Secretariat of the Convention. The Treaty incorporated a number of innovative elements: it was specific to food and agriculture and genetic resources; it established a multilateral system of access and benefit-sharing, covering a list of crops selected because of their importance for food security, and because countries were inter-dependent in their use; intellectual property rights could not be asserted over material for the system; and the sharing of benefits under the system included mandatory payments. For the first time in any international agreement, Article 9 of the Treaty recognized Farmers' Rights. Article 14 foresaw the full implementation of the Leipzig Global Plan of Action on Plant Genetic Resources for Food and Agriculture. Its legal framework covered collections obtained before the entry into force of the Convention on Biological Diversity, including those of the International Centres of the Consultative Group on International Agricultural Research. The Treaty had been signed by 77 countries and the European Community, and ratified by 34 countries. It would enter into force 90 days after ratification, probably by mid-2004, after which preparations would be made for the first meeting of its governing body. It was therefore important for all countries to ratify in time to participate in the initial decision-making. At the fifth meeting of the Conference of the Parties to the Convention on Biological Diversity, the Ministerial Segment had urged countries to ratify the Treaty, and their response had been excellent in supporting the Treaty, which was of crucial importance to agricultural biodiversity in combating world hunger.

84. The representative of the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) reported on the outcomes of the latest sessions of the UNFCCC, namely the nineteenth session of the subsidiary bodies and the ninth session of the Conference of the Parties, which had been held jointly in Milan, Italy, in December 2003. While most of the issues discussed were relevant to the current meeting's agenda items on biodiversity and climate change, and on cooperation with other conventions and international organizations, she wished to draw attention to one issue related to the report of the Ad-Hoc Technical Expert Group on Biodiversity and Climate Change. At its ninth session, the Subsidiary Body on Scientific, Technical and Technological Advice of the Convention on Biological Diversity had requested that the report of the Ad Hoc Technical Expert Group on Biodiversity and Climate Change be brought to the attention of the UNFCCC Subsidiary Body on Scientific and Technical Advice (SBSTA) at its nineteenth session. She was pleased to report that the report had been considered by the SBSTA, which had welcomed it and encouraged its use by Parties as a relevant source

of useful information for their national purposes. She said that she would be pleased to provide more information in the respective working groups at the current meeting, if required.

85. The representative of the Aboriginal and Torres Strait Islander Commission (ATSIC), noting that the knowledge and practices of indigenous people remained crucial to current and future efforts by the Parties to halt biodiversity loss, said that the challenge lay in Parties going beyond merely recognizing indigenous peoples. They had to genuinely support their survival and equal partnership in dealing with biodiversity for the benefit of all. Indigenous Australians wished to work with various Governments to restore the health of biodiversity. For that reason, he invited the meeting to seriously consider at least three issues. First, the indigenous people needed to be involved in making the decisions about what was to be implemented. The level of official indigenous participation at the current meeting showed that significant efforts still needed to be made, and he called on Parties to introduce, and back up with the necessary resources, stronger participatory mechanisms for indigenous people. Second, Governments that declared protected areas on indigenous areas without the consent of the indigenous people threatened their survival, diminished their participation and compromised the goals of the Convention. He urged that the decisions of the meeting respect indigenous people's rights to their culture, spirituality and livelihood in protected areas; respect the full and effective participation of indigenous communities; and recognise indigenous community conserved areas as a legitimate part of protected area systems. Third, unless the proposed international regime entrenched the rights of indigenous people to control their traditional knowledge, lands, water and genetic resources, it had the potential to cause further exploitation of them. He urged Parties to develop a *sui generis* approach to the protection of traditional knowledge, based on recognition of indigenous peoples' customary law and practices. A protocol for protecting traditional knowledge was one sure way of creating more legally binding obligations on States Parties. He forwarded a list of recommendations to the Secretariat, in the hope that the Conference of the Parties would find them useful.

ITEM 9: REPORTS OF THE SUBSIDIARY BODY ON SCIENTIFIC, TECHNICAL AND TECHNOLOGICAL ADVICE

86. Agenda item 9 was taken up by the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the reports of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) on the work of its eighth and ninth meetings (UNEP/CBD/COP/7/3 and 4).

87. Mr. Jan Plesnik (Czech Republic), Chair of the eighth meeting of the Subsidiary Body, introduced the report of that meeting (UNEP/CBD/COP/7/3), which had been held in Montreal from 10 to 14 March 2003. He said that the main theme of the eighth meeting had been mountain biodiversity and that the Subsidiary Body had heard a keynote presentation by Mr. Christian Körner, Chair of the Global Mountain Biodiversity Assessment. He also reported that, at the eighth meeting, the Subsidiary Body had adopted seven recommendations. Recommendations VIII/2 and VIII/3 reflected the Subsidiary Body's review of the programmes of work on the biodiversity of inland waters and marine and coastal ecosystems, while recommendation VIII/4 advocated that the Conference of the Parties adopt the proposed process for the periodic assessment of the status and trends of biological diversity in dry and humid lands. Recommendation VIII/5 contained draft voluntary guidelines on biodiversity and tourism, recommendation VIII/6 addressed the SBSTTA operational plan and the assessment of its recommendations made to the Conference of the Parties, and recommendation VIII/7 stressed the importance of the Strategic Plan and the 2010 target.

88. At the same session, Mr. Alfred Oteng-Yeboah (Ghana), Chair of the ninth meeting of the Subsidiary Body, introduced the report of that meeting (UNEP/CBD/COP/7/4), which had been held in Montreal from 10 to 14 November 2003. He said that the Subsidiary Body had adopted 15

recommendations. Protected areas and technology transfer had been the two main themes of the ninth meeting and the Subsidiary Body had agreed on elements for a programme of work on protected areas, although there had been insufficient time to agree on all the text. The Subsidiary Body had also developed a proposed programme of work on mountain biological diversity and draft elements for a programme of work on technology transfer and cooperation. It had also recommended that the Conference of the Parties adopt the draft Addis Ababa Principles and Guidelines for the Sustainable Use of Biodiversity. The Subsidiary Body has also considered proposals for removal or mitigation of perverse incentives, the ecosystem approach and the interlinkages between biodiversity and climate change. Finally, he noted that ways to promote the implementation of the Global Strategy for Plant Conservation had also been discussed.

89. Following the introduction of the reports, a statement was made by the representative of Mexico.

90. The Conference of the Parties took note of the two reports of the Subsidiary Body on Scientific, Technical and Technological Advice, on the understanding that the substantive elements of the reports would be taken up under the corresponding items of the agenda.

ITEM 10. REPORT OF THE PRESIDENT ON THE OUTCOME OF THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

91. At the second plenary session, on 9 February 2004, Mr. Hans Hoogeveen (Netherlands), President of the sixth meeting of the Conference of the Parties presented his report on the outcome of the World Summit on Sustainable Development, held in Johannesburg from 26 August to 4 September 2002. He said that the World Summit had been of great significance for the Convention on Biological Diversity since it had helped to raise the profile of biodiversity and had represented an acknowledgement at the highest political level of the validity of the Convention as a central tool in efforts to achieve the commitments to action given at Johannesburg and at previous international forums. The Plan of Implementation adopted by the Summit had incorporated major elements of the decisions taken at the sixth meeting of the Conference of the Parties with respect to biodiversity. The Plan had addressed a number of thematic and cross-cutting issues within the Convention process and had also introduced two new elements not envisaged by the sixth meeting of the Conference of the Parties, namely the negotiation of an international regime to promote the fair and equitable sharing of benefits arising out of the utilization of genetic resources and action to support initiatives for hotspot areas and promote the development of national and regional ecological networks and corridors. The Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties, SBSTTA and the Ad Hoc Open-ended Working Group on Access to Genetic Resources and Benefit-sharing had made recommendations regarding follow-up action and issues relating to their own work in the wake of the Summit.

92. The Conference of the Parties took note of the report on the understanding that further discussions would take place in Working Group II under agenda item 26.

ITEM 11. REPORT OF THE INTER-SESSIONAL MEETING ON THE MULTI-YEAR PROGRAMME OF WORK OF THE CONFERENCE OF THE PARTIES UP TO 2010

93. Agenda item 11 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010, held in Montreal from 17 to 20 March 2003 (UNEP/CBD/COP/7/5).

94. Mr. Hans Hoogeveen (Netherlands), President of the sixth meeting of the Conference of the Parties, speaking in his capacity as Chair of that meeting, introduced the report and said that the meeting had recommended the development of a global partnership on biodiversity comprising the major biodiversity-related organizations. It had also requested SBSTTA to consider the question of hotspots, ecological networks and corridors and the preparation of a report on the relevance of the Millennium Development Goals for the programmes of work, under the Convention. It had issued recommendations on the Strategic Plan and had agreed on a draft multi-year programme of work, which was now before the Conference of the Parties. It had further suggested a number of economic and legal elements for the work programme on technology transfer and cooperation. Lastly, it had requested that the Ad Hoc Working Group on Access and Benefit-sharing consider at its second meeting the issue of an international regime, within the framework of the Convention. He emphasized that the implementation phase would be successful only if priorities were set and the necessary budget for it was provided.

95. The Conference of the Parties took note of the report of the Open-ended Inter-Sessional Meeting on the multi-year programme of work for the Conference of the Parties up to 2010, on the understanding that the substantive elements of the report would be taken up under agenda items 19.11 (Access and benefit-sharing as related to genetic resources (Article 15)), 21 (Cooperation with other conventions and international organizations and initiatives), 25 (Transfer of technology and technology cooperation (Articles 16 and 18)) and 26 (Follow-up to the World Summit on Sustainable Development, Multi-Year Programme of Work of the Conference of the Parties up to 2010, Strategic Plan and operations of the Convention, including the integration of outcome-oriented targets into the programmes of work of the Convention).

ITEM 12. REPORT OF THE AD HOC OPEN-ENDED WORKING GROUP ON ACCESS AND BENEFIT-SHARING

96. Agenda item 12 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the second meeting of the Ad Hoc Open-ended Working Group on Access and Benefit-sharing, held in Montreal, from 1 to 5 December 2003 (UNEP/CBD/COP/7/6).

97. Mr. Hoogeveen (Netherlands), the President of the sixth meeting of the Conference of the Parties, speaking as Chair of the Ad Hoc Open-ended Working Group, said that the Working Group's agenda had included a number of complex and difficult issues related to the Bonn Guidelines. The Working Group had been invited to consider experience gained in the implementation of the Guidelines, as well as the process, nature, scope, elements and modalities of an international regime on access and benefit-sharing. The annex to the report contained the six recommendations. The draft terms of reference for the negotiation of the international regime included a number of double and even triple brackets reflecting the lack of consensus among Parties on that important issue. He therefore invited the Parties to set aside their differences and to make progress on an international regime which would ensure that the objective of the Convention with respect to access to genetic resources and the sharing of benefits arising out of their utilization was fully implemented for the benefit of all nations and, above all, the poorest people of the world.

98. The Conference of the Parties took note of the report of the second meeting of the Working Group, on the understanding that the substantive recommendations and advice of the Working Group would be taken up under agenda item 19.11.

ITEM 13. REPORT OF THE WORKING GROUP ON THE IMPLEMENTATION OF ARTICLE 8(j) AND RELATED PROVISIONS

99. Agenda item 13 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the third meeting of the Working Group on the Implementation of Article 8(j) and Related Provisions, held in Montreal, from 8 to 12 December 2003 (UNEP/CBD/COP/7/7).

100. Mr. Hoogeveen (Netherlands), President of the sixth meeting of the Conference of the Parties, speaking as Chair of the third meeting of the Working Group, said that the Working Group had held its third meeting in Montreal, in December 2003. One of its main achievements had been the approval of the draft *Agwé: Kon Voluntary Guidelines* named after a term provided by the Mohawk community of Montreal and meaning "everything in creation". The guidelines were intended to provide a framework ensuring the full involvement of indigenous and local communities in the assessment of the cultural, environmental and social concerns of those communities in proposed developments. A series of recommendations had been drafted with a view to securing the participation of indigenous and local communities in the work of the Convention. The Working Group had further recommended that more work should be undertaken to complete phase 1 of the composite report on the status and trends regarding the knowledge, innovations and practices of indigenous and local communities and that work should be started on the second phase of the report. The Working Group had drafted some elements for a plan of action for the retention of the traditional knowledge, innovations and practices of indigenous and local communities and had considered *sui generis* systems for the protection of such knowledge, innovations and practices. It had made specific recommendations to ensure that the needs of indigenous and local communities were taken into consideration in the draft programme of work on technology transfer and technological and scientific cooperation submitted by the ninth meeting of the SBSTTA and had responded to the recommendations that the second session of the Permanent Forum on Indigenous Issues had addressed to the Convention on Biological Diversity. The extraordinarily positive atmosphere at the meeting had set the stage for innovative and exemplary collaboration between Governments and civil society in United Nations meetings and clearly showed the advisability of broadening the role played by local communities and indigenous peoples in the United Nations system, since only then would it be possible to achieve society-driven sustainable development.

101. The Conference of the Parties took note of the report of the third meeting of the Working Group, on the understanding that the substantive recommendations and advice of the Group would be taken up under agenda item 19.8 (Article 8(j) and related provisions).

ITEM 14. REPORT ON THE STATUS OF THE CARTAGENA PROTOCOL ON BIOSAFETY

102. Agenda item 14 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the third meeting of the Intergovernmental Committee for the Cartagena Protocol on Biosafety (ICCP) (UNEP/CBD/COP-MOP/1/3/Add.3), as well as the report of the Executive Secretary on the status of the Cartagena Protocol and activities undertaken in preparation for the entry into force of the Protocol and the convening of the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol (UNEP/CBD/COP/7/8).

103. Mr. Philemon Yang, Chair of the Intergovernmental Committee for the Cartagena Protocol on Biosafety (ICCP), after describing the background to the establishment and work of the ICCP, said that the Cartagena Protocol on Biosafety had entered into force on 11 September 2003, after the required 50 instruments of ratification had been deposited on 13 June 2003. Consequently, in line with the relevant

provisions of the Protocol and decisions of the Conference of the Parties, and following the kind offer of the Government of Malaysia, the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety would take place back-to-back with the current meeting, from 23 to 27 February 2004. So far, 82 Parties had ratified or acceded to the Protocol, and he congratulated those countries and urged others that had not yet done so to also join the Protocol as soon as possible.

104. The Conference of the Parties took note of the report of the third meeting of the ICCP and of the report of the Executive Secretary (UNEP/CBD/COP/7/8), on the understanding that the substantive recommendations would be taken up at its first meeting serving as the meeting of the Parties to the Protocol.

ITEM 15. REPORT OF THE GLOBAL ENVIRONMENT FACILITY

105. Agenda item 15 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the GEF to the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/9).

106. The representative of the GEF said that its report to the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/9) covered the period from 1 July 2001 to 30 June 2003 and had been made available to the Conference of the Parties pursuant to the memorandum of understanding between the GEF Council and the Conference of the Parties. The report described the major GEF activities during the reporting period for the areas covered by the Convention and provided specific information on how the GEF had applied the guidance of the Conference of the Parties in its operational activities and other work related to the Convention. Among the decisions adopted by the Conference of the Parties at its sixth meeting, two were of direct relevance to the GEF and were elaborated in the report. He drew Parties' attention to various GEF publications and documents made available to the current meeting, which complemented the GEF report and to an information paper on biosafety activities as an input to the deliberations of the meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol.

107. Following the introduction of the report of GEF, a statement was made by the representative of Colombia.

108. The Conference of the Parties took note of the report of GEF, on the understanding that it would also consider the information contained therein when deciding upon the need for further guidance to the financial mechanism under item 20.1 (Financial resources and mechanisms (Articles 20 and 21)) and other items of relevance.

ITEM 16. REPORT OF THE EXECUTIVE SECRETARY ON THE ADMINISTRATION OF THE CONVENTION AND THE BUDGET FOR THE TRUST FUND OF THE CONVENTION

109. Agenda item 16 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it the report of the Executive Secretary on the administration of the Convention and the budget for the Trust Fund of the Convention (UNEP/CBD/COP/7/10).

110. Introducing the item, the Executive Secretary drew attention to his report and briefly outlined its content. He drew attention to the fact that, while the percentage of received contributions to the BY Trust Fund had increased to almost 98 per cent of those due, countries continued to make their payments

throughout the year, rather than on 1 January, when they became due, and such late payments had to be covered by drawing on surpluses or savings elsewhere. He expressed thanks for the contribution to the Secretariat of \$1 million per year by the Government of Canada, and looked forward to long-term support in that respect.

111. The representative of Canada, noting that his Government had made a special contribution of \$1 million per year to the operation of the Secretariat since its establishment in Montreal, confirmed that Canada would continue to make that special contribution through the coming biennium. The federal contribution of \$800,000 was in place and the Secretariat had been so informed. Confirmation of the \$200,000 contribution from the Government of the Province of Quebec was expected during the coming week. Canada was proud to host the Secretariat and looked forward to working with it in the future in the city of Montreal.

112. The representative of Japan said that workshops on the Global Taxonomy Initiative had been held in Malaysia in 2002 and in Japan in 2003, using the Global Environment Research Fund from the Ministry of Environment of Japan. Those workshops should be considered as an in-kind contribution by Japan.

113. The Conference of the Parties took note of the report of the Executive Secretary, on the understanding that it would take up the information contained therein in its consideration of agenda item 22 (Budget for the programme of work for the biennium 2005-2006).

III. REVIEW OF THE IMPLEMENTATION OF THE PROGRAMME OF WORK

ITEM 17. THEMATIC PROGRAMMES OF WORK: PROGRESS REPORTS ON IMPLEMENTATION AND CONSIDERATION OF PROPOSALS FOR FUTURE ACTION: FOREST BIOLOGICAL DIVERSITY; BIOLOGICAL DIVERSITY OF DRY AND SUB-HUMID LANDS; AND AGRICULTURAL BIOLOGICAL DIVERSITY

114. Working Group I took up item 17 at its 6th meeting on 12 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its eighth meeting (UNEP/CBD/COP/7/3, annex I, recommendations VIII/3 A-D and VIII/4, the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4, annex I, recommendations IX/1 and IX/2), the notes by the Executive Secretary on thematic programmes of work: progress reports on implementation and consideration of proposals for future action: forest biological diversity; biological diversity of dry and sub-humid lands; and agricultural biological diversity (UNEP/CBD/COP/7/11), guidelines for the third national report (UNEP/CBD/COP/7/17/Add.2) and proposals for the review of implementation of the expanded programme of work on forest biological diversity (UNEP/CBD/COP/7/17/Add.7).

115. The Working Group also had before it, as information documents, notes by the Executive Secretary on forest biological diversity (UNEP/CBD/COP/7/INF/7), the impact of trade liberalization on agricultural biological diversity – domestic support measures and their effects on agricultural biological diversity (UNEP/CBD/COP/7/INF/14), the impact of trade liberalization on agricultural biological diversity—a synthesis of assessment frameworks (UNEP/CBD/COP/7/INF/15), the joint work programme on the biological diversity of dry and sub-humid lands between the Convention on Biological Diversity and the United Nations Convention to Combat Desertification (UNEP/CBD/COP/7/INF/28), proposals prepared by UNEP-WCMC on assessing areas within dry and sub-humid lands of particular value for biological diversity and/or under particular threat (UNEP/CBD/COP/7/INF/30) and thematic programmes

of work: progress reports on implementation and consideration of proposals for future action: agricultural biological diversity (UNEP/CBD/COP/7/INF/31).

Forest biological diversity

116. Introducing the item, the Secretariat said that the documentation had been prepared in response to a request made at the sixth Conference of the Parties to the Executive Secretary to carry out a series of initial actions to promote the implementation of the work programme at the national level. The Executive Secretary had submitted a report thereon to the ninth meeting of SBSTTA, which had considered the report and adopted recommendations IX/1 and IX/2 (UNEP/CBD/COP/7/4, annex I). The Conference of the Parties might also wish to consider the two recommendations made by the Ad Hoc Technical Expert Group it had established to prepare the review of the implementation of the programme of work on forest biodiversity.

117. During the discussion of the item, statements were made by the representatives of Cameroon, Canada, France, Haiti, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), India (on behalf of the Asia and Pacific Group), Liberia (on behalf of the African Group), New Zealand, Norway, Saudi Arabia and Switzerland.

118. Statements were also made by the representatives of the International Indigenous Forum on Biodiversity and the Ministerial Conference on the Protection of Forests in Europe.

119. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

120. At its 12th meeting on 17 February 2004, the Working Group considered a conference room paper containing a draft decision on forest biological diversity.

121. Statements were made by the representatives of Australia, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, New Zealand, and Norway.

122. A statement was also made by the International Chamber of Commerce.

123. At its 13th meeting on 18 February 2004, the Working Group continued its consideration of the conference room paper.

124. A statement was made by the representative of Brazil.

125. The draft decision, as orally amended, was approved for transmission to plenary as draft decision A in document UNEP/CBD/COP/7/L.13.

126. At the 11th plenary session of the meeting on 20 February 2004, the Conference of the Parties adopted draft decision A in document UNEP/CBD/COP/7/L.13, as orally amended, as decision VII/1. The text of the decision is contained in the annex to the present report.

127. At the same session, the representative of Germany announced that, since his Government was concerned about threats to forests throughout the world, it would fund a second meeting of the Ad Hoc Technical Expert Group on the Review of Implementation of the Programmes of Work on Forest Biological Diversity prior to the eleventh meeting of the Subsidiary Body on Scientific, Technical and Technological Advice. The meeting would be held in Germany.

Biological diversity of dry and sub-humid lands

128. Introducing the item, the Secretariat said that the documents on the subject had been prepared in response to decisions V/23 and V/4 adopted at the fifth Conference of the Parties to the Convention on Biological Diversity. The eighth meeting of SBSTTA had considered the matters covered in those decisions and made recommendation VIII/4 contained in document UNEP/CBD/COP/7/3. It had also invited the FAO Global Land Degradation Assessment of Drylands (LADA) and the Millennium Ecosystem Assessment to consider integrating in their respective mandates the needs for information on status and trends of dry and sub-humid land biodiversity and ways to strengthen national efforts to conduct assessments and to report on that matter to the seventh Conference of the Parties. The UNEP-WCMC had prepared proposals on assessing, for urgent action, dry and sub-humid areas of particular value for biological diversity and/or under particular threat. The Conference of the Parties might wish to consider the SBSTTA recommendations and comment on the reports of FAO/LADA, the Millennium Ecosystem Assessment and UNEP-WCMC.

129. During the discussion of the item, statements were made by the representatives of Canada, Haiti, India, Japan and the Syrian Arab Republic (speaking on behalf of the Arab Group).

130. A statement was also made by the observer from the United States of America.

131. A statement was also likewise made by the representative of the United Nations Convention to Combat Desertification.

132. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

133. At its 12th meeting, on 17 February 2004, the Working Group considered a conference room paper containing a draft decision on biological of dry and sub-humid lands.

134. Statements were made by the representatives of Australia, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia and New Zealand.

135. The draft decision, as orally amended, was approved for transmission to plenary as draft decision B in document UNEP/CBD/COP/7/L.13.

136. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties adopted draft decision B in document UNEP/CBD/COP/7/L.13, as orally amended, as decision VII/2. The text of the decision contained in the annex to the present report.

Agricultural biological diversity

137. Introducing the item, the Secretariat drew the attention of the Conference of the Parties to the proposal put forward by the Executive Secretary in paragraph 66 of document UNEP/CBD/COP/7/11, taking into account the recommendations of partner organizations and the recommendations of the proposed multi-year programme of work until 2010, to the effect that the in-depth review of the programme of work on agricultural biological diversity should take place at the ninth meeting of the Conference of the Parties, namely that the preparation of the final report on the World's Assessment on Agricultural Biological Diversity and related milestones should be postponed by two years. There might be a need for the Conference of the Parties to consider and take appropriate action on SBSTTA recommendation IX/2 and recommendation 3/3 of the Working Group on Article 8(j), both

recommendations addressing the potential impacts of GURTs. Reference to those recommendations was made in the draft decision on agricultural biological diversity in document UNEP/CBD/COP/7/1/Add.2. It might also be desirable for the Conference of the Parties to take note of the progress regarding the implementation of its request for a document on the impact of trade liberalization and to provide further guidance on the matter as needed.

138. On a related matter, the Secretariat noted that the Conference of the Parties would have before it, for consideration under agenda item 20.4, on national reporting, formats for the sections on the implementation of the programme of work on agricultural biological diversity in the third national reports, developed in accordance with paragraph 4 of decision VI/5. The draft format was included in the note by the Executive Secretary on guidelines and format for the third national reports (UNEP/CBD/COP/7/17/Add.2).

139. During the discussion of the item, statements were made by the representatives of Australia, Canada, India, Malaysia, the Philippines and the United Arab Emirates (speaking on behalf of the Arab Group).

140. A statement was also made by the representative of the FAO.

141. Statements were also made by the representatives of the Etc. Group, the Intermediate Technology Development Group, the International Indigenous Forum on Biodiversity and the International Plant Genetic Resources Institute.

142. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Party at a subsequent meeting.

143. At its 12th meeting, on 17 February 2004, the Working Group considered a conference room paper containing a draft decision on forest biological diversity; biological of dry and sub-humid lands; and agricultural biological diversity.

144. Statements were made by the representatives of Australia, Burkina Faso, Canada, China, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, New Zealand, Norway and Spain.

145. A statement was also made by the representative of the Global Environment Facility.

146. The draft decision, as orally amended, was approved for transmission to plenary as draft decision C in document UNEP/CBD/COP/7/L.13.

147. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties adopted draft decision C in document UNEP/CBD/COP/7/L.13, as orally amended, as decision VII/3. The text of the decision is contained in the annex to the present report.

**ITEM 18. THEMATIC PROGRAMMES OF WORK—REVIEW, FURTHER
ELABORATION AND REFINEMENT: BIOLOGICAL DIVERSITY
OF INLAND WATER ECOSYSTEMS AND MARINE AND COASTAL
BIOLOGICAL DIVERSITY**

18.1 Biological diversity of inland water ecosystems

148. Working Group I took up item 18.1 at its 7th meeting on 13 February 2004. In considering the item, it had before it recommendation VIII/2 from the report of the eighth meeting of SBSTTA

(UNEP/CBD/COP/7/3); notes by the Executive Secretary on Progress in the implementation of the programme of work on inland water biodiversity and on marine and coastal biodiversity (UNEP/CBD/COP/7/12), and the revised programme of work on biodiversity of inland water ecosystems (UNEP/CBD/COP/7/12/Add.1).

149. The Working Group also had before it, as information documents, the progress report on the implementation of the 3rd joint work plan of the CBD and Ramsar Convention (2002 - 2006) (UNEP/CBD/COP/7/INF/27), and CBD Technical Series No. 11 on status and trends of inland water biodiversity.

150. Introducing the item, the Secretariat said that decision VI/2 of the Conference of the Parties had requested the eighth meeting of SBSTTA to consider a revised programme of work on the biological diversity of inland water ecosystems. SBSTTA had reviewed the implementation of the programme of work adopted in 1998, including the assessment of the status and trends of inland water biodiversity, and the type of classification systems and criteria that could be used for the identification of important inland water biodiversity. Taking into account the gaps and constraints in the implementation of the programme of work identified in the review, SBSTTA at its eighth meeting had prepared a detailed proposed revised programme of work. After considering the outcome-oriented targets prepared by the Executive Secretary in collaboration with partners, SBSTTA at its ninth meeting had provided advice on their refinement and requested the Executive Secretary to report on them at the seventh meeting of the Conference of the Parties. It noted that the progress towards the development and refinement of the targets was described in a note by the Executive Secretary on the subject (UNEP/CBD/COP/7/20/Add.3), and that the full text of the programme of work was annexed to SBSTTA recommendation VIII/2, contained in the report of the eighth meeting of SBSTTA (UNEP/CBD/COP/7/3).

151. Mr. Jan Plesnik (Czech Republic) Chair of the eighth meeting of SBSTTA, urged the Parties to the Convention to adopt SBSTTA recommendation VIII/2 .

152. The representative of the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention) said that the proposed programme of work demonstrated clearly the exemplary way that the secretariats of the Ramsar Convention and of the Convention on Biological Diversity had been able to interact in furtherance of their shared purpose. He drew attention to the key role of the Ramsar Convention also in marine and coastal systems and the urgent need to link river-basin management with integrated coastal management. Ensuring integrated management also meant ensuring that protected areas not only existed, but also were set in a wider landscape/seascape context. The Ramsar Convention had increasingly recognized that, in order to secure the conservation and wise use of wetlands, it was essential that they be managed at basin-scale and included integrated water-resource management. One challenge was to find ways of securing appropriate allocation of water to wetlands in the face of increasing water demand for people. That issue was covered by several elements in the proposed programme of work, and it was good to see that the two secretariats were working in a complementary manner. For example, in the area of inventory and monitoring it had to be ensured that there was convergence, not confusion, in methods and terminology. Managing biodiversity change, including the overarching role of climate change in forcing some aspects of biodiversity change, was a critical need for both Conventions. Wetlands could be created as well as conserved, and the two Conventions had to strive together to start the process of not only conserving, but also rebuilding, the world's wetlands. Communication, education and public awareness (CEPA) formed an essential adjunct to all such actions, above all in ensuring that issues of traditional and indigenous knowledge were at the forefront. Tentative steps had been made in the CEPA area, but such steps had to become strides. In the wider context, too, there was a long way to go to fully realize the objectives of the two conventions. It was to be hoped that the current meeting of the Conference of the Parties would be remembered as the start of reinvigorated dynamic action at global, regional and national levels to reverse loss of wetlands, slow the loss of biodiversity and reduce the gain of undesirable biodiversity.

153. During the discussion of the item, statements were made by Argentina, Australia, Botswana, Brazil, Cameroon, Canada, Colombia (on behalf of the Latin American and Caribbean Group), Costa Rica, Cuba, El Salvador, Egypt, France, Gambia, Haiti, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Liberia, Kenya, New Zealand, Norway, Peru, Senegal (on behalf of the African Group), Switzerland, Thailand, Turkey, the United Republic of Tanzania and Venezuela.

154. The representative of Turkey emphasized that the goal of the Ramsar Convention was not the management and allocation of water which was beyond the mandate of that Convention, and recalled its reservations, made at the eighth meeting of the Conference of the Parties to the Ramsar Convention, to paragraph 18 of decision VIII/1 and box F of the annex to the same document, as well as paragraphs 12.1.2 and 12.1.3 of decision VIII/25, all of which were irrelevant to the context and obligations of the Ramsar Convention and would not constitute a legally binding instrument for Turkey. Turkey also recalled her reservations to paragraphs 6, 12 and 15 of decision VIII/1, as well as paragraph 22 and box D of the annex to the same document, which referred to the Report of the World Commission on Dams.

155. A statement was also made by the representative of FAO.

156. A statement was also made by the Global Environment Centre.

157. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

158. At its 13th meeting, on 18 February 2004, the Working Group considered a conference room paper, containing a draft decision on the biological diversity of inland water ecosystems.

159. Statements were made by the representatives of Argentina, Australia, Brazil, Burkina Faso, Canada, China, Finland, India, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kenya, New Zealand, Norway, Peru, Slovenia, South Africa, Switzerland, Thailand and Turkey.

160. The representative of New Zealand entered a reservation on paragraph 23 of the draft decision, and on objective (b) of goal 3.3 and activity 3.3.1 of goal 3.3 of the draft programme of work, which all referred to the Akwé: Kon Voluntary Guidelines.

161. At its 16th meeting on 19 February 2004, the Working Group resumed its consideration of the conference room paper.

162. Under this item, statements were made by the representatives of Argentina, Australia, Brazil, India, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), the Islamic Republic of Iran, and Turkey.

163. Working Group I again took up its consideration of the conference room paper at its 19th meeting on 20 February 2004.

164. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kuwait, Norway, the Syrian Arab Republic and Turkey.

165. The representative of the Syrian Arab Republic expressed a reservation with regard to the term “transboundary inland water” and would have preferred the use of another expression.

166. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.30.

167. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.30 and adopted it, as orally amended, as decision VII/4. The text of the decision is contained in the annex to the present report.

18.2 Marine and coastal biological diversity

168. Working Group I took up item 18.2 at its 7th meeting, on 13 February 2004. In considering the item, it had before it notes by the Executive Secretary on the draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2, pp. 48-88), the elaborated programme of work on marine and coastal biological diversity (UNEP/CBD/COP/7/12/Add.2), progress in the implementation of the programmes of work on the biological diversity of inland water ecosystems and marine and coastal biological diversity (UNEP/CBD/COP/7/12), integration of outcome-oriented targets into the programmes of work of the Convention, taking into account the 2010 biodiversity target, the Global Strategy for Plant Conservation, and relevant targets set by the World Summit on Sustainable Development (UNEP/CBD/COP/7/20/Add.5), summary report of the Ad Hoc Technical Expert Group on Marine and Coastal Protected Areas (UNEP/CBD/SBSTTA/8/9/Add.1), and conservation and sustainable use of deep seabed genetic resources beyond national jurisdiction: study of the relationship between the Convention on Biological Diversity and the United Nations Convention on the Law of the Sea (UNEP/CBD/SBSTTA/8/9/Add.3/Rev.1).

169. The Working Group also had before it, as information documents, the notes by the Executive Secretary on the proposed Ballast Water Convention and its relevance to the Convention on Biological Diversity (UNEP/CBD/COP/7/INF/24), management of risks to the biodiversity of seamounts and cold-water coral communities beyond national jurisdiction (UNEP/CBD/COP/7/INF/25 and Corr.1) and the International Coral Reef Initiative (ICRI) resolutions on small island developing states and coral reefs and on cold-water coral reefs, and their relevance to the Convention on Biological Diversity (UNEP/CBD/COP/INF/26).

170. Introducing the item, the Secretariat said that the programme of work on marine and coastal biological diversity had been approved by the Conference of the Parties at its fourth, fifth and sixth meetings in decisions IV/5, V/3 and VI/3. At its eighth meeting, SBSTTA had reviewed the implementation of the programme of work and issued recommendations VIII/3 A-D concerning its future elaboration. The Conference of the Parties was invited to consider and endorse the elaborated programme of work on marine and coastal biodiversity.

171. Mr. Jan Plesnik (Czech Republic) Chair of the eighth meeting of SBSTTA, urged the parties to the Convention to endorse the programme of work and thanked the New Zealand Government for funding and hosting the meetings on the Ad Hoc Technical Expert Group on Marine and Coastal Protected Areas.

172. Following the introduction, statements were made by the representatives of Australia, Japan, Norway, Palau, Saudi Arabia, the Seychelles and Vanuatu.

173. The Working Group resumed its consideration of this item at its 8th meeting, on 13 February 2004. During the discussion, statements were made by the representatives of Argentina, Bulgaria, Cameroon, Chile, Colombia (speaking on behalf of the Latin America and Caribbean group), the Cook Islands, Costa Rica, France, Gambia, Ghana, Haiti, Iceland, India, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Jamaica, Kenya, Kiribati, Lebanon, Maldives, Monaco, New Zealand, Peru, the Philippines, the Republic of Korea, the

Russian Federation, Senegal, Slovenia, Thailand, Togo, Turkey, Ukraine, the United Kingdom of Great Britain and Northern Ireland, and the United Republic of Tanzania.

174. A statement was made by the representative of UNESCO.

175. Statements were also made by the IUCN, the World Forum of Fisher Peoples (speaking on behalf of the National Fishworkers' Forum, Tambuyog Development Centre, JALA Advocacy Network for North Sumatra Fisherfolk, Penang Inshore Fishermen Welfare Association, Masifundise Development Organization, CeDePesca, Yadfon Association, Sustainable Development Foundation, Southern Fisherfolk Federation, Instituto Terramar, National Fisheries Solidarity, Bigkis Lakas Pilipinas, Asian Social Institute, International Collective in Support of Fishworkers, Kalpavriksh and Forest Peoples Programme) and Greenpeace (speaking on behalf of IUCN, the National Resources Defense Council, WWF, Oceana, Conservation International, the Marine Conservation Biology Institute and the New England Aquarium).

176. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

177. At its 13th meeting, on 18 February 2004, the Working Group took up consideration of a conference room paper prepared by the Chair containing a draft decision on marine and coastal biodiversity.

178. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Chile, China, Costa Rica, Cuba, France, Iceland, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Kiribati, the Republic of Korea, the Maldives, Monaco, New Zealand, Norway, Peru, the Seychelles, South Africa, Switzerland, Thailand and Turkey.

179. The representative of Turkey expressed a reservation with regard to paragraph 27 of the conference room paper, concerning the United Nations Convention on the Law of the Sea, to which Turkey was not a party. He requested that all references to the Convention be deleted from Conference documents and, if that was not possible, requested the inclusion in the record of the following statement:

“The acceptance by Turkey of the resolutions, decisions and reports adopted at the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity that contain a reference to the 1982 United Nations Convention on the Law of the Sea neither prejudices nor affects the position of Turkey *vis-à-vis* the aforementioned Convention.”

180. In view of the lack of consensus on numerous paragraphs of the document, the Working Group decided to set up a Friends of the Chair Group, chaired by the Seychelles to resolve the outstanding issues.

181. At its 17th meeting, on 19 February 2004, the Working Group resumed its consideration of the item. It had before it a conference room paper submitted by the Chair on marine and coastal biological diversity.

182. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Chile, France, Iceland, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Kenya, Kiribati, Maldives, New Zealand, Norway, Palau (on behalf of several of the small Pacific island Parties), the Republic of Korea, the Seychelles, South Africa, Turkey, and Ukraine.

183. The representative of Ireland, speaking on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries, issued a reservation on operational objective 3.2 (To achieve effective management of existing marine and coastal protected areas), as his delegation had not had time to study it.

184. Under section IV of the draft programme of work, on enabling activities, the representative of Japan expressed concern at the use of the phrase “distant-water fishing nations,” as it seemed to single out a few specific countries.

185. At its 20th meeting, on 20 February 2004, Working Group I resumed its consideration of the conference room paper submitted by the Chair on this item.

186. Statements were made by the representatives of Argentina, Australia Brazil, Chile, China, France, Iceland, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, New Zealand, the United Kingdom and Vanuatu.

187. The draft decision, as orally amended, was approved for transmission to the plenary as draft decision UNEP/CBD/COP/7/L.31 and Add.1.

188. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.31 and Add.1 and adopted it, as orally amended, as decision VII/5. The text of the decision is contained in the annex to the present report.

ITEM 19. CROSS-CUTTING ISSUES: PROGRESS REPORTS ON IMPLEMENTATION AND CONSIDERATION OF PROPOSALS FOR FUTURE ACTION

19.1. Identification, monitoring, indicators and assessments (Article 7)

189. Working Group I took up item 19.1 at its 9th meeting on 16 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4, annex I, recommendations IX/1, IX/4 and IX/10) and notes by the Executive Secretary on the draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2), on cross-cutting issues: a progress report on implementation (UNEP/CBD/COP/7/13) and on implementation of the Strategic Plan: evaluation of progress towards the 2010 biodiversity target: development of specific targets, indicators and a reporting framework (UNEP/CBD/COP/7/20/Add.3).

190. The Working Group also had before it, as information documents, notes by the Executive Secretary on the report of the Millennium Ecosystem Assessment (UNEP/CBD/COP/7/INF/34) and on provisional global indicators for assessing progress towards the 2010 biodiversity target (UNEP/CBD/COP/7/INF/33).

191. Introducing the item, the Secretariat said that the item comprised three components: environmental impact assessment and strategic environment assessment; monitoring and indicators and scientific assessment. The Conference might wish to consider SBSTTA recommendations IX/1, 4 and 10 contained in the SBSTTA report. Indicators would also be considered under agenda item 19.5 (sustainable use) and agenda item 26 (Follow-up to the World Summit on Sustainable Development, multi-year programme of work of the Conference of the Parties up to 2010, strategic plan and operations of the Convention, including the integration of outcome-oriented targets in the Convention programmes of work and evaluation of progress towards the 2010 biodiversity target).

192. During the discussion of the item, statements were made by the representatives of Canada, China, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Liberia, Norway, Saudi Arabia and Switzerland.

193. Statements were also made by UNESCO (also on behalf of the World Bank, FAO, WHO and UNDP) and FAO.

194. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

195. At its 14th meeting, on 18 February 2004, Working Group I had before it a conference room paper containing three draft decisions submitted by the Chair on, respectively, assessment processes, environmental impact assessment and strategic environmental assessment, and designing national-level monitoring programmes and indicators.

196. Statements were made by the representatives of Brazil, Canada and Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries).

197. The draft decisions, as orally amended, was approved for transmission to plenary as draft decisions UNEP/CBD/COP/7/L.11 A-C.

198. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties took up draft decisions UNEP/CBD/COP/7/L.11 A-C and adopted them as decisions VII/6, VII/7 and VII/8. The text of the decisions is contained in the annex to the present report.

19.2. Global Taxonomy Initiative

199. Working Group I took up item 19.2 at its 9th meeting, on 16 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the Work of its Ninth Meeting (UNEP/CDB/COP/7/4, annex I, recommendation IX/3) and notes by the Executive Secretary on the draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2), on cross-cutting issues: a progress report on implementation (UNEP/CBD/COP/7/13).

200. Introducing the item, the Secretariat said that progress in the implementation of the work programme had been reported to SBSTTA at its eighth and ninth meetings. The Coordination Mechanism of the GTI had also met on the margins of the ninth meeting of SBSTTA. After considering the notes by the Executive Secretary on progress in the implementation of the programme of work for the Global Taxonomy Initiative and other information documents, SBSTTA had adopted recommendation IX/3, which was contained in UNEP/CDB/COP/7/4, the report of its ninth meeting to the current Conference of the Parties, and was also contained in document UNEP/CBD/COP/7/1/Add.2. He also noted that document UNEP/CBD/COP/7/13 contained progress reports on cross-cutting issues including the Global Taxonomy Initiative.

201. During the discussion of the item, statements were made by the representatives of Bangladesh, Belgium, Brazil, Bulgaria, Burkina Faso, Cameroon, Cambodia, Canada, Colombia, Côte d'Ivoire, El Salvador, Ethiopia, Gambia, Ghana, India, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Mexico, Nepal, Papua New Guinea, Peru, Philippines, the Republic of Korea, the Russian Federation, Saudi Arabia, Senegal, Switzerland, Tanzania, Thailand, Zambia (speaking on behalf of the SADC region) and Zimbabwe.

202. A statement was also made by the representative of the Global Biodiversity Information Facility.

203. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

204. At its 14th meeting, on 18 February 2004, the Working Group considered a conference room paper, containing a draft decision on the Global Taxonomy Initiative.

205. Statements were made by the representatives of Belgium, Brazil, Canada, Colombia, El Salvador, Ethiopia, India, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Kenya, Nigeria and Thailand.

206. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.12.

207. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered the draft decision UNEP/CBD/COP/7/L.12, and adopted it as decision VII/9. The text of the decision is contained in the annex to the present report.

19.3. Global Strategy for Plant Conservation

208. Working Group I took up item 19.3 at its 10th meeting on 16 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the Work of its Ninth Meeting (UNEP/CDB/COP/7/4, annex I, recommendation IX/14), and document UNEP/CBD/COP/7/13 containing progress reports on cross-cutting issues including the Global Strategy for Plant Conservation.

209. Introducing the item, the Secretariat recalled that in its decision VI/9, the Conference of the Parties had adopted the Global Strategy for Plant Conservation, including sixteen outcome-oriented global targets for 2010. In the same decision, the Conference of the Parties had decided to review, at its eighth and tenth meetings, the progress made in reaching the global targets, and provide additional guidance in light of those reviews, including, as necessary, refinement of the targets. It had further decided to consider the Global Strategy for Plant Conservation as a pilot approach for the use of outcome targets under the Convention within the context of the Strategic Plan, and also consider the wider application of this approach to other areas under the Convention, including other taxonomic groups. The Executive Secretary had reported to SBSTTA at its ninth meeting on the progress in implementation and development, together with proposals for the refinement, monitoring and assessing the implementation of the Strategy, and the Subsidiary Body had adopted recommendation IX/14 on the subject.

210. During the discussion of the item, statements were made by the representatives of Burkina Faso, Canada, China, Ghana, Guatemala, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Malaysia, New Zealand, Peru, the Republic of Korea, Saudi Arabia, Seychelles, Turkey, Ukraine, and the United Kingdom of Great Britain and Northern Ireland.

211. A statement was also made by the representative of the FAO.

212. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

213. At its 14th meeting, on 18 February 2004, the Working Group considered a conference room paper, containing a draft decision on the Global Strategy for Plant Conservation. The draft decision was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.15.

214. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.15 and adopted it as decision VII/10. The text of the decision is contained in the annex to the present report.

19.4. Ecosystem approach

215. Working Group I took up item 19.4 at its 10th meeting on 16 February 2004. In considering the item, it had before it recommendation IX/6 of the Subsidiary Body on Scientific, Technical and Technological Advice (UNEP/CDB/COP/7/4, annex I), and the note by the Executive Secretary on progress on cross-cutting issues, including the ecosystem approach (UNEP/CBD/COP/7/13).

216. Introducing the item, the Secretariat recalled that in its decision V/6, the Conference of the Parties had requested the Executive Secretary to collect, analyse, and compare identified case-studies and pilot projects on the ecosystem approach, and had requested SBSTTA to review the principles and guidelines of the ecosystem approach, and prepare guidelines for its implementation based on case studies and lessons learned. In its decision VI/12, paragraph 2 (c), the Conference of the Parties had requested the Executive Secretary to develop proposals for the refinement of the principles and operational guidance of the ecosystem approach on the basis of case-studies and lessons learned, including indicators and strategies for the integration of the ecosystem approach into the programmes of work of the Convention, taking into account regional differences. In paragraph (b) of the same decision, and in decision VI/22, paragraph 19 (a), the Conference of the Parties had further requested the Executive Secretary to carry out a comparative study to clarify the conceptual basis of the ecosystem approach in relation to the concept of sustainable forest management. In response to those requests, and based on the results of an expert meeting on the ecosystem approach convened from 7 to 11 July 2003 in Montreal, Canada, with financial support from the Government of the Netherlands, the Executive Secretary had submitted to the ninth meeting of SBSTTA a document on further elaboration and guidelines for implementation of the ecosystem approach, drawing on the report of the expert meeting. As a result, SBSTTA had adopted recommendation IX/6 for consideration by the Conference of the Parties. Additional information on the topic was provided in the relevant section of document UNEP/CBD/COP/7/13.

217. During the discussion of the item, statements were made by the representatives of Australia, Bangladesh, Belize, Botswana, Bulgaria, Canada, Finland, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Malaysia, Mexico, Netherlands, Nigeria, New Zealand, Norway, Peru, Saudi Arabia, Senegal, Switzerland, Syrian Arab Republic, Thailand, Togo, Turkey, the United Kingdom of Great Britain and Northern Ireland, the United Republic of Tanzania and Zambia.

218. Statements were also made by FAO and UNESCO.

219. Statements were likewise made by the representative of IUCN – the World Conservation Union, the International Indigenous Forum on Biodiversity and the World Wide Fund for Nature.

220. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

221. At its 14th meeting, on 18 February 2004, Working Group I considered a conference room paper containing a draft decision submitted by the Chair on the ecosystem approach.

222. Under this item, statements were made by the representatives of Argentina, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, New Zealand and South Africa.

223. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.14.

224. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.14, and adopted it, as orally amended, as decision VII/11. The text of the decision is contained in the annex to the present report.

19.5. Sustainable use (Article 10)

225. Working Group I took up item 19.5 at its 10th meeting on 16 February 2004. In considering the item, it had before it notes by the Executive Secretary on cross-cutting issues: progress reports on implementation (UNEP/CBD/COP/7/13) and on draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2).

226. Introducing the item, the Secretariat said that in decision VI/13, the Conference of the Parties had requested the Executive Secretary to organize a fourth open-ended workshop on the sustainable use of biological diversity to synthesize the outcome of the previous three workshops in Mozambique, Viet Nam and Ecuador, integrate different views and regional differences and develop a final set of practical principles and operational guidelines on the sustainable use of biological diversity. The Conference of the Parties had further requested the Executive Secretary to submit the final set of guidelines to SBSTTA for consideration prior to the seventh meeting of the Conference of the Parties. In response to those requests, the Executive Secretary had convened a fourth open-ended workshop in Addis Ababa, Ethiopia in May 2003. The workshop had formulated the Addis Ababa Principles and Guidelines for the Sustainable Use of Biological Diversity. The report of the meeting had been submitted to the ninth meeting of SBSTTA. The latter had adopted the guidelines in recommendation IX/7. The Conference of the Parties was therefore invited to consider that SBSTTA recommendation.

227. Mr. Alfred Oteng-Yeboah (Ghana) Chair of the ninth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice, thanked the Governments of Norway and the Netherlands for the financial support they had provided for the workshop in Addis Ababa. At the latter, an attempt had been made to harmonize the language of the texts emanating from the previous workshops.

228. During the discussion of the item, statements were made by the representatives of Argentina, Australia, Bangladesh, Bolivia, Chile, Colombia (speaking on behalf of the Latin America and Caribbean Group), Cuba, Ghana (on behalf of the African Group), Guatemala, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Kuwait (on behalf of the Arab Group), Mexico, Namibia, New Zealand, the Russian Federation, Norway, Thailand, Turkey and Yemen.

229. A statement was also made by the World Wide Fund for Nature.

230. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.

231. At its 16th meeting on 19 February 2004, the Working Group resumed its consideration of a conference room paper submitted by the Chair on sustainable use (Article 10).

232. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kuwait, New Zealand, the Russian Federation, Seychelles, Turkey and the United Kingdom.

233. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.17.

234. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.17.

235. The representative of Australia stated that his Government was pleased to support the consensus on the understanding that Parties would implement the decision in a manner consistent with their international rights and obligations.

236. Draft decision UNEP/CBD/COP/7/L.17 was then adopted, as orally amended, as decision VII/12. The text of the decision is contained in the annex to the present report.

19.6. Alien species that threaten ecosystems, habitats or species (Article 8 (h))

237. Working Group I took up item 19.6 at its 11th meeting on 17 February 2004. In considering the item, it had before it the report of the ninth meeting of SBSTTA (UNEP/CBD/COP/7/4), containing recommendation IX/15 on invasive alien species and document UNEP/CBD/COP/7/13, presenting the progress reports on cross-cutting issues, including invasive alien species.

238. Introducing the item, the Secretariat noted that in its decision VI/23,* the Conference of the Parties had adopted the Guiding Principles for the Prevention, Introduction and Mitigation of Impacts of Invasive Alien Species. He recalled that one Party had entered a formal objection to that decision. In the same decision, the Conference of the Parties had requested the Executive Secretary to, *inter alia*, support the development and dissemination of technical tools and related information, integrate invasive alien species considerations into thematic work programmes of the Convention, explore means to facilitate capacity enhancement for eradication work on alien species on continents and islands, and identify mechanism(s) for providing Parties with access to financial support in cooperation with the Global Invasive Species Programme (GISP) and other relevant organizations. A report on progress of the implementation of those items had been presented to the ninth meeting of SBSTTA. In addition, SBSTTA had considered a document on identification of specific gaps and inconsistencies in the international regulatory framework, and had adopted recommendation IX/15 on invasive alien species.

239. The representative of the Global Invasive Species Programme noted that the past few years had seen an increasing recognition of invasive alien species as a major threat to biodiversity across all ecosystems, including in protected areas. There was also mounting evidence of the enormous socioeconomic costs associated with their impact on agriculture, food security, ecosystem services and human health. With estimates of the costs, even to developing countries, running into billions of dollars, invasive alien species were not simply a biodiversity issue but also a development issue. One of the consequences of the growing realization had been the establishment of the Global Invasive Species Programme (GISP) as a partnership network originally set up by IUCN – the World Conservation Union, CABI and SCOPE with support from UNEP and the GEF. With funding from the World Bank a secretariat had been established in Cape Town. GISP had been designated as the international thematic focal point on invasive alien species under the Clearing House Mechanism; had been asked to give support to the Global Taxonomy Initiative and to assist with the implementation of Target 20 of the Global Plant Conservation Strategy; and had been named as a partner organization in the invasive alien species components of many thematic programmes. The GISP Secretariat had undertaken a number of initial steps toward fulfilling those responsibilities, including launching a website with an interactive map;

* One representative entered a formal objection during the process leading to the adoption of this decision and underlined that he did not believe that the Conference of the Parties could legitimately adopt a motion or a text with a formal objection in place. A few representatives expressed reservations regarding the procedure leading to the adoption of this decision (see UNEP/CBD/COP/6/20, paras. 294-324)

issuing a newsletter; publishing some regionally-based awareness-raising booklets; translating the GISP Toolkit and Global Strategy into French and Spanish; commissioning the development of a number of best practices manuals; initiating the development of a modular training course on invasive alien species; and taking initial steps towards production of a marine toolkit.

240. During the discussion of the item, statements were made by the representatives of Argentina, Australia, Bangladesh, Canada, Egypt, Ghana, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Kenya, Malaysia, New Zealand, Palau, Senegal, South Africa, Thailand, Vanuatu and Zambia.

241. A statement was also made by the representative of Defenders of Wildlife.

242. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.

243. At its 15th meeting, on 18 February 2004, the Working Group considered a conference room paper, containing a draft decision on alien species that threaten ecosystems, habitats or species.

244. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, France, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Italy, Jamaica, Kenya, Malaysia, New Zealand, Norway, Russian Federation and Seychelles.

245. At its 16th meeting on 19 February 2004, the Working Party resumed its consideration of a conference room paper submitted by the Chair on alien species that threaten ecosystems, habitats or species (Article 8(h)).

246. Statements were made by the representatives of Argentina, Australia, Canada, Ethiopia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Norway and South Africa.

247. Working Group I again took up its consideration of the conference room paper submitted by the Chair on this item at its 19th meeting on 20 February 2004.

248. Statements were made by the representatives of Brazil, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), New Zealand, and Seychelles.

249. The draft decision, as orally amended, was approved for transmission to the plenary as draft decision UNEP/CBD/COP/7/L.18.

250. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered the draft decision on alien species that threaten ecosystems, habitats or species (Article 8(h)).

251. The representative of Australia stated that his Government regretted that no language had been agreed on a chapeau on trade and trade-related matters. Australia supported the consensus on the understanding that the Parties would implement the decision in a manner consistent with their international rights and obligations.

252. Draft decision UNEP/CBD/COP/7/L.18 was adopted, as orally amended, as decision VII/13. The text of the decision is contained in the annex to the present report.

19.7. *Biological diversity and tourism*

253. Working Group I took up item 19.7 at its 11th meeting on 17 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the Work of its eighth meeting (UNEP/CBD/COP/7/3) and notes by the Executive Secretary on cross-cutting issues: progress reports on implementation ((UNEP/CBD/COP/7/13) and draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2).

254. Introducing the item, the Secretariat said that in decision VI/14, the Conference of the Parties had welcomed the joint efforts of the Convention on Biological Diversity, UNEP, the Commission on Sustainable Development and the World Tourism Organization, had taken note of the progress made in the development of the draft guidelines for sustainable tourism in vulnerable ecosystems and had requested the Executive Secretary to review the draft guidelines following consultation and to transmit the reviewed draft to SBSTTA for consideration prior to the seventh meeting of the Conference of the Parties. Accordingly, at its eighth meeting, SBSTTA had reviewed the draft Guidelines on Biodiversity and Tourism Development and had made recommendations on future action. The Conference of the Parties was therefore invited to consider the SBSTTA recommendations (UNEP/CBD/COP/7/3, annex I, recommendation VIII/5) and any proposals by the Executive Secretary on future action in light of the SBSTTA recommendations and any other relevant information contained in document UNEP/CBD/COP97/13.

255. During the discussion of the item, statements were made by the representatives of Australia, the Bahamas, Belize, Benin, Botswana, Bulgaria, Canada, Ecuador, Egypt, France, Gambia, Malaysia, Maldives, Mexico, Panama, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Jamaica, Japan, Kenya, Kuwait, Saudi Arabia, Switzerland, Syrian Arab Republic, Thailand, Tonga, Turkey and Venezuela.

256. A statement was also made by the observer from the United States of America.

257. A statement was also made by the International Indigenous Forum on Biodiversity.

258. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor, for the consideration of the Working Group at a subsequent meeting.

259. Under this item, at its 15th meeting, on 18 February 2004, Working Group I heard a joint statement from Acción Ecológica, Consumers Association Penang, Ecumenical Coalition on Tourism, Forest Peoples Programme, International Support Centre for Sustainable Tourism, Netherlands Centre for Indigenous Peoples, Sahabat Alam Malaysia, Third World Network and Tourism Investigation and Monitoring Team.

260. The Secretariat emphasized that the Guidelines on Biodiversity and Tourism Development had been the result of a lengthy consultative process over a three-year period, which had provided ample opportunity for all stakeholders concerned to participate in, and have an impact on, the process.

261. The Working Group then considered a conference room paper containing a draft decision submitted by the Chair on biological diversity and tourism.

262. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, France, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kenya, New Zealand, the Russian Federation and Switzerland.

263. The draft decision on biological diversity and tourism, as orally amended, was approved for transmission to the plenary as draft decision UNEP/CBD/COP/7/L.10.

264. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.10, and adopted it as decision VII/14. The text of the decision is contained in the annex to the present report.

19.8. Article 8(j) and related provisions

265. Working Group II took up item 19.8 at its 5th meeting on 12 February 2004. In considering the item, the Working Group had before it the report of the third meeting of the Ad Hoc Open-ended Inter-Sessional Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity (UNEP/CBD/COP/7/7) and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2, pp. 161-191).

266. The Working Group also had before it, as an information document, the note by the Executive Secretary on the implications of the International Treaty on Plant Genetic Resources for Food and Agriculture on the issues under Article 8(j) and Related Provisions (UNEP/CBD/COP/7/INF/18).

267. Introducing the item, the Secretariat said that, in its decision VI/10, the Conference of the Parties had decided to reconvene the Ad Hoc Open-ended Inter-Sessional Working Group on Article 8(j) and Related Provisions prior to its seventh meeting to ensure further advancement of the work programme on Article 8(j) and related provisions, which had been adopted by the Conference of the Parties at its fifth meeting, in decision V/16. In decision VI/10, the Conference of the Parties had also decided to launch the first phase of the composite report on the status and trends regarding the knowledge, innovations and practices of indigenous and local communities relevant to the conservation and sustainable use of biological diversity.

268. The Working Group on Article 8(j) had met in December 2003 and reviewed progress in the priority tasks of the work programme and their integration into the thematic programmes. It had also considered the report on the first phase of the composite report, as well as the guidelines for the conduct of cultural, environmental and social impact assessments regarding developments proposed to take place on, or which were likely to impact on, sacred sites and on lands and waters traditionally occupied or used by indigenous and local communities. The Working Group on Article 8(j) had also considered further work *inter alia* on: participatory mechanisms for indigenous and local communities in the implementation of the Convention; the report of a technical expert group on the roles and responsibilities of a thematic focal point within the clearing-house mechanism of the Convention and on the further development of communications networks for use by indigenous and local communities; as well as on the assessment of the effectiveness of strategies to protect traditional knowledge, innovations and practices based on a combination of appropriate approaches.

269. The Working Group on Article 8(j) had also considered three additional items, pertaining to issues related to technology transfer and cooperation; genetic use restriction technologies (GURTs); and the recommendations of the Permanent Forum on Indigenous Issues addressed to the Convention on Biological Diversity.

270. During the discussion of the item, statements were made by the representatives of Australia, Brazil, Canada, Egypt (on behalf of the African Group), Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Mexico, Norway, Palau (on behalf of the Group of Small Island Developing States), Philippines, Republic of Korea, Russian Federation (on behalf of the Central and Eastern European Group and on its own behalf), Rwanda, Spain, Switzerland, Turkey and United Republic of Tanzania.

271. Statements were also made by the International Indigenous Forum on Biodiversity, International Network of Indigenous Women on Biodiversity and the South Asia Indigenous Women's Forum.

272. The Working Group continued its discussion under this item at its 6th meeting on 12 February 2004. During the discussion statements were made by the representatives of Argentina, Austria, Bangladesh, Bolivia, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Kenya, Malaysia, Namibia, Nepal, Philippines and Saudi Arabia.

273. Statements were also made by the representatives of the United Nations Permanent Forum on Indigenous Issues and the World Intellectual Property Organization.

274. The International Chamber of Commerce and the ETC Group also made statements.

275. At the 8th meeting of the Working Group, on 13 February 2004, a statement was made by Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries).

276. A statement was also made by the representative of the International Chamber of Commerce.

277. At its 12th meeting of the Working Group, on 17 February 2004, the Group considered a conference room paper submitted by the Chair, containing draft decisions on Article 8 (j) and related provisions. Statements were made by the representatives of Australia, Canada, Egypt, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, New Zealand, Norway, the Philippines, Switzerland, Turkey and Zambia.

278. The observer from the International Indigenous Forum on Biodiversity wished the report of the meeting to reflect his concern that the text currently before the meeting in the conference room paper represented a compromise agreed upon between Parties, and he expressed a reservation that the text was significantly weaker than the original.

279. A statement was also made by the representative of the International Chamber of Commerce.

280. At its 16th meeting on 19 February 2004, following consultations among delegations, the Working Group again took up its consideration of the draft decisions on Article 8(j) and related provisions.

281. Statements were made by the representatives of Antigua and Barbuda, Bolivia, Brazil, Canada, Colombia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Mexico, Norway, Rwanda and Senegal.

282. At its 17th meeting, on 19 February 2004, following consultations among delegations, the Working Group continued its consideration of the draft decisions on Article 8(j) and related provisions.

283. Statements were made by the representatives of Ethiopia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Mexico, and Uruguay.

284. At its 19th meeting, on 20 February 2004, the Working Group continued its consideration of the draft decisions on Article 8(j) and related provisions.

285. The representative of Ireland, speaking on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries, wished the report of the meeting to reflect

that those delegations supported the draft decisions and that their final acceptance in plenary was subject to a satisfactory solution of the issues pertaining to protected areas and the Strategic Plan of the Convention.

286. Following the statements, the draft decisions on Article 8(j) and related provisions were approved for transmission to plenary. The approved draft decisions were circulated under the symbol UNEP/CBD/COP/7/L.19, which was subsequently reissued for technical reasons as draft decision UNEP/CBD/COP/7/L.19/Rev.1.

287. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties took up draft decisions A-I in document UNEP/CBD/COP/7/L.19/Rev.1. Introducing the draft, the Secretariat made a technical correction by deleting a phrase that appeared in the reissued document, but which had been absent from the unrevised text.

288. In answer to a query about the reason for the deletion, the Secretariat said that it had been understood that there was consensus to delete the phrase in question. Many Parties stated that, in their view, there had been no consensus to delete the phrase, and one of them expressed concern at the different versions of the draft decision.

289. The Chair of Working Group II said that, in his view, the text in question should not be deleted from the revised version of the draft decision.

290. Following informal consultations, the representative of New Zealand said that the reissued document had contained more than editorial changes and had been circulated without discussion or the consensus of the Parties. New Zealand would not block consensus on its adoption but was uneasy at the regrettable position that the country had been put in. It appeared that a most improper process had been employed in the formulation of the draft decisions. In part, that stemmed from the mistaken assumption that a draft decision emanating from a subsidiary body was somehow sacrosanct. She reiterated that the role of a subsidiary body was to prepare advice and to refer ideas to the Conference of the Parties, where final decisions could be taken only at the plenary session, by appropriately accredited delegations.

291. Concerning the draft decisions, her Government could agree to the development of *sui generis* systems for the protection of the traditional knowledge, innovations and practices of indigenous and local communities, and the examination of such systems was both necessary and important. However, while her Government intended to participate in the development of that task, she wished to make clear that the work on the subject in any forum in response to any decision adopted at the current session would be subject to national jurisdiction.

292. The draft decisions were then adopted without amendment as decisions VII/16 A-I. The text of the decisions is contained in the annex to the present report.

293. The representative of New Zealand said that her country had joined the adoption by consensus of all the decisions put forward under Article 8(j) and related provisions. However, in respect of decision VII/16 H, on the Akwé: Kon Voluntary Guidelines, she expressed a reservation that, in accordance with Article 8(j) of the Convention, the application of those Voluntary Guidelines in New Zealand would be considered in the light of their consistency with domestic policy and national legislation, and with developing international standards on the rights of indigenous peoples. Following such consideration, New Zealand might wish to comment further on those Voluntary Guidelines.

294. The representative of Ethiopia expressed support for the view of New Zealand that the role of a subsidiary body was to prepare advice for the Conference of the Parties, where final decisions would be taken in plenary session.

19.9. Liability and redress (Article 14, paragraph 2)

295. Working Group II took up item 19.9 at its 9th meeting on 16 February 2004. In considering the item, it had before it the note by the Executive Secretary on cross-cutting issues, progress reports on implementation (UNEP/CBD/COP/7/13) and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2) page 192.

296. Introducing the item, the Secretariat said that, in its decision VI/11, the Conference of the Parties had, *inter alia*, requested the Executive Secretary to convene a group of legal and technical experts on liability and redress in the context of paragraph 2 of Article 14 of the Convention. The mandate of the group, as set out in paragraph 1 of the decision, was to review the information gathered by the Executive Secretary in accordance with paragraph 2, and to conduct further analysis of pertinent issues specified in the decision. In addition, by paragraph 2 of decision VI/11, the Conference of the Parties requested the Executive Secretary to continue collecting relevant information and to conduct analysis of such information and other relevant issues with the cooperation of Parties, Governments and relevant international organizations, and to make such information available prior to convening the group of legal and technical experts. The Executive Secretary had undertaken information-gathering and analysis of pertinent issues and prepared relevant documentation for the proposed meeting of legal and technical experts. He had also requested and received nominations from Parties, Governments and relevant international organizations, including non-governmental organizations and convention secretariats, of qualified legal and technical experts and had made a tentative selection of experts for the meeting. The meeting of the group of legal and technical experts had been scheduled for Montreal, in June 2003. However, because of lack of funds, the meeting had had to be postponed. In the light of the failure to convene the group of legal and technical experts, the Working Group might wish to consider a future course of action. A draft decision for the consideration of the Conference of the Parties was contained in the compilation of draft decisions prepared by the Executive Secretary (UNEP/CBD/COP/7/1/Add.2, p. 192).

297. During the discussion of the item, statements were made by the representatives of Argentina, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Switzerland and the United Republic of Tanzania.

298. In his statement, the representative of Switzerland reiterated his Government's offer to provide support for the convening of an expert group meeting on liability and redress.

299. Following the statements, the Working Group approved the draft decision on liability and redress, as contained in the compilation of draft decisions prepared by the Executive Secretary (UNEP/CBD/COP/7/1/Add.2, p. 192), for transmission to plenary as draft decision UNEP/CBD/COP/7/L.5.

300. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.5, and adopted it as decision VII/17. The text of the decision is contained in the annex to the present report.

19.10. Incentive measures (Article 11)

301. Working Group II took up item 19.10 at its 9th meeting on 16 February 2004. In considering the item, it had before it the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4) and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2) pages 193 to 203.

302. The Working Group also had before it, as an information document the note by the Executive Secretary on the synthesis report on information and incentive measures received from Parties and organizations (UNEP/CBD/COP/INF/13).

303. Introducing the item, the Secretariat said that, in decision VI/15, the Conference of the Parties had requested the Executive Secretary, “in collaboration with relevant organizations, to elaborate proposals for the application of ways and means to remove or mitigate perverse incentives”. To that end, the Executive Secretary had convened a workshop on incentive measures for the conservation and sustainable use of biological diversity in Montreal, Canada, from 3 to 5 June 2003, with financial support from the Government of the Netherlands. The SBSTTA, at its ninth meeting, had considered the conclusions of the Workshop and a background note prepared by the Executive Secretary. By recommendation IX/9, contained in the annex to the report of the Subsidiary Body at its ninth meeting (UNEP/CBD/COP/7/4), the Subsidiary Body recommended that the Conference of the Parties further consider the proposals for the application of ways and means to remove or mitigate perverse incentives. The Subsidiary Body had adopted a number of recommendations on the further implementation of the programme of work on incentive measures. By decision VI/15 of the Conference of the Parties, the Executive Secretary had also been requested to “continue compiling and disseminating the information on incentive measures submitted by Parties and organizations, through the clearing-house mechanism and other means”. In the information document UNEP/CBD/COP/INF/13 the Executive secretary provided a synthesis of the information that had been received from Parties and organizations. In addition, the Secretariat had also published, with financial support from the Government of the Netherlands, a brochure on the proposals for the design and implementation of incentive measures that were endorsed by the Conference of the Parties at its sixth meeting. A CD-ROM attached to that brochure contained an offline version of the revised webpages on incentive measures, which provided comprehensive information on incentive measures submitted by Parties, Governments and organizations. Under this item, the Conference of the Parties was invited to consider recommendation IX/9 of the SBSTTA. In particular, the Conference of the Parties was invited to review and endorse the proposals for the application of ways and means to remove or mitigate perverse incentives.

304. During the discussion of the item, statements were made by the representatives of Argentina, Australia, Brazil, Finland, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Mali, Senegal, South Africa, and Tunisia.

305. Following the statements, the Working Group agreed to continue informal consultations on this item.

306. At its 13th meeting, on 18 February 2004, the Working Group continued its discussion on incentive measures.

307. Statements were made by the representatives of Argentina, Australia and Ireland (on behalf of the European Union and the Acceding Counties and Bulgaria and Romania as Candidate Countries).

308. Following the statements, the Working Group agreed to continue informal consultations on this item.

309. At its 14th meeting, on February 18 2004, the Working Group continued its discussion on this item.

310. Statements were made by the representatives of Argentina, Australia and Canada.

311. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

312. At its 16th meeting on 19 February 2004, the Working Group took up its consideration of a conference room paper, containing a draft decision on incentive measures.

313. Statements were made by the representatives of Argentina, Brazil, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries) and Uruguay.

314. Following the statements, the Working Group agreed to continue informal consultations on this matter.

315. At its 17th meeting, on 19 February 2004, the Working Group continued its discussion of this item.

316. Statements were made by Argentina, Australia, Brazil, Canada and Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries).

317. At its 18th meeting, on 20 February 2004, the Working Group took up consideration of a revised conference room paper, containing a draft decision on incentive measures. The draft decision was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.33.

318. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.33.

319. The representative of Argentina wished the report of the meeting to reflect his deep concern at the incentive policies applied, which gave rise to distortions and which jeopardized conditions for the natural resources and the economy of Argentina. The issue of powerful countries unjustly subsidizing their agriculture was a political question, and could not be solved at the current meeting. He expressed profound concern at paragraphs 1 5, 6, 8 to 14, 20, 21, 24, 25, 34, 36, 37 and 41 of the draft decision. He considered that those paragraphs should be reviewed and reformulated by the next meeting of the Subsidiary Body on Scientific, Technical and Technological Advice.

320. Draft decision UNEP/CBD/COP/7/L.33 was adopted as decision VII/18. The text of the decision is contained in the annex to the present report.

19.11. Access and benefit-sharing as related to genetic resources (Article 15)

321. Working Group II took up item 19.11 at its 4th meeting on 11 February 2004. In considering the item, it had before it the reports of the Open-ended Expert Workshop on Capacity-building for Access to Genetic Resources and Benefit-sharing (UNEP/CBD/ABS/EW-CB/1/3), the Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010 (UNEP/CBD/COP/7/5), the Ad Hoc Open-ended Working Group on Access and Benefit-sharing on the work of its second meeting (UNEP/CBD/COP/7/6), a note by the Executive Secretary on progress reports on implementation (UNEP/CBD/COP/7/13) and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2, pp. 203-224).

322. The Working Group also had before it, as information documents, a technical study on disclosure requirements related to genetic resources and traditional knowledge (UNEP/CBD/COP/7/INF/17) and a letter from the President of the International Union of Biological Sciences addressed to the Executive Secretary of the Convention on Biological Diversity (UNEP/CBD/COP/7/INF/39).

323. Introducing the item, the Secretariat said that the draft action plan developed by the Open-ended Expert Workshop on Capacity-building for Access and Benefit-sharing had been included in the compilation of draft decisions in document UNEP/CBD/COP/7/1/Add.2. He also said that, at its second

meeting, the Ad Hoc Open-ended Working Group on Access and Benefit-Sharing had, as mandated by the Conference of the Parties in decision VI/24 A, addressed the issues of the use of terms in the Bonn Guidelines, the measures to ensure prior informed consent, the need for capacity-building and other approaches to assist Parties and stakeholders with the implementation of access and benefit-sharing arrangements. The Working Group was invited to consider the recommendations of the both the Open-ended Expert Workshop and the Ad Hoc Open-ended Working Group on all of these issues.

324. During the discussion of the item, statements were made by the representatives of Algeria, Argentina, Australia, Bangladesh, Canada, Colombia (on behalf of the Latin America and Caribbean Group and on its own behalf), Costa Rica, Egypt (on behalf of the African Group), Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Mexico (on behalf of the Like-minded Megadiverse Countries), Norway, Palau, Switzerland, Thailand, Turkey, Uganda, and the United Republic of Tanzania.

325. A statement was also made by the International Union for the Protection of New Varieties of Plants (UPOV).

326. The International Indigenous Forum on Biodiversity also made a statement.

327. Following the statements, the Working Group agreed to form a contact group, co-chaired by Mr. François Pythoud (Switzerland) and Mr. David Hafashimana (Uganda) to revise the wording of draft decisions D and E on access and benefit-sharing in the compilation of draft decisions prepared for the consideration of the Conference of the Parties at its seventh meeting.

328. At its 8th meeting, on 13 February 2004, the Working Group heard a report from Mr. David Hafashimana (Uganda) on the work of the contact group. A statement was also made by the representative of the World Intellectual Property Organization.

329. At its 11th meeting, on 17 February 2004, Mr. Pythoud (Switzerland) gave an interim report on the work of the contact group. He said that, while progress had been made on a number of elements, a group of Friends of the Chair had been constituted, comprising Argentina, Australia, Brazil, Canada, China, Colombia, Ethiopia, the European Community, India, Japan, Kenya, Malaysia, Mexico, Norway, the Russian Federation and South Africa, to consult on outstanding issues. In answer to a query, he explained that delegates had decided that the group of Friends of the Chair should comprise only representatives of Parties to the Convention. However, he assured the meeting that the concerns of the observers from the International Indigenous Forum on Biodiversity would be integrated into the output of the group.

330. At its 13th meeting, on 18 February 2004, the Working Group heard a further report from Mr. Pythoud (Switzerland) on the work of the contact group.

331. At its 14th meeting, on 18 February 2004, the Working Group considered a conference room paper containing draft decisions on access and benefit-sharing as related to genetic resources.

332. In introducing the conference room paper, the Secretariat stressed that the document was essentially the same as the draft decisions contained in the compilation of draft decisions (UNEP/CBD/COP/7/1/Add.2, pp. 203-224), and that only draft decisions D and E had been changed, following the recommendations of the contact group.

333. Statements were made by the representatives of Colombia and Ireland (on behalf of the European Union and the Acceding Countries and Bulgarian and Romania as Candidate Countries).

334. At its 15th meeting, on 19 February 2004, the Working Group resumed its consideration of the conference room paper containing draft decisions on access and benefit-sharing as related to genetic resources.

335. Statements were made by the representatives of Argentina, Brazil, France, Malaysia, Mexico (on behalf of the Like-minded Megadiverse Countries), Peru, Russian Federation, Thailand and United Republic of Tanzania.

336. At its 16th meeting, on 19 February 2004, the Working Group continued its consideration of the draft decisions. Statements were made by the representatives of Argentina, Australia, Canada, China, Colombia, Egypt (on behalf of the African Group), Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries), Japan, Malaysia, Mexico, New Zealand, Switzerland and Uganda.

337. The representative of Thailand expressed her Government's interest in participating in a meeting of the Ad Hoc Open-ended Working Group on Access and Benefit-Sharing and confirmed its offer to host a meeting of the Ad Hoc Working Group in the inter-sessional period prior to the eighth meeting of the Conference of the Parties. The meeting welcomed the generous offer of the Government of Thailand.

338. At its 17th meeting, on 19 February 2004, the Working Group continued its consideration of the the draft decisions on access and benefit-sharing as related to genetic resources.

339. Statements were made by the representatives of Canada, Ethiopia, Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries), Malaysia and Mexico.

340. At its 19th meeting, on 20 February 2004, the Working Group considered a revised conference room paper, containing a draft decision on access and benefit-sharing as related to genetic resources.

341. The representative of Ireland, speaking on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries, wished the report of the meeting to reflect that his delegation supported the draft decision and that its final acceptance in plenary was subject to a satisfactory solution of the issues pertaining to protected areas and the Strategic Plan of the Convention.

342. A statement was made by the representative of Canada.

343. The draft decisions on access and benefit-sharing as related to genetic resources were approved for transmission to plenary as draft decisions UNEP/CBD/COP/7/L.28 A-F.

344. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties took up draft decisions UNEP/CBD/COP/7/L.28 A-F.

345. At the same session, the representative of Thailand announced an offer by his country to host a meeting of the Ad Hoc Open Ended Working Group on Access and Benefit-Sharing. The Conference of the Parties welcomed the offer by Thailand.

346. The representative of Spain announced an offer by his country to host a meeting of the Ad Hoc Open Ended Working Group on Access and Benefit-Sharing. The Conference of the Parties welcomed the offer by Spain.

347. Draft decisions UNEP/CBD/COP/7/L.28 A-F were then adopted as decisionS VII/19 A-F. The text of the decisionS is contained in the annex to the present report.

19.12. Biodiversity and climate change

348. Working Group I took up item 19.12 at its 9th meeting on 18 February 2004. In considering the item, it had before it the notes by the Executive Secretary on draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2) and on cross-cutting issues: progress reports on implementation (INEP/CBD/COP/7/13) and the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4, annex I, recommendation IX/11).

349. Introducing the item, the Secretariat said that in response to requests of the Conference of the Parties at its fifth and sixth meetings, the Ad Hoc Technical Expert Group on Biological Diversity and Climate Change had published a report on interlinkages between biological diversity and climate change which had been submitted to the ninth meeting of SBSTTA. The latter had welcomed the report and commended it to the Conference of the Parties as scientific advice which might form the basis of future work. Hence the Conference of the Parties was invited to consider SBSTTA recommendation IX/11.

350. At the start of the discussion of the item, a statement was made by Mr. Horst Korn (Germany) a member of the Ad Hoc Technical Expert Group on Biological Diversity and Climate Change. He said that human activities were primarily responsible for warming the Earth's climate and that the increase in temperature was having direct and indirect effects on ecological systems and biodiversity. Some ecosystems were extremely vulnerable to climate change, but adaptation and mitigation options embedded in sustainable development plans could reduce some short and long-term impacts on biodiversity. A range of tools and processes were available to assess the economic, environmental and social implications of different climate change mitigation and adaptation projects and policies and to select response options. Land use, land-use change and forestry projects could be used to advance sustainable development for developing countries while sequestering carbon and providing technology benefits if the projects were designed with explicit attention to environmental, economic and social dimensions.

351. A statement was then made by Mr. Alfred Oteng-Yeboah (Ghana), Chair of the ninth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice. He expressed gratitude to the Finnish Government for the financial support it had provided for two meetings of the Ad Hoc Technical Group of Experts. SBSTTA had noted that since the primary motivation for cooperation was a desire to create synergy, its role was therefore to promote synergy to combat climate change and desertification and encourage sustainable use.

352. Statements were made by the representatives of Australia, Bangladesh, Brazil, Bulgaria, Cameroon, Canada, Chile, China, Finland, Indonesia, Ireland (speaking on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Japan, Maldives, New Zealand, Norway, Pakistan, Palau, Russian Federation, Seychelles, Switzerland, Ukraine, the United Republic of Tanzania, Thailand, Vanuatu and Zambia.

353. Statements were also made by the representatives of Defenders of Wildlife and of Wetlands International together with the Global Environment Centre.

354. A statement was likewise made by the representative of UNFCCC.

355. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.

356. At its 14th meeting, on 18 February 2004, Working Group I had before it a conference room paper submitted by the Chair containing a draft decision on biodiversity and climate change.

357. Under this item statements were made by the representatives of Australia, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, New Zealand and Norway.

358. The draft decision, orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.16.

359. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.16 and adopted it as decision VII/15. The text of the decision is contained in annex to the present report.

360. At the 11th plenary session of the meeting, on 20 February 2004, the representative of Finland announced that his Government was prepared to continue supporting further work on biodiversity and climate change and that it would host a workshop on that topic.

ITEM 20. MECHANISMS FOR IMPLEMENTATION

20.1. Financial resources and mechanism (Articles 20 and 21)

361. Working Group II took up item 20.1 at its 7th meeting on 13 February 2004. In considering the item, it had before it the notes by the Executive Secretary on financial resources and mechanism (Articles 20 and 21) - additional financial resources (UNEP/CBD/COP/7/18); on the report of the Global Environment Facility (UNEP/CBD/COP/7/9); and on financial resources and mechanisms (Articles 20 and 21) - arrangements for the third review of the effectiveness of the financial mechanism (UNEP/CBD/COP/7/17/Add.5).

362. The Working Group also had before it, as an information document, the note by the Executive Secretary on compilation of previous guidance given to the financial mechanism by the Conference of the Parties (UNEP/CBD/COP/7/INF/1).

363. Introducing the item, the Secretariat said that under item 20.1, the Working Group was invited to consider three interrelated sub-items: (a) additional financial resources; (b) guidance to the financial mechanism; and (c) the third review of the effectiveness of the financial mechanism.

364. Concerning sub-item (a), the Conference of the Parties had considered financial resources issues at all its previous meetings. At its sixth meeting, it had adopted a comprehensive decision (decision VI/16) containing actions to be undertaken by Parties and Governments, relevant institutions and the Secretariat. The recommendations in document UNEP/CBD/COP/7/18 were mostly in line with the existing decisions that had already been adopted by the Conference of the Parties, e.g., monitoring of financial support for the Convention, collaboration with funding institutions, establishment of working relationships with the private sector through a global initiative on banking, business and biodiversity, harnessing of debt reduction/cancellation for purposes of biodiversity conservation and sustainable use, as well as financing for achieving the 2010 target. The Conference of the Parties was invited to provide guidance for further action in these areas.

365. Concerning sub-item (b), the Secretariat said that, pursuant to Article 21 of the Convention, the Conference of the Parties at its first meeting had adopted a comprehensive decision on the programme priorities for the financial mechanism. Further to the Memorandum of Understanding between the Conference of the Parties and the GEF Council, the Conference of the Parties at each of its subsequent meetings had provided an additional set of guidance to the financial mechanism. The Conference was invited to consider providing further guidance to the financial mechanism on the basis of its consideration of the report of the Global Environment Facility (UNEP/CBD/COP/7/9) and of the note by the Executive

Secretary on compilation of previous guidance given to the financial mechanism by the Conference of the Parties (UNEP/CBD/COP/7/INF/1), and its consideration of other agenda items.

366. Concerning sub-item (c), the Secretariat said that, pursuant to Article 21, paragraph 3 of the Convention, the Conference of the Parties had conducted the first review of the effectiveness of the financial mechanism at its fourth meeting and the second review at its sixth meeting. On the basis of the reviews, the Conference of the Parties had adopted a number of measures to improve the effectiveness of the financial mechanism. At its second meeting, the Conference of the Parties decided to undertake such review every three years. In decision VI/17, the Conference of the Parties requested the Executive Secretary and the Global Environment Facility to explore possible synergies between the review processes of the Convention and the Global Environment Facility itself, and make suggestions on the arrangements for the third review of the effectiveness of the financial mechanism. The Conference of the Parties was invited to make a decision on the third review of the financial mechanism.

367. During the discussion of the item, statements were made by the representatives of Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries) and Malaysia.

368. The Working Group continued its discussion under this item at its 8th meeting on 13 February 2004. Statements were made by the representatives of Australia, Canada, Colombia (on behalf of the Latin America and Caribbean Group), Cuba, Indonesia, Japan, Niger, Norway, Peru, Rwanda, Senegal, United Republic of Tanzania and United States of America.

369. The representative of Cuba wished the report of the meeting to reflect her concern at the refusal of the United States of America to issue the necessary travel documents to allow Cuba, as the regional member of the Council of the Global Environment Facility, to attend meetings of the Council being held in the United States of America. As a result, the region had not been represented at the previous two meetings of the Council. Cuba, supported by Colombia (speaking on behalf of the Latin America and Caribbean Group) expressed the view that, if that situation continued, the Council of the Global Environment Facility would either need to hold its meetings outside of the United States of America or else move its headquarters to another country. One representative urged the host country to take action to correct the problem of the issuance of travel documents.

370. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

371. At its 13th meeting, on 18 February 2004, the Working Group considered a conference room paper prepared by the Chair, containing a draft decision on additional financial resources. At the same time, the Working Group also considered a conference room paper prepared by the chair, containing a draft decision on arrangements for the third review of the effectiveness of the financial mechanism.

372. Statements were made by the representatives of Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgarian and Romania as Candidate Countries) and Switzerland.

373. The Working Group agreed to convene an open-ended group of Friends of the Chair co-chaired by the representatives of Canada and Senegal. The Working Group also agreed that the group of the Friends of the Chair should comprise, at a minimum, the representatives of Canada, Colombia, Cuba, Ireland, Japan, New Zealand, Niger, Norway, Peru, Philippines, Rwanda, Senegal, Switzerland and United Republic of Tanzania.

374. At its 17th meeting on 19 February 2004, the Working Group considered a revised conference room paper, submitted by the Co-Chairs of the Friends of the Chair on financial resources and

mechanism, containing a draft decision on additional financial resources. The Co-Chair from Canada introduced the draft decision.

375. The draft decision was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.24.

376. At the same meeting, the Working Group considered a revised conference room paper, submitted by the Co-Chairs of the Friends of the Chair on financial resources and mechanism, containing a draft decision on arrangements for the third review of the effectiveness of the financial mechanism. The Co-Chair from Canada introduced the draft decision.

377. The draft decision was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.25.

378. At the same meeting, the Working Group considered a conference room paper, also submitted by the Co-Chairs of the Friends of the Chair on financial resources and mechanism, containing a draft decision on further guidance to the financial mechanism. The Co-Chair from Canada introduced the draft decision.

379. The Working Group provisionally approved the draft decision, pending any further advice from the Friends of the Chair on financial resources and mechanism. The draft decision on further guidance to the financial mechanism was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.26.

380. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decisions UNEP/CBD/COP/7/L.24, L.25 and L.26 and adopted them, as orally amended, as, respectively, decisions VII/21, VII/22 and VII/20. The text of the decisions is contained in the annex to the present report.

381. At the 12th plenary session of the meeting, on 27 February 2004, the President said that, in accordance with Article 28, paragraph 3 of the Cartagena Protocol, the Conference of the Parties was called upon to consider guidance with respect to the financial mechanism. He drew attention to recommendation UNEP/CBD/BS/COP-MOP/1/L.7, on guidance to the financial mechanism, which had been approved, as orally amended, by the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol.

382. The representative of Argentina said that he was unable to accept the text of the recommendation, which restricted his country's access to GEF resources. He also questioned the transparency of the process by which a group of Friends of the Chair had arrived at the text in question, which he was seeing for the very first time, and considered that some aspects of the decision needed to be amended. Argentina was in the process of putting the necessary measures in place before ratifying the Cartagena Protocol, and had already set up a national biosafety framework and a biosafety clearing-house. It wished to improve upon its infrastructure, and needed support to that end. In that connection, he was unable to accept the current formulation of paragraph 2 (b) of the recommendation.

383. The representatives of Brazil, India, Nigeria and of Ukraine, speaking also as delegates who had been nominated as the respective regional representatives in the group of Friends of the Chair, expressed understanding for the position of Argentina and proposed that the recommendation be revisited and amended.

384. The representative of the United Kingdom, speaking also as chair of the group of Friends of the Chair, pointed out that the group had been selected on a regionally balanced basis and, throughout the negotiations, its members had been urged to consult with the countries of the region that had nominated

them. The draft recommendation was a rational and balanced compromise. It was unusual in that it allowed assistance to be granted to countries that were not yet Parties to the Protocol. She understood the difficulty of the issues that needed to be addressed in order to ratify the Protocol, but it was not possible to provide all types of assistance to non-Parties, since they might not have then an incentive to ratify.

385. The representative of Zimbabwe expressed concern that the issue of capacity-building was used as a tool or an incentive for ratification. That was discriminatory for developing countries, and not all countries needed assistance.

386. The representative of Ireland, speaking on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries, urged representatives not to reopen discussion on the recommendation.

387. The representatives of Canada, Chile, Pakistan, Peru and Uruguay expressed support for the position expressed by Argentina.

388. Following consultations among Argentina, Brazil, Canada, Ireland, Nigeria, Pakistan New Zealand and United Kingdom, the representative of Nigeria announced an agreed amendment to paragraph 2 (b) of the draft.

389. With that amendment, the recommendation was adopted for incorporation into decision VII/20.

20.2. Scientific and technical cooperation and the clearing-house mechanism (Article 18, paragraph 3)

390. Working Group II took up item 20.2 at its 6th meeting on 12 February 2004. In considering the item, the Working Group had before it notes by the Executive Secretary on the progress report on the mechanisms for implementation (UNEP/CBD/COP/7/17), on the clearing-house mechanism activities during the inter-sessional period (UNEP/CBD/COP/7/17/Add.1) and the operational procedures for the informal advisory committee of the clearing-house mechanism (UNEP/CBD/COP/7/17/Add.6), and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2, pages 228 and 234 to 235).

391. The Working Group also had before it, as information documents, notes by the Executive Secretary on usage analysis of the Convention on Biological Diversity website (UNEP/CBD/COP/7/INF/11), the results of the independent review of the clearing-house mechanism of the Convention on Biological Diversity (UNEP/CBD/COP/7/INF/12), and a report of the African Regional Meeting on the clearing-house mechanism (UNEP/CBD/COP/7/INF/3), and the reports of the joint Latin America and Caribbean regional meeting on the clearing-house mechanism and the Inter-American Biodiversity Information Network: building partnerships through effective networking (UNEP/CBD/COP/7/INF/4) and Convention on Biological Diversity clearing-house mechanism joint regional meeting for Central and Eastern Europe (UNEP/CBD/COP/7/INF/5).

392. Introducing the item, the Secretariat said that the sub-item on scientific and technical cooperation and the clearing-house mechanism contained two further sub-items: a progress report on the clearing-house mechanism and draft operational procedures for the Informal Advisory Committee. The note by the Executive Secretary under this sub-item (UNEP/CBD/COP/7/17/Add.1) provided a detailed review of the accomplishments and activities of the clearing-house mechanism in support of decisions V/14 and VI/18. The proposed operational procedures for the informal advisory committee, prepared in response to decision VI/18, were contained in an additional note under the item (UNEP/CBD/COP/7/17/Add.6). The Working Group was invited to consider the recommendations contained in document UNEP/CBD/COP/7/17/Add.1.

393. During the discussion of the item, statements were made by the representatives of Australia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Iran (Islamic Republic of), Norway, Palau and Tunisia.

394. The Working Group continued its discussion under this item at its 7th meeting on 13 February 2004. During the discussion statements were made by the representatives of Bangladesh, Belgium, Burkina Faso, Canada, China, Colombia (on behalf of the Latin America and Caribbean Group), Ethiopia, Jamaica, Japan, Kiribati, Mali, Mexico, Peru, Russian Federation, Senegal, Switzerland, Thailand, Tonga and Uganda.

395. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

396. At its 10th meeting, on 16 February 2004, Working Group II considered a conference room paper containing draft decisions on, respectively, the clearing-house mechanism and operational procedures for the informal advisory committee on the clearing-house mechanism.

397. Statements were made by the representatives of Botswana, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Mali, New Zealand, Senegal, and Tunisia.

398. The draft decisions were adopted, as orally amended, for transmission to plenary as draft decisions UNEP/CBD/COP/7/L.6 A and B.

399. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decisions UNEP/CBD/COP/7/L.6 A and, and adopted them as decision VII/23 A and B. The text of the decisions is contained in the annex to the present report.

20.3. Education and public awareness (Article 13)

400. Working Group II took up item 20.3 at its 7th meeting on 13 February 2004. In considering the item, it had before it the note by the Executive Secretary on implementation of the Global Initiative on Communication, Education and Public Awareness (CEPA): report on CEPA activities during the inter-sessional period (UNEP/CBD/COP/7/17/Add.4) and draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2, p. 237).

401. The Working Group also had before it, as an information document, the report of the Fourth Meeting of the Consultative Working Group of Experts on Biological Diversity Education and Public Awareness. (UNEP/CBD/COP/7/INF/10).

402. Introducing the item, the Secretariat said that the report in the note by the Executive Secretary contained in document UNEP/CBD/COP/7/17/Add.4 had been prepared in response to decision VI/19, which had adopted the Global Initiative on CEPA. The report provided a detailed review of the status of implementation of the relevant paragraphs of decision VI/19 on the global initiative on CEPA and gave a synthesis of the activities that had been undertaken and the outputs generated in direct response to the provisions of paragraphs 4 and 12 of that decision. The report also provided a detailed review of the status of implementation and outputs that had been generated in each of the three programme elements contained in the annex to decision VI/19. It also analysed the lessons learned, focusing on the overall implementation process, and concluded with some suggested recommendations for the consideration of the seventh meeting of the Conference of the Parties. The Working Group might wish to take note of the report on CEPA and, in particular, consider the suggested recommendations contained therein.

403. During the discussion of the item, statements were made by the representatives of Antigua and Barbuda (on behalf of the Latin America and Caribbean Group), Argentina, Belize, Brazil, Canada, China, Colombia, Cuba, France, Germany, Indonesia, Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries), Jamaica, Kiribati, Malawi, Malaysia, Netherlands, Norway, Palau, Peru, Philippines and Spain.

404. Statements were also made by the representatives of UNESCO and of IUCN-World Conservation Union.

405. The representative of the BIOM Ecological Movement also made a statement.

406. Following the statements, the Chair said that he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

407. At its 13th meeting, on 18 February 2004, the Working Group considered a conference room paper prepared by the Chair, containing a draft decision on education and public awareness.

408. Statements were made by the representatives of Antigua and Barbuda, Canada, Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries), Norway and Palau.

409. The International Indigenous Forum on Biodiversity also made a statement.

410. Following the statements, the Working Group agreed to continue informal consultations on this item.

411. At its 15th meeting on 19 February 2004, following informal consultations among delegations, the Working Group again took up its consideration of the conference room paper, containing a draft decision on education and public awareness (Article 13).

412. Statements were made by the representatives of Antigua and Barbuda and Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries).

413. At its 17th meeting, on 19 February 2004, the Working Group continued its consideration of the draft decision. Statements were made by the representatives of Antigua and Barbuda, and Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries).

414. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.22.

415. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.22 and adopted it, as orally amended, as decision VII/24. The text of the decision is contained in annex to the present report.

20.4 National reporting

416. Working Group II took up item 20.4 at its 8th meeting, on 13 February 2004. In considering the item, it had before it the report of the Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to the Year 2010 (UNEP/CBD/COP/7/5), Guidelines for the Third National Report (UNEP/CBD/COP/7/17/Add.2), a note by the Executive Secretary on mechanisms for implementation : national reporting (UNEP/CBD/COP/7/17/Add.3) and draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2, pp. 238-240).

417. The Working Group also had before it, as information documents, an analysis of information contained in second annual reports (UNEP/CBD/COP/7/INF/2), mountain biological diversity - synthesis of information in thematic reports on mountain biodiversity (UNEP/CBD/COP/7/INF/6), Forest Biological Diversity – Synthesis of information contained in voluntary reports on implementation of expanded programmes of work on forest biological diversity (UNEP/CBD/COP/7/INF/7), Protected Areas – Synthesis of information in thematic reports on protected areas (UNEP/CBD/COP/7/INF/8), Technology Transfer and Cooperation – Synthesis of information contained in thematic reports on technology transfer and cooperation (UNEP/CBD/COP/7/INF/9) and Consideration of the results of the meeting on “2010 - The Global Biodiversity Challenge” (UNEP/CBD/COP/7/INF/22).

418. Introducing the item, the Secretariat said that in paragraph 3 (d) of decision VI/25 the Conference of the Parties had requested the Executive Secretary to prepare a draft format for the third national reports for consideration at the seventh meeting of the Conference of the Parties. Document UNEP/CBD/COP/7/17/Add.2 provided guidance to the preparation of this format. In paragraphs (a) and (b) of decision VI/25 the Conference of the Parties had also requested the Executive Secretary to analyse the second national reports and the experiences of the Parties in preparing national reports. The Executive Secretary was further requested to continue to identify, and analyse the reasons for Parties not being able to complete their national reports. Document UNEP/CBD/COP/7/17/Add.3 contained a summary of the conclusions drawn from that analysis. The Working Group was invited to consider the draft decisions on pages 238 to 240 in document UNEP/CBD/COP/7/1/Add.2.

419. During the discussion of the item, statements were made by the representatives of Antigua and Barbuda, Australia, Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Kenya, Malaysia, Namibia, Nepal, New Zealand, Norway, Republic of Korea, Russian Federation, Thailand, Turkey, Uganda, and United Republic of Tanzania.

420. A statement was also made by the representative of the Global Environment Facility.

421. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

422. At its 13th meeting, on 18 February 2004, the Working Group considered a conference room paper prepared by the Chair, containing a draft decision on national reporting.

423. Statements were made by the representatives of Antigua and Barbuda, Australia, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Norway and Palau.

424. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.8.

425. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.8, and adopted it as decision VII/25. The text of the decision is contained in the annex to the present report.

ITEM 21. COOPERATION WITH OTHER CONVENTIONS AND INTERNATIONAL ORGANIZATIONS AND INITIATIVES

426. Working Group II took up item 21 at its 9th meeting on 16 February 2004. In considering the item, it had before it the note by the Executive Secretary on cooperation with other conventions and international organizations and initiatives (UNEP/CBD/COP/7/19) and the draft decision on the subject is the compilation prepared by the Executive Secretary (UNEP/CBD/COP/7/1/Add.2, p. 241).

427. The Working Group also had before it, as an information document, the note by the Executive Secretary on the consideration of the results of the meeting on “2010- The Global Biodiversity Challenge” (UNEP/CBD/COP/7/INF/22).

428. Introducing the item, the Secretariat said that the Conference of the Parties had consistently recognized the importance of, and need for, cooperation and synergy with other conventions, international organizations and initiatives, and considered this matter to be a standing item on its agenda. In the Strategic Plan, the Conference of the Parties had established the two strategic objectives related to cooperation: the Convention was promoting cooperation between all relevant international instruments and processes to enhance policy coherence; and other international processes were actively supporting the implementation of the Convention, in a manner consistent with their respective frameworks. In its decision VI/20, the Conference of the Parties had re-emphasized the need for enhanced cooperation. This decision, and several others, called for a number of specific activities involving cooperation with organizations, initiatives and conventions. Additionally, the Open-ended Inter-Sessional Meeting on the Multi-year Programme of Work of the Conference of the Parties up to 2010 had recommended that the Conference of the Parties request the Executive Secretary to develop a global partnership on biodiversity comprising the major international biodiversity-related organizations, with the Secretariat of the Convention facilitating the process to enhance synergies, avoid duplication of efforts and improve implementation of biodiversity-related agreements, institutions and processes of relevance. The note by the Executive Secretary in document UNEP/CBD/COP/7/19 provided an overview of cooperative activities undertaken since the sixth meeting of the Conference of the Parties, reviewed and analysed experience with cooperation, and addressed mechanisms of cooperation and the issue of a global partnership on biodiversity raised by the Inter-Sessional Meeting.

429. The note by the Executive Secretary on the item also suggested that, while there was no single model for successful cooperation, successful examples of cooperation could be seen at the two levels corresponding to those identified in the Strategic Plan. The Working Group was invited to consider the report of the Executive Secretary, adopt the recommendation on the multi-year programme of work of the Conference of the Parties up to 2010 regarding the establishment of a global partnership on biodiversity; and define the mandate and institutional nature of such a partnership. In addressing the latter point, the Working Group might wish to refer to the questions raised in paragraph 74 of the note by the Executive Secretary contained in document UNEP/CBD/COP/7/19.

430. During the discussion of the item, statements were made by the representatives of Australia, Benin, Cambodia, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Mali, Mexico, New Zealand, Niger, Nigeria, Peru, Qatar, Senegal, Switzerland, and the United Kingdom of Great Britain and Northern Ireland.

431. Statements were also made by the representatives of the Food and Agriculture Organization of the United Nations (FAO), the Convention on Wetlands of International Importance especially as Waterfowl Habitat (RAMSAR Convention), the United Nations Environment Program (UNEP), and the United Nations Framework Convention on Climate Change (UNFCCC).

432. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

433. At its 17th meeting on 19 February 2004, the Working Group took up consideration of a conference room paper, containing a draft decision on cooperation with other conventions and international organizations and initiatives.

434. Statements were made by Antigua and Barbuda, Australia, Bangladesh, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, Japan, Mexico, New Zealand, Norway, Republic of Korea, and Switzerland.

435. The draft decision on cooperation with other conventions and international organizations and initiatives, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.23.

436. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.23, and adopted it as decision VII/26. The text of the decision is contained in the annex to the present report.

ITEM 22. BUDGET FOR THE PROGRAMME OF WORK FOR THE BIENNIUM 2005-2006

437. Agenda item 22 was taken up at the 2nd plenary session of the meeting, on 9 February 2004. In considering the item, the Conference of the Parties had before it a proposed budget for the BY, BE and BZ Trust Funds for the Convention on Biological Diversity for 2005-2006 (UNEP/CBD/COP/7/2), as well as a note by the Executive Secretary on detailed subprogramme activities and resources required (UNEP/CBD/COP/7/2/Add.1).

438. The Conference of the Parties also had before it, as information documents, notes by the Executive Secretary providing on: decision-making for the adoption of the budget for the Convention and the Protocol (UNEP/CBD/COP/7/INF/41), procedures for the receipt, expenditure and reporting on assessed contributions to the Convention on Biological Diversity and the Cartagena Protocol on Biosafety (UNEP/CBD/COP/7/INF/42).

439. The Executive Secretary drew attention to the proposed programme budget (UNEP/CBD/COP/7/2) and pointed out that, since the sixth meeting of the Conference of the Parties, a number of major inter-sessional activities had taken place in preparation for the current meeting. Those activities had adopted recommendations and decisions, the implementation of which had financial implications. The Secretariat had estimated those implications as they related to the programme of work and document UNEP/CBD/COP/7/2/Add.1 gave details of the proposals. While the Secretariat's figures were estimates, based on the recommendations made, and the figures could be adjusted in light of the guidance given by the current meeting, to ensure the implementation of the activities a significant increase in the budget for the Convention would be necessary. He was ready to provide any further details and elaboration on the budget, if required.

440. Also at the 2nd plenary session of the meeting, the Conference of the Parties decided to set up a contact group on the budget, to be chaired by Mr. John Ashe (Antigua and Barbuda).

441. At the 5th, 6th, 7th, 8th, 9th and 10th plenary sessions of the meeting, on 12, 13, 16, 17, 18 and 19 February 2004, respectively, Mr. Ashe gave interim reports on the progress of work in the contact group on the budget.

442. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties took up a draft decision on administration of the Convention and the budget for the programme of work for the biennium 2005-2006 (UNEP/CBD/COP/7/L.34).

443. The representative of Mexico made the following statement, which he requested to be included *in extenso* in the report of the meeting:

“Historically, since the text of the Convention was being negotiated, and to an even greater extent since Mexico ratified the Convention in 1993, we have played an active and ongoing role in developing the objectives and decisions put forth by the Convention; my country has thus sought to make a constructive contribution to the international debate that has taken place within the context of this international instrument.

“Proof of this lies in our critical vision of the Convention’s evolution, our technical and opinion-related positions, and our contribution to a rapprochement between different regional groups with conflicting geopolitical views. Furthermore, Mexico has made significant strides in implementing its commitments as a Party to the Convention on Biological Diversity; including efforts to fully honour its financial contributions.

“We wish to indicate Mexico’s concern regarding the budget increase proposed by the Secretariat and, in particular, regarding the contribution that would fall to us.

“Unfortunately, due to the budget constraints currently affecting our country, like other members of the Convention in similar positions, Mexico does not have the financial resources required to assume the 28 per cent increase in budget proposed by the Secretariat. We therefore feel that it is necessary to establish priorities for inter-sessional activities and focus our efforts during the next two years on preparing the items that will be taken up at the next Conference of the Parties.

“Our concern regarding the increase in financial contributions is not new. On other occasions, Mexico has pointed out the difficulties that such increases represent. In fact, given the above-mentioned situation, right now Mexico would only be able to assume 60 per cent of its commitment for the present year. Nevertheless, efforts are being made internally to fulfil that obligation, as always.

“We feel that the Mexico’s situation is not exclusive to it, and that a significant number of Parties to the Convention also face budget and cash-flow problems. In this connection, we propose that the current methodology for setting contributions be reviewed and that a system of gradual increase in contributions and budget be analysed. Both should take into account and reflect the principle of Parties’ ability to pay, and refrain from transgressing the United Nations scale of assessments, as the case may be. This means that, in Mexico’s case, the scale of assessment should not be higher than the scale established within the United Nations.

“Since this is the appropriate place to address this issue, we feel that it is necessary to find a fair and equitable distribution of quotas, without unduly affecting some State Parties’ contributions. Therefore, Mexico considers that an examination of the issue should consider:

- “(a) Adjusting the scale of assessments based on the Convention’s ad hoc membership, taking into account members’ ability to pay;
- “(b) No increase in contributions to the Convention until the adjustment in the scale mentioned in subparagraph (a) above has been made. Otherwise, Mexico shall not recognize the said decision;
- “(c) Gradual and progressive increases in the percentage assessments, based on an established methodology agreed upon by the Parties;
- “(d) Measures that allow for a staggered payment plan, with a payment period of up to 10 years, to give countries with contributions due the opportunity catch up, and to avoid compromising their participation in Convention bodies;
- “(e) Using voluntary contributions to offset assessments;

- “(f) Reducing amounts under the various budget headings, bearing in mind the priorities and issues that are of immediate concern for the Convention, including cutting back on non-priority inter-sessional activities; or an actual budget increase of zero per cent.”

444. Draft decision UNEP/CBD/COP/7/L.34 was then adopted, as orally amended, as decision VII/34. The text of the decision is contained in the annex to the present report.

IV. PRIORITY ISSUES FOR REVIEW AND GUIDANCE

ITEM 23. MOUNTAIN BIOLOGICAL DIVERSITY

445. Working Group I took up item 23 at its 1st meeting on 10 February 2004. In considering the item, it had before it the note by the Executive Secretary on mountain biological diversity (UNEP/CBD/COP/7/14), the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its eighth meeting (UNEP/CBD/COP/7/3) and the note by the Executive Secretary on the draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2, pp. 248-261).

446. The Working Group also had before it, as an information document, the synthesis of information in thematic reports on mountain ecosystems (UNEP/CBD/COP/7/INF/6).

447. Introducing the item, the Secretariat said that, in decision IV/16, annex II, the Conference of the Parties had selected mountain diversity as a theme for in-depth consideration at its seventh meeting. In decision VI/30, the Conference of the Parties, having welcomed the proposals presented by the Executive Secretary in his note on preparations for the seventh meeting of the Conference of the Parties, had requested that such preparations should be continued as outlined in the note. The Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) had considered mountain biological diversity as the main theme of its eighth meeting, when it had also adopted the structure, elements and goals of the proposed programme of work on mountain biological diversity and established an ad hoc technical experts group to finalize the draft programme of work by proposing specific actions under each of the goals. The Executive Secretary, with support from the Government of Italy, had convened the meeting of the Ad Hoc Technical Expert Group on Mountain Biodiversity in Rome from 1 to 3 July 2003. The Group had subsequently submitted its report to the ninth meeting of SBSTTA. The latter had adopted recommendation IX/12, which included a programme of work on mountain biological diversity. The Conference of the Parties was invited to consider SBSTTA recommendations VIII/1 and IX/12 and to adopt the programme of work on mountain biological diversity.

448. During the discussion of the item, statements were made by the representatives of Albania, Argentina, Austria, Bolivia, Brazil, Bulgaria, Canada, Chile, China, Colombia, France, Ghana, Indonesia, Ireland (speaking on behalf of the European Union, its member States, the Acceding Countries, and Bulgaria and Romania as Candidate Countries), India, Indonesia, the Islamic Republic of Iran (speaking on behalf of the Asia and Pacific region), Italy, Japan, Kenya, Kyrgyzstan, Lebanon, Liberia (speaking on behalf of the African Group), Madagascar, Malaysia, Peru (speaking on behalf of the Andean Community), the Russian Federation, Saudi Arabia, Senegal, Thailand, Turkey, Uganda and the United Republic of Tanzania.

449. A statement was made by the representative of the FAO.

450. Statements were also made by the representatives of the International Indigenous Forum on Biodiversity and the World Wide Fund for Nature.

451. Following the statements, the Working Group agreed that the Chair should prepare a revised text of the draft decision, incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.
452. At its 11th meeting, on 17 February 2004, the Working Group considered a conference room paper, containing a draft decision on mountain biological diversity.
453. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Ghana, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), New Zealand, South Africa, Spain, Switzerland and Turkey.
454. The Working Group resumed its consideration of the conference room paper on mountain biological diversity at its 12th meeting on 17 February 2004.
455. Statements were made by the representatives of Australia, Argentina, Brazil, Bulgaria, Canada, India, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), the Islamic Republic of Iran, Italy, Japan, Kenya, Liberia, Malaysia, New Zealand, Norway, Senegal, Spain, Switzerland, Thailand, Turkey, the United Kingdom and Uruguay.
456. A statement was also made by the observer from the United States of America.
457. The representative of Turkey entered a reservation to the subparagraph (e) under the heading “B. Overall purpose and scope of the programme of work”, since in his view the phrase “The maintenance of the water flow from upland headwaters to lowland agriculture and centres of population and management frameworks, such as integrated river basin management, necessary to ensure water quality and supply” was a factual error, in that it implied that there were no population and agricultural activities in the upstream countries and considered the existence of population and agricultural activities only in downstream countries. Turkey could not accept that generalization..
458. Under action 1.1.3 of the “Programme Elements, Goals and Actions,” he entered a reservation to the use of the words “Prevent or,” since in his view the prevention of all negative effects was physically impossible.
459. Under the same action, he entered a reservation to the use of the phrase “infrastructure projects,” opining that it should be replaced with “multipurpose infrastructure projects.” Multipurpose infrastructure projects were one of the factors of development for developing countries. Biodiversity was one of the factors of sustainable development, as stated in the Water, Energy, Health, Agriculture, Biological Diversity initiative (WEHAB) which had been submitted by the United Nations Secretary-General and adopted by all delegations to the World Summit on Sustainable Development. WEHAB stated that providing for the water and energy needs of developing countries was a priority. Consequently, completion of multipurpose infrastructure projects was of vital importance in developing countries, the more so in arid and semi-arid regions. Achieving the Millennium Development Goals would be impossible without multipurpose infrastructure projects.
460. Under Action 2.1.7 of Goal 2.1, he entered a reservation to the use of the phrase “or river basin.”
461. Under Action 2.3.2 of Goal 2.3, he entered a further reservation, since his Government wished the inclusion of a reference to “fair, equitable and optimum utilization of water resources.”
462. At its 16th meeting, on 19 February 2004, the Working Group resumed its consideration of a conference room paper submitted by the Chair on mountain biological diversity.

463. At its 17th meeting, on 19 February 2004, the Working Group pursued its consideration of the conference room paper submitted by the Chair.

464. Statements under this item were made by the representatives of Argentina, Australia, Brazil, Ethiopia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kenya, Malaysia, Mali, Norway, Peru, Seychelles, Switzerland, Uruguay and Venezuela.

465. Working Group I again took up its consideration of the conference room paper submitted by the Chair on the item at its 19th meeting on 20 February 2004.

466. Statements were made by the representatives of Australia, Argentina, Ethiopia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, Norway and Switzerland.

467. The representative of Nepal expressed some concerns about some of the language used with reference to actions 1.1.6, 1.5.1 and 2.1.9.

468. At its 19th meeting, on 20 February 2004, Working Group I again took up its consideration of the conference room paper submitted by the Chair on this item.

469. Statements were made by the representatives of Australia, Argentina, Ethiopia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Malaysia, Norway and Switzerland.

470. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.29.

471. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.29, and adopted it, as orally amended, as decision VII/27. The text of the decision is contained in the annex to the present report.

ITEM 24. PROTECTED AREAS (ARTICLES 8 (a)-(e))

472. Working Group I took up item 24 at its 2nd meeting on 10 February 2004. In considering the item, it had before it the note by the Executive Secretary containing the draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2, pp. 262-288), the note by the Executive Secretary on protected areas (UNEP/CBD/COP/7/15) and recommendation IX/4 of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) contained in annex I to the report of the ninth meeting of SBSTTA (UNEP/CBD/COP/7/4).

473. The Working Group also had before it, as information documents, the synthesis of information in thematic reports on protected areas (UNEP/CBD/COP/7/INF/8) and the message of the World Parks Congress to the Convention on Biological Diversity (UNEP/CBD/COP/7/INF/36).

474. Introducing the item, the Secretariat said that, in decision IV/16, annex II, the Conference of the Parties had selected protected areas as a theme for in-depth consideration at its seventh meeting. In decision VI/30, the Conference of the Parties had welcomed the proposals presented by the Executive Secretary on preparations for the seventh meeting of the Conference of the Parties, including the establishment of an ad hoc technical expert group on protected areas. In addition, the Conference of the Parties had encouraged the Executive Secretary to actively collaborate with the Fifth World Parks Congress, as well as with other international organizations, conventions and non-governmental

organizations in the run-up to its seventh meeting. Furthermore, in decision VI/22, the Conference of the Parties had requested the Executive Secretary to convene, prior to the ninth meeting of SBSTTA, an international workshop and to report the results to SBSTTA. Accordingly, the Executive Secretary, with the support of the Government of Sweden and in collaboration with the World Commission on Protected Areas and other organizations, had convened the first meeting of the Ad Hoc Technical Expert Group (AHTEG) on Protected Areas in Sweden in June 2003. Immediately after the World Parks Congress, held in South Africa in September 2003, the Executive Secretary had convened a liaison group meeting to consider the proposed programme of work on protected areas in the light of the outcomes of the World Parks Congress. SBSTTA, at its ninth meeting, had considered protected areas and had adopted recommendation IX/4 contained in annex I to document UNEP/CBD/COP/7/4. That recommendation included a proposed programme of work on protected areas, which comprised the programme elements, goals and targets adopted by the ninth meeting of SBSTTA. In addition, the Executive Secretary had prepared document UNEP/CBD/COP/7/15 containing the proposed programme of work and, as recommended by SBSTTA, the submissions made by Parties reproduced in bracketed italicised text. The Conference of the Parties was invited to consider SBSTTA recommendation IX/4, together with the proposed programme of work contained in the annex to document UNEP/CBD/COP/7/15 with a view to adopting the programme of work.

475. The representative of the IUCN World Commission of Protected Areas, introducing the message of the Fifth World Parks Congress to the Convention on Biological Diversity said that his organization strongly advocated the adoption of the proposed programme of work as it built on the conclusions of the Congress. National analyses to identify strategic gaps in existing protected area systems were an urgent priority, as was the protection of marine and freshwater ecosystems. His organization had produced clear guidance on the application of the protected areas category system, which was likely to prove a useful international tool. He strongly supported the programme element on governance, participation, equity and benefit sharing in relation to protected areas because protected areas must be planned and managed with and for the people. His organization had examined the various ways in which protected areas were being established and managed so as to engage a broad array of shareholders in decision-making and empower indigenous and local communities in that respect. Protection would yield tangible benefits for sustainable development and human welfare.

476. The representative of the World Heritage Centre of UNESCO announced his organization's full support for the programme of work. That afternoon, a memorandum of understanding had been signed between the World Heritage Centre, the UNDP-GEF Small Grants Programme and the Secretariat of the Convention on Biological Diversity with a view to supporting World Heritage sites by focussing on community projects. The Centre likewise intended to cooperate with other international conventions in order to explore synergies in landscape and seascape conservation. He wondered how the designation of protected areas under various international regimes might be used by States to strengthen national conservation efforts. The UNESCO World Heritage Convention and the Biosphere Reserves Programme were ready to work with the Parties to the Convention on Biological Diversity to enhance biodiversity conservation and the effective management of protected areas.

477. During the discussion of the item, statements were made by the representatives of Australia, Chile, Iceland, Ireland (on behalf of the European Union, its member States, the Acceding Countries, and Bulgaria and Romania as Candidate Countries), the Netherlands and Switzerland.

478. The Working Group continued its deliberations on the item at its 3rd meeting on 11 February 2004. Statements were made by the representatives of Argentina, Austria, Brazil, Bulgaria, Canada, Costa Rica, Ecuador, Gambia, Ghana, Guatemala, Indonesia, Jamaica, Japan, Kenya, Liberia (speaking on behalf of the African Group), Malaysia, Maldives, Mali New Zealand, Norway, Peru, the Philippines, the Republic of Korea, the Russian Federation Saudi Arabia, Senegal, Seychelles, South Africa, Thailand, Togo, Uganda, Ukraine (speaking on behalf of the Central and East European countries), and the United Republic of Tanzania.

479. A statement was also made by the representative of the Wildlife Conservation Society of Malaysia (speaking on behalf of Birdlife International, Conservation International, Fauna and Flora International, Greenpeace, The Nature Conservancy, the Wildlife Conservation Society, World Wide Fund for Nature and the World Resources Institute).

480. The Working Group resumed its consideration of the item at its 4th meeting on 11 February 2004. Statements were made by the representatives of the Bahamas, Bangladesh, Belize, Bolivia, Botswana, Burkina Faso, Cambodia, Chad, China, Colombia (also speaking on behalf of the Latin America and Caribbean Group), Cook Islands, Cuba, Czech Republic, France, Germany, Ghana, India, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kiribati, Lebanon, Madagascar, Monaco, Palau, Saudi Arabia, Spain, Tunisia, Turkey, Vanuatu and Yemen.

481. Statements were also made by representatives of FAO, UNESCO, the Ramsar Convention and the United Nations University.

482. Statements were likewise made by the representatives of the International Indigenous Forum on Biodiversity, the Mobile Indigenous Peoples, Friends of the Earth International (also speaking on behalf of World Rainforest Movement, Forest Peoples Programme and Oilwatch), Kids for Forests, The International Ranger Federation and Kalpavriksh (speaking on behalf of Biom Kyrgyzstan, CELCOR/Friends of the Earth Papua New Guinea, Conservation International, Ecumenical Coalition on Tourism, Environment Liaison Centre International, Fauna and Flora International, Friends of the Earth Ghana, Friends of the Earth International, Friends of the Siberian Forests, Global Forest Coalition, Greenpeace International, International Collective in Support of Fishworkers, The Nature Conservancy, Tourism Investigation and Monitoring Team, Viola Russia, Wildlife Conservation Society, World Wide Life Fund for Nature and Zerkova Georgia).

483. Following the statements, the Working Group agreed to set up a contact group, chaired by Mr. Alfred Oteng-Yeboah (Ghana), to assist the Chair with the preparation of a revised text of the draft decision incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.

484. At its 17th meeting, on 19 February 2004, the Working Group resumed its consideration of a conference room paper submitted by the Chair on protected areas (Articles 8(a) to (e)).

485. Mr. Alfred Oteng-Yeboah (Ghana) said that the contact group had met on many occasions and had put in some 70 hours of work. After outlining the few changes that had been made to the text, he emphasized that the negotiations had been very delicate and implored delegates not to reopen the discussion of text which had already been agreed in the contact group.

486. Under this item, statements were made by the representatives of Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Ecuador, Iceland, Indonesia, the Islamic Republic of Iran, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), the Republic of Korea, Ghana, Malaysia, Mexico, New Zealand, Norway, Seychelles, Thailand and the United Kingdom.

487. Working Group I again took up at its consideration of the conference room paper submitted by the Chair on this item at its 19th meeting on 20 February 2004.

488. Statements were made by the representatives of Bulgaria, Cameroon, Chile, Iceland, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Liberia and Turkey.

489. At its 20th meeting, on 20 February 2004, Working Group I continued its consideration of the conference room paper submitted by the Chair on the item.

490. Statements under this item were made by the representatives of Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries) and Norway.

491. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.27.

492. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.27 and adopted it, as orally amended, as decision VII/28. The text of the decision is contained in the annex to the present report.

493. At the 11th plenary session of the meeting, on 20 February 2004, the representative of Italy announced his Government's offer to fund a meeting of an ad hoc open-ended working group on protected areas in Italy, before the eighth meeting of the Conference of the Parties.

494. At the same session, the representative of Guatemala announced his Government's offer to also fund a meeting of an ad hoc open-ended working group on protected areas in Guatemala, before the eighth meeting of the Conference of the Parties.

495. The Conference of the Parties accepted the offers from Guatemala and Italy with gratitude.

ITEM 25. TRANSFER OF TECHNOLOGY AND TECHNOLOGY COOPERATION (ARTICLES 16 AND 18)

496. Working Group II took up item 25 at its 1st meeting on 10 February 2004. In considering the item, the Working Group had before it a note by the Executive Secretary on the transfer of technology and technology cooperation (Articles 16 and 18) (UNEP/CBD/COP/7/16), as well as the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4), the report of Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010 (UNEP/CBD/COP/7/5), the report of the third meeting of the Ad Hoc Open-ended Inter-Sessional Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity (UNEP/CBD/COP/7/7), and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2) pages 289 to 303.

497. The Working Group also had before it, as information documents, a synthesis of information contained in thematic reports on technology transfer and cooperation (UNEP/CBD/COP/7/INF/9) and a submission by the Government of Spain on patents as a source of technological information in the technology transfer process (UNEP/CBD/COP/7/INF/32).

498. Introducing the item, the Secretariat said that, in its decision IV/16, the Conference of the Parties had decided that the transfer of technology and technology cooperation would be a subject for in-depth consideration at its seventh meeting. He recalled that, in its decision VI/30, the Conference of the Parties had also endorsed the proposal that the Subsidiary Body consider technology transfer and cooperation at its ninth meeting. The Open-ended Inter-Sessional Meeting on the Multi-year Programme of Work of the Conference of the Parties up to 2010 had also considered the issue of the legal and socio-economic aspects of technology transfer and cooperation. He also said that the third meeting of the Ad Hoc Open-ended Inter-Sessional Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity had recommended that the Conference of the Parties at its seventh meeting, when reviewing the draft elements of a programme of work on technology transfer, consider both the traditional

and innovative technologies from indigenous and local communities and mechanisms for ensuring that technology transfer and cooperation fully respect the rights of indigenous and local communities.

499. During the discussion of the item, statements were made by the representatives of Algeria, Argentina, Australia, Bahamas, Bangladesh, Brazil, Canada, China (on behalf of the Asian Group), Colombia (on behalf of the Latin America and Caribbean Group and on its own behalf), Egypt (on behalf of the African Group), Gambia, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kiribati (on behalf of the Group of Small Island Developing States of the Pacific), Malaysia, New Zealand, Niger, Norway, Philippines, Republic of Korea, Saudi Arabia, Senegal, South Africa, Switzerland, Thailand, Uganda, and the United Republic of Tanzania.

500. The Working Group continued its discussion under this item at its 2nd meeting on 10 February 2004. During the discussion statements were made by the representatives of Bolivia, Burkina Faso, Cambodia, Cameroon, Costa Rica, El Salvador, Ethiopia, Kenya, Madagascar, Mexico, Russian Federation and Tunisia (on behalf of the Arab Group).

501. A statement was also made by the representative of the World Intellectual Property Organization (WIPO).

502. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion, for submission to the Working Group.

503. At its 10th meeting, on 16 February 2004, the Working Group considered a conference room paper, submitted by the Chair, containing a draft decision on transfer of technology and technology cooperation (Articles 16 to 19).

504. Statements were made by the representatives of Australia, Brazil, Canada, Colombia, Egypt (on behalf of the African Group), Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Mali, New Zealand, Norway, Peru, Philippines, Senegal and United Republic of Tanzania.

505. At its 13th and 14th meetings, on 18 February 2004, the Working Group considered a revised conference room paper containing a revision of the draft decision on transfer of technology and technology cooperation (Articles 16 to 19).

506. Statements were made by the representatives of Australia, Brazil, Canada, China, Colombia, Egypt (on behalf of the African Group), Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Japan, Norway, Peru and Philippines.

507. At its 15th meeting, on 19 February 2004, the Working Group considered a revised conference room paper, containing a draft decision on transfer of technology and technology cooperation (Articles 16 to 19).

508. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.20.

509. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.20, and adopted it, as orally amended, as decision VII/29. The text of the decision is contained in the annex to the present report.

ITEM 26. FOLLOW UP TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT, MULTI-YEAR PROGRAMME OF WORK OF THE

CONFERENCE OF THE PARTIES UP TO 2010, STRATEGIC PLAN AND OPERATIONS OF THE CONVENTION

510. Working Group II took up item 26 at its 3rd meeting, on 11 February 2004. In his introduction to this agenda item, the Chair reminded the Working Group that Working Group I would consider the issue of the Strategic Plan and the integration of outcome-oriented targets in the programme of work of the Convention. He explained that, under item 26, Working Group II would consider three sub-items, namely, follow-up to the World Summit on Sustainable Development and links with the Millennium Development Goals; the multi-year programme of work of the Conference of the Parties up to 2010; and operations of the Convention – review and consolidation of the decisions of the Conference of the Parties.

511. The Chair also noted that, under the latter sub-item, with respect to operations of the Convention, there were two further sub-issues to be addressed concerning (a) the effectiveness of the changes to rule 21 of the rules of procedure of the Conference of the Parties; and (b) administrative arrangements between UNEP and the Secretariat of the Convention on Biological Diversity.

World Summit on Sustainable Development and links with the Millennium Development Goals

512. In considering this issue, the Working Group had before it a note by the Executive Secretary on the follow-up to the World Summit on Sustainable Development, multi-year programme of work of the Conference of the Parties up to 2010, Strategic Plan and Operations of the Convention (UNEP/CBD/COP/7/20), a note by the Executive Secretary on the programme of work of the Convention and the Millennium Development Goals (UNEP/CBD/COP/7/20/Add.1), the report of the Inter-Sessional Meeting of the Multi-Year Programme of Work of the Conference of the Parties up to 2010 (UNEP/CBD/COP/7/5) and the draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2) pages 332 to 333.

513. The Working Group also had before it, as an information document, a summary of the linkages between the programmes of work of the Convention and the Millennium Development Goals (UNEP/CBD/COP/7/INF/23).

514. The Secretariat said that the Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties had requested the Executive Secretary to prepare a report on the relevance of the Millennium Development Goals for the programmes of work of the Convention. At its ninth meeting, the Subsidiary Body had made recommendations concerning the linkages between the 2010 target and the Millennium Development Goals. The Secretariat drew attention to the documentation prepared on the sub-item. The Working Group was invited to consider the draft recommendations on the programme of work of the Convention and the Millennium Development Goals, contained in document UNEP/CBD/COP/7/1/Add.2 at pages 332 and 333.

515. During the discussion of the item, statements were made by the representatives of Argentina, Australia, Bahamas, Brazil, Canada, Colombia (on behalf of the Latin America and Caribbean Group), Cuba, Egypt, Finland, Grenada, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kenya, Malaysia (on behalf of the Asia and Pacific Group), Namibia, Netherlands, Norway, Peru, South Africa, Switzerland, Uganda and United Republic of Tanzania.

516. At its 11th meeting, on 17 February 2004, Working Group II considered a conference room paper containing a draft decision on the programme of work of the Convention and the Millennium Development Goals.

517. Statements were made by the representatives of Australia, Brazil, Canada, and Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries).

518. In reply to a statement by one representative, the Secretariat explained that the study referred to in the conference room paper discussed the relevance of the Millennium Development Goals to the programme of work of the Convention and that it had been prepared by the Executive Secretary at the request of the Inter-Sessional Meeting.

519. Following the statements, the Working Group agreed to continue informal consultations on this item.

520. Following informal consultations the Working Group approved a draft decision on the programme of work of the Convention and the Millennium Development Corals for transmission to plenary as draft decision UNEP/CBD/COP/7/L.9.

521. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.9 and adopted it, as orally amended, as decision VII/32. The text of the decision is contained in the annex to the present report.

Multi-year programme of work of the Conference of the Parties up to 2010

522. In considering this sub-item, the Working Group had before it a note by the Executive Secretary on the follow-up to World Summit on Sustainable Development, multi-year programme of work of the Conference of the Parties up to 2010, Strategic Plan and Operations of the Convention (UNEP/CBD/COP/7/20), the report of the Inter-Sessional Meeting of the Multi-Year Programme of Work of the Conference of the Parties up to 2010 (UNEP/CBD/COP/7/5) and draft decisions for the seventh meeting of the Conference of the Parties (UNEP/CBD/COP/7/1/Add.2) pages 303-305.

523. Introducing the sub-item, the Secretariat drew attention to the documentation available and explained that the recommendations made by the Inter-Sessional Meeting of the Multi-Year Programme of Work of the Conference of the Parties up to 2010 for the seventh meeting of the Conference of the Parties were contained in the report of that meeting (UNEP/CBD/COP/7/5) and had also been incorporated into the draft decisions for the current meeting (UNEP/CBD/COP/7/1/Add.2) pages 303-305. Since the proposed programme of work included island biodiversity as a new issue for in-depth consideration, the draft decision also provided for the establishment of an ad hoc technical expert group (AHTEG) on the topic. Except for that one item, the Inter-Sessional meeting proposed that no new programmes of work would be developed. Instead, emphasis would be placed on reviewing implementation of, and progress towards, the 2010 biodiversity target. The Working Group was invited to adopt the draft decision on the multi-year programme of work.

524. During the discussion of the sub-item, statements were made by the representatives of Cameroon, Colombia, Dominica, Egypt (on behalf of the African Group), Grenada, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, New Zealand, Palau (on behalf of the Group of Small Island States), Seychelles and United Republic of Tanzania.

525. A statement was also made by the representative of the International Indigenous Forum on Biodiversity.

526. At its 11th meeting, on 17 February 2004, Working Group II considered a conference room paper containing a draft decision on the multi-year programme of work of the Conference of the Parties up to 2010.

527. Statements were made by the representatives of Argentina, Australia, Brazil, Canada, Colombia, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, Mexico, New Zealand, Palau, Peru, and Switzerland.

528. A statement was also made by the International Indigenous Forum on Biodiversity.
529. Following the statements, the Working Group agreed to continue informal consultations on this item.
530. At its 12th meeting, on 17 February 2004, the Working Group again took up its consideration of the conference room paper containing a draft decision on the multi-year programme of work of the Conference of the Parties up to 2010.
531. Statements were made by Antigua and Barbuda, Argentina, Brazil, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Palau (on behalf of the Group of Small Island States), Rwanda, Senegal and Spain.
532. A statement was also made by the International Indigenous Forum on Biodiversity.
533. The draft decision on the multi-year programme of work of the Conference of the Parties up to 2010, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.7.
534. At the 11th plenary session of the meeting, on 20 February 2004, the representative of Spain announced that his Government would have pleasure in hosting a meeting of an ad hoc technical expert group on island biodiversity. The meeting would be convened in the Canary Islands in the inter-sessional period.
535. At same plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.7, and adopted it, as orally amended, as decision VII/31. The text of the decision is contained in the annex to the present report.

Operations of the Convention and consolidation of decisions

536. In considering this sub-item, Working Group II had before it the notes by the Executive Secretary on the follow-up to the World Summit on Sustainable Development, multi-year programme of work of the Conference of the Parties up to 2010, Strategic Plan and Operations of the Convention (UNEP/CBD/COP/7/20) and on the review and consolidation of the decisions of the Conference of the Parties: proposals by the Executive Secretary pursuant to decision VI/27 B on operations of the Convention (UNEP/CBD/COP/7/20/Add.2).
537. The Working Group also had before it, as an information document, a review of the consolidation of the decisions of the Conference of the Parties: proposals by the Executive Secretary pursuant to decision VI/27 B on operations of the Convention (UNEP/CBD/COP/7/INF/18).
538. The Secretariat said that the note of the Executive Secretary contained in document UNEP/CBD/COP/7/20 provided an overview of operations since the sixth meeting of the Conference of the Parties, with particular emphasis on the review of the recommendations of the Subsidiary Body on Scientific, Technical and Technological Advice. In paragraph 2 of decision VI/27 B, the Conference of the Parties at its sixth meeting decided to review, on the basis of proposals by the Executive Secretary, the status of implementation of all its decisions at its next meeting, with a view to adopting a consolidated body of decisions and allowing informed decision-making on the long-term work plan of the Convention. In that regard, the Conference of the Parties requested the Executive Secretary to make proposals to its seventh meeting regarding, *inter alia*, the retirement of decisions taken at the third and fourth meetings of the Conference of the Parties and the consolidation of its decisions and to communicate such proposals to Parties, Governments and relevant international organizations at least six months prior to its seventh meeting. The document thus presented proposals relating to the review and retirement of the decisions of

the Conference of the Parties adopted at its third and fourth meetings; addressed the issue of the consolidation of decisions; and provided recommendations to the Conference of the parties.

539. During the discussion of the item, statements were made by the representatives of Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries) and Netherlands.

540. Following the statements, the Chair said he would prepare a conference room paper, taking into account the comments made during the discussion on the above three sub-items of agenda item 26, for submission to the Working Group.

541. At its 14th meeting, on 18 February 2004, the Working Group took up consideration of the conference room paper containing a draft decision on the operations of the Convention.

542. Statements were made by Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Senegal and Switzerland.

543. A statement was also made by the representative of the European Community.

544. At its 15th meeting, on 19 February 2004, the Working Group considered a conference room paper, containing a draft decision on review and consolidation of decisions of the Conference of the Parties. The draft decision was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.21.

(a) Effectiveness of the change to rule 21 of the rules of procedure of the Conference of the Parties

545. At the 3rd meeting of the Working Group, the Secretariat explained that, in paragraph 5 of decision V/20, the Conference of the Parties made a number of changes to the rules of procedure regarding the election and terms of office of the President and members of Bureau of the Conference of the Parties. Paragraph 5 (a) of the decision provided that: "At the commencement of the first session of each ordinary meeting a President and ten Vice-Presidents, one of whom shall act as Rapporteur, are to be elected from among the representatives of the Parties. They shall serve as the bureau of the Conference of the Parties. The term of office of the President shall commence straight away and the terms of office of the Vice-Presidents shall commence upon the closure of the meeting at which they are elected." Further, paragraph 5 (b) provided that: "The President shall remain in office until a new President is elected at the commencement of the next ordinary meeting and the Vice-Presidents shall remain in office until the closure of the next ordinary meeting". By paragraph 6 of the same decision, the Conference of the Parties decided to review the effectiveness of those changes at its seventh meeting, in the light of experience gained.

546. The Bureau of the Conference of the Parties had reviewed the changes and was of the view that it was too early to make any definitive judgment on their effectiveness. It was discussed whether upon the election of a new President, an outgoing President should remain in office as a Vice-President and whether his term of office as a member of the Bureau should end at the commencement of the next ordinary meeting of the Conference of the Parties. At its 11th meeting, on 17 February 2004, Working Group II considered a conference room paper on the effectiveness of the changes to rule 21 of the rules of procedure.

547. Statements were made by the representatives of Brazil, Canada, Colombia (on behalf of Latin America and Caribbean Group), Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, Malaysia, and New Zealand.

548. At its 14th meeting, on 18 February 2004, the Working Group considered a revised conference room paper incorporating revisions made during the course of the debate.

549. Statements were made by the representatives of Brazil, Canada, Egypt, Ireland (on behalf of the European Union and the Accessing Countries and Bulgarian and Romania as Candidate Countries), Jamaica, Mexico, Norway and Switzerland.

550. At its 15th meeting the Working Group continued its discussion under this agenda item.

551. Statements were made by the representatives of Argentina, Brazil, Colombia, Egypt (on behalf of the African Group), Ethiopia, Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries), Mexico, Senegal, and Uganda.

552. At its 17th meeting, on 19th February 2004, the Working Group considered a revised conference room paper, containing a draft decision on the operations of the Convention.

553. Statements were made by the representatives of Ireland (on behalf of the European Union and the Accessing Countries and Bulgaria and Romania as Candidate Countries) and Uganda.

554. The draft decision, as orally corrected, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.21/Add.1.

(b) Administrative arrangements between UNEP and the Secretariat of the Convention on Biological Diversity

555. The Secretariat explained that, by paragraph 1 of decision IV/17, the Conference of the Parties endorsed the administrative arrangements between UNEP and the Secretariat of the Convention on Biological Diversity. Those arrangements addressed, *inter alia*, the appointment and promotion of staff of the Secretariat. Concerning the appointment of the Executive Secretary, in accordance with the policies, procedures and practices for senior-level appointments within the United Nations, appointments to the Under-Secretary-General and Assistant Secretary-General levels, as well as to heads of United Nations programmes and funds, fell within the discretionary power of the Secretary-General of the United Nations and, accordingly, were made outside the established procedures for recruitment and promotion. That was the personal responsibility of the Secretary-General and had been exercised as such.

556. However, the procedure for the appointment of the Executive Secretary of the Convention on Biological Diversity provided for in the administrative arrangements between the Secretariat of the Convention and UNEP set out that the Executive Secretary should be appointed by the Executive Director of UNEP after consultation with the Conference of the Parties through its Bureau. In its decision IV/29 The Conference of the Parties mandated the President of the Conference of the Parties to invite the Secretary-General of the United Nations to appoint the Executive Secretary at the ASG level. That decision therefore superseded the administrative arrangements with regard to the procedure for the appointment of the Executive Secretary.

557. Concerning the appointment of other staff, the administrative arrangements also provided for the establishment the Appointments and Promotions Board (APB) of the Convention on Biological Diversity to advise the Executive Director of UNEP on all matters relating to appointments, promotions and review of staff up to the D-1 level. Such an APB had never been constituted for the Convention on Biological Diversity. In addition, a new system of appointments, the Galaxy System, had been adopted by the United Nations regarding appointments up to the D-1 level. Under that new system, some of the requirements of the administrative arrangements relating to appointments were no longer relevant.

558. Accordingly, the Secretariat said, there was a need to amend the administrative arrangements between UNEP and the Secretariat of the Convention to bring them into conformity with current United Nations procedures. For example, the Conference of the Parties might wish to request the Executive Secretary to consult with the Executive Director of UNEP to find appropriate amendments to the arrangements.

559. At its 14th meeting, on 18 February 2004, the Working Group agreed to consider the issue of Administrative arrangements between UNEP and the Secretariat of the Convention on Biological Diversity in conjunction with the draft decision on the operations of the Convention (see paras. 541-544 above).

560. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.21 and Add.1 and adopted it as decision VII/33. The text of the decision is contained in the annex to the present report.

Strategic Plan and integration of outcome-oriented targets in the programme of work on the Convention

561. Working Group I took up agenda item 26 at its 5th meeting on 12 February 2004. In considering the item, the Working Group had before it notes by the Executive Secretary on implementation of the strategic plan: evaluation of progress towards the 2010 biodiversity target: development of specific targets, indicators and a reporting framework (UNEP/CBD/COP/7/20/Add.3), integration of outcome-oriented targets into the programmes of work of the convention taking into account the 2010 biodiversity target, the global strategy for plant conservation and relevant targets set by the World Summit on Sustainable Development - draft outcome-oriented targets for the implementation of the revised programme of work on inland water ecosystem biological diversity (UNEP/CBD/COP/7/20/Add.4), integration of outcome-oriented targets into the programmes of work of the convention taking into account the 2010 biodiversity target, the global strategy for plant conservation and relevant targets set by the World Summit on Sustainable Development -outcome-oriented targets for the implementation of the elaborated programme of work on marine and coastal biological diversity (UNEP/CBD/COP/7/20/Add.5), draft decisions for the seventh meeting of the Conference of the Parties to the Convention on Biological Diversity (UNEP/CBD/COP/7/1/Add.2, pp. 306-329) , the report of the Subsidiary Body on Scientific, Technical and Technological Advice on the work of its ninth meeting (UNEP/CBD/COP/7/4) and the report of the Open-Ended Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010 (UNEP/CBD/COP/7/5).

562. The Working Group also had before it, as information documents, notes by the Executive Secretary on consideration of the results of the meeting on “2010 – the global biodiversity challenge (UNEP/CBD/COP/7/INF/22), provisional global indicators for assessing progress towards the 2010 biodiversity target (UNEP/CBD/COP/7/INF/33) and implementation of the Convention on Biological Diversity in the pan-European region: statement of the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) (UNEP/CBD/COP/7/INF/38).

563. Introducing the item, the Secretariat said that, in addition to including the 2010 target, the Strategic Plan had called for better methods for the objective evaluation of progress towards the implementation of the Convention and the Strategic Plan. The ninth meeting of SBSTTA and the Inter-Sessional Meeting had adopted a number of recommendations on the matter. Document UNEP/CBD/COP/7/20/Add.1, which had been developed in response to a request from SBSTTA to the Executive Secretary to conduct some inter-sessional work, set out a framework for sub-targets to facilitate and assess progress towards the 2010 target, and work out an approach for the integration of the targets into the programmes of work and a set of global indicators to monitor progress. The draft decision under the item in question contained in the compilation of draft decisions (UNEP/CBD/COP/7/1/Add.2) combined both sets of recommendations as well as the proposals developed by the Executive Secretary in

accordance with SBSTTA guidance. The Working Group was therefore invited to consider for adoption the framework for the specific sub-targets to facilitate and assess progress towards the 2010 target, the approach for the integration of the targets into the programmes of work and the set of trial global indicators to monitor progress.

564. Following the introduction, a statement was made by the representative of Ghana, speaking as the Chair of the ninth meeting of SBSTTA, who highlighted a few of the main points of recommendation IX/13.

565. Statements were also made by the representatives of Argentina, Australia, Bolivia, Brazil, Bulgaria, Canada, Colombia, Iceland, India, Indonesia, Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries), Kenya, Maldives, Mexico, New Zealand, Norway (also speaking on behalf of the Pan-European Biological and Landscape Diversity Strategy), Peru (speaking on behalf of the Andean Community) and Switzerland.

566. Statements were likewise made by Birdlife, Conservation International, Fauna and Flora International, the Nature Conservancy, Wildlife Conservation Society, World Wide Fund for Nature and the International Indigenous Forum on Biodiversity.

567. Following the statements, the Working Group agreed to set up a contact group, chaired by Mr. Asghar Fazel (Islamic Republic of Iran), to assist the Chair with the preparation of a revised text of the draft decision incorporating the amendments proposed from the floor for the consideration of the Working Group at a subsequent meeting.

568. Working Group I continued its consideration of the item at its 17th meeting on 19 February 2004. The Working Group had before it a conference room paper containing a draft decision on Strategic Plan: Future Evaluation of Progress. The Chair pointed out that there was a need to consider the integration of outcome-oriented targets into the programme of work on inland water ecosystems and on marine and coastal biodiversity.

569. Mr. Asghar Fazel (Islamic Republic of Iran), Chairman of the contact group, gave a report on its progress. After paying tribute to delegates' spirit of cooperation, he reported that there was broad agreement on most of the text, and on three of the four Annexes.

570. Statements were made by the representatives of Canada, Ethiopia (speaking on behalf of the Africa Group), Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Jamaica, Japan, Nepal and New Zealand.

571. Working Group I pursued its consideration of this item during the informal part of its 18th meeting on 19 February 2004.

572. Statements were made by the representatives of Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Kiribati, New Zealand, and Norway.

573. At its 20th meeting, on 20 February 2004, Working Group I continued its consideration of the conference paper submitted by the Chair on the item.

574. Statements were made by the representatives of Brazil, Canada, Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), and Norway.

575. The draft decision, as orally amended, was approved for transmission to plenary as draft decision UNEP/CBD/COP/7/L.27.

576. At the 11th plenary session of the meeting, on 20 February 2004, the Conference of the Parties considered draft decision UNEP/CBD/COP/7/L.27, and adopted it as decision VII/30. The text of the decision is contained in the annex to the present report.

V. FINAL MATTERS

ITEM 27. OTHER MATTERS

Draft decisions on alien species that threaten ecosystems or habitats submitted by the President of the Conference of the Parties at its sixth meeting

577. At the 3rd plenary session of the meeting, on 10 February 2004, Mr Hoogeveen, President of the sixth meeting of the Conference of the Parties, said that after the sixth meeting the Bureau had decided to invite the President, with the support of the Executive Secretary, to initiate informal consultations, with the aim of clarifying specific substantive concerns identified during the sixth meeting of the Conference of the Parties during the adoption of decision VI/23 and to seek suggestions on how such concerns could be addressed at the seventh meeting of the Conference of the Parties. The process should not be used as a broad re-opening of decision VI/23. Based on the consultations, a series of draft decisions on alien species that threaten ecosystems or habitats had been produced (UNEP/CBD/COP/7/L.1-3), and submitted to the current meeting for adoption. If there was a formal objection, indicating a lack of consensus, he would, of course, withdraw the proposal.

578. Following a discussion in which a number of representatives took part, it was agreed to defer consideration of the draft decisions, to allow additional time to study the text.

579. At the 11th plenary session of the meeting, on 20 February 2004, Mr. Hoogeveen, President of the sixth meeting of the Conference of the Parties withdrew the draft decisions on alien species that threatened ecosystems or habitats (UNEP/CBD/COP/7/L.1-3) in accordance with rule 37 of the rules of procedure.

580. The representative of Australia made the following statement, which he requested should be included, *in extenso*, in the report of the meeting:

“This is a sad moment. It is the moment that most of us in this room hoped would not arrive. The Australian delegation arrived in Kuala Lumpur full of hope and full of optimism, that we might for once and for all be able to put this difficult issue behind us. So it is a matter of deep and profound regret to the Australian Government, to my delegation and to me personally, Mr. President, that we have been unable to reach an agreement and that the COP-6 President has had to withdraw his proposal.

“Mr. President, while from our perspective, Mr. Hoogeveen’s proposal was not ideal, Australia would have accepted it in the interests of the Convention and in the spirit of compromise. And we would have accepted it on the first day of this Conference of the Parties. It’s our view that the compromise text would have provided the necessary corrections to the most important problems in the disputed Guiding Principles, - in particular reminding Parties that the Principles have to be interpreted and implemented consistent with the Convention and with other relevant international obligations. Agreement on the compromise text also would have resolved the procedural anomaly created by the improper adoption of decision VI/23, thus closing the door on further

procedural uncertainty. Adoption of the former President's proposal would have allowed us all to move forward together with implementing an appropriate programme of work on invasive alien species under the Convention.

"Mr. President, I just want to remind you and the delegates in the room, that Australia fundamentally supports the environmental objectives of that programme of work, and I remind Parties as I have done on previous occasions that it was Australia, along with New Zealand, who were the original proponents of this work within the CBD. It was Australia along with New Zealand who were the original drafters, the original authors, of the Guiding Principles. And to this day we support 99.9% of those Guiding Principles.

"Mr. President, some Parties have asked us or have indicated to us, that they are unclear about what Australia's substantive concerns were, with the very small portion of the Guiding Principles that worry. For the record, let me explain clearly what they are and why they are important not just to us but to all Parties.

"The first issue of concern has to do with the definition of the precautionary approach. The definition of the precautionary approach in the current VI/23 deviates from the definition agreed in Rio principle 15 of the UN Rio Declaration on Environment and Development. The Rio definition was reaffirmed less than two years ago at Head-of-Government level at the World Summit on Sustainable Development, including by those Parties in this room today. We find it ironic, Mr. President, that those Parties that could not accept the unaccompanied reference to Rio principle 15 on invasive alien species have in fact just now, just this evening, agreed to an unaccompanied reference to Rio 15 as the definition of the precautionary approach in the paper on Guiding Principles on Sustainable Use.

"Mr. President, some Parties have suggested that Australia is opposed to the exercise of precaution. Nothing could be further from the truth. Precaution is an integral part of the way we deal with issues affecting the environment, food safety, agriculture and veterinary chemicals, and the range of others. In fact, the overarching environment legislation in Australia has the precautionary approach as defined in Rio 15 embedded as a key principle.

"The second issue of concern has to do with the burden of proof. The burden-of-proof provisions in principle 10 of the current VI/23 could lead to claims inconsistent with WTO's members' substantive rights under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures. These provisions are also inconsistent with the way in which many of us deal practically with the problem of invasive alien species, including through quarantine measures.

"And the third issue of concern for Australia has to do with risk assessment. Australia is concerned that the way in which the Guiding Principles indicate how socio-economic and cultural factors are to be taken into account in the risk assessment process could also be claimed to undermine the importance of science-based decision-making under this Convention and possibly other international agreements.

"And that means, Mr. President, that none of these reinterpretations or restatements of existing principles, obligations or processes is in any way necessary for the effective implementation and operation of the Guiding Principles. They only introduce possibilities for uncertainty and confusion.

“Let me be clear, Mr. President. The compromise text would not have prevented any Party to the CBD from taking actions necessary to deal with invasive alien species that were consistent with the other international obligations that most Parties have. We, therefore, see no danger to any Party adopting the compromise proposal, if what they were really concerned about was generally related to control and prevention of invasive alien species and not other matters.

“There have also been some suggestions that Australia is seeking to establish a hierarchy of agreements. Again, this is not the case. Rather, our views reflect our desire to ensure that States respect the integrity of their commitments to all international agreements under which they have rights and obligations. This is particularly important in the CBD context because of its numerous intersections with issues that are dealt with by other international regimes – and not just those covering trade. Accordingly, our concern here related to attempts by some Parties to try to influence commitments under this agreement with a view to claiming that this provides them with the ability to reinterpret, evade or undermine the other international obligations. It is our strong belief that trade and environment agreements can and should be implemented in a mutually supportive way.

“Mr. President, I need to emphasize for people in this room, how hard Australia has worked with Mr. Hoogeveen over the past nearly two years to reach a mutually acceptable resolution. There are many here who have not been close to those discussions and those negotiations who perhaps would not be aware of how flexible we have been so if I can just take a minute to run through the sequence of events.

“Firstly, last year, we provided a written proposal covering all the issues of concern in an attempt to reach consensus. In the event that attempt proved not to be acceptable to all. Early this year, we meet face to face with Mr. Hoogeveen, and negotiated over three-day period another position, which involved considerable compromise from Australia. When we arrived here in Kuala Lumpur on Saturday, we were advised of some additional matters that concern to others and we agreed to accept further compromise to deal with those additional issues. The next day, some other matters were raised, again we compromised. And during the course of this last week, of COP7, we have put three additional compromise proposals in an attempt to reach resolution.

“Mr. President, we could not have tried harder to solve this matter. Now no one should doubt Australia’s good faith or willingness to engage other Parties in an attempt to resolve this issue.

“Mr. President, this is not just an issue of the substance of the Guiding Principles, but there is also at stake here the very meaning of consensus within this and other conventions. As the Parties know, because of the major concerns that Australia had about the Guiding Principles, the Australian delegation attending the 6th Convention of Parties formally objected to adoption of the decision (VI/23) to which the draft Guiding Principles were annexed. Given this formal objection, we do not believe, and we do not believe now that the decision was properly taken, and do not therefore accept it is valid. Many other delegations expressed reservations regarding this procedure as well. And we welcomed the UN Legal Counsel’s subsequent confirmation that consensus in the CBD COP, and here I quote his opinion: ‘Consensus is understood to mean the practice of adoption of resolutions or decisions by general agreement without resort to voting in the absence of any formal objection that would stand in the way of a decision being declared adopted in that manner.’ Clearly, we did not agree with the Counsel’s view that our objection was not properly made. A number of other Parties share our concerns.

“As Australia made clear in the paper we circulated informally a few days ago with some suggestions on how this impasse may be resolved, we did not believe the adoption of the compromise proposal would set a precedent that would allow any decision of the COP to be reopened. Rather, this was intended to respond to the unique circumstances surrounding the consideration of adoption of the Guiding Principles at COP6.

“Mr. President, as a result of this improperly taken decision, Australia has been forced to ensure that all subsequent references to the COP6 outcome are accompanied by statements making clear that Australia does not accept that VI/23 had been validly adopted.

“Unfortunately we will now be obliged to continue to object to all references to VI/23. We will continue to contest the UN Counsel’s opinion that, notwithstanding the faulty procedure in adopting VI/23, that the decision should stand. And unfortunately again, Mr. President, the legitimacy of the Guiding Principles will remain now in question. We have now looked to the future to try yet again to resolve this uncertainty at the earliest possible opportunity.

“Australia, therefore, intends to raise on the agenda of COP8 an item “Clarification of disputed decision VI/23”. And we look forward, Mr. President, to your guidance, in addressing this issue inter-sessionally. As we have consistently stated, we remain ready to work with Parties to resolve this problem. And if it would help, we will start the process tomorrow. If it would help, we will talk to any Party in this room to get the resolution and we will continue that process between now and when we meet again in Brazil.

“Mr. President, Australia intends to remain an active and committed Party to the CBD, as we have been at this COP. Australia was instrumental in the creation of this Convention. We were one of the first countries to ratify the Convention. And we believe the CBD is addressing important issues that will benefit biodiversity, both globally and in Australia. We are working actively at the national level in many ways to implement its provisions, including in many of the areas that have been discussed here over the last two weeks such as protected areas and marine biodiversity. Might I add, Mr. President, that we will continue to implement our biodiversity and other environmental programmes in a way that is consistent with our rights and obligations under the CBD and other international instruments that demonstrate that such agreements can be mutually supportive.

“Mr. President, for some of us, it has been a long journey from the final plenary in The Hague to this evening in Kuala Lumpur. Over that nearly two years, Australia and others have made every effort to reach a resolution. A resolution that preserved the essential integrity of the Guiding Principles, but at the same time, dealt with the issues of concern that we and other Parties had. Unfortunately we have not been able to achieve that resolution.

“But I would like to thank all of the Parties in this room, who, along with Australia were genuinely trying to find a solution to the problem. And Mr. President, most of all, I want to thank Hans Hoogeveen. Hans has been absolutely tireless in pursuing a balanced and fair outcome to this issue. He has been an absolute tower of strength when all others were flagging and almost giving up. At all times Hans has been open and straightforward. And at all times he has acted with the utmost integrity. No one in this room has strived harder for a resolution on this matter than Hans Hoogeveen. That we have not succeeded is not the fault of Hans. And on behalf of the Australian delegation, I would like to thank Hans very sincerely.

“Mr. President, I thank you for the licence that you have given me to made such a long statement so late in the night and I would also ask that you would be gracious enough to include the text of my statement in the report of this meeting.”

581. The representative of New Zealand expressed her concern that the proposal had been withdrawn and stressed that consensus underpinned the decision making process of the Convention of the Parties. She said it was of paramount importance that the proper meaning of consensus was realized.

582. The representative of Canada stated that her Government endorsed the Parties' collective understanding of consensus as contained in the legal opinion of the United Nations Legal Counsel.

583. The representative of Ireland (on behalf of the European Union and the Acceding Countries, and Bulgaria and Romania as Candidate Countries) also endorsed the Parties' collective understanding of consensus as set forth in the legal opinion of the United Nations Legal Counsel.

Statement by Turkey

584. At the 11th plenary session of the meeting, on 20 February 2004, the representative of Turkey said that Turkey wished the following statement recorded in the report of the meeting:

“The acceptance by Turkey of the decisions and reports adopted at the Conference of the Parties to the Convention on Biological Diversity COP-7 which contains a reference to the 1982 United Nations Convention on the Law of the Sea neither prejudices, nor affects the position of Turkey vis-a-vis the aforementioned Convention.”

“Turkey emphasized that the goal of the Ramsar Convention is not the management and allocation of water and it is beyond the scope of the said Convention.”

“Turkey reminds her reservations to the 6th, 12th 15th, and 18th paragraphs of the Ramsar COP-8 DR1 Draft Resolution, 22nd paragraph and D,F articles of the said Draft as well as 12.1.2 and 12.1.3 paragraphs of the Ramsar COP-8 D25 Draft Resolution concerning the Work Plan, which were stated at the Ramsar Convention COP-8, held in Valencia.”

Statement by the International Indigenous Forum on Biodiversity

585. At the 11th plenary session of the meeting, on 20 February 2004, the representative of the International Indigenous Forum on Biodiversity said that Indigenous Peoples remained deeply concerned about the proposed international regime on access and benefit sharing. That regime had to be consistent with international human rights laws and standards. Intellectual property rights regimes favoured the privatization of indigenous peoples' bio-cultural resources by transnational companies. To counteract that tendency, indigenous customary law must be a fundamental element of any *sui generis* regime protecting traditional knowledge.

586. The Parties should ensure the continuation of the Ad Hoc Open-ended Working Group on Article 8(j) and Related Provisions and the Guidelines on Biodiversity and Tourism should be reviewed by the Working Group at its next meeting in the light of the recommendations of the International Indigenous Leadership Gathering on Sustainable Tourism that would be held in Canada in September 2005.

587. The establishment of regional, sub-regional and national protected areas and ecological networks should not result in forced resettlement, extinction or breach of indigenous peoples' rights to their territories. Marine and coastal protected areas had also damaged the lives and territories of indigenous peoples. Protected areas had to be established in accordance with the principle of free, prior and informed consent.

588. All of the work programmes under the Convention must guarantee the full and effective participation of indigenous peoples in resource management in dry and arid lands, marine and coastal waters, inland waters, forests, mountains and islands. In closing, she emphasized that Parties must uphold indigenous peoples' land rights and their right to control access to and the use of their resources and knowledge.

Statement by Mauritius

589. The representative of Mauritius, speaking on behalf of the small island developing States, said that biological resources were of considerable importance to small island developing States and welcomed the specific references to small island developing States at the seventh meeting of the Conference of the Parties. He wanted all participants to the 10-year review of the Barbados Plan of Action, being held in Mauritius from 30 August to 3 September 2004.

Tribute to the Government and people of Malaysia

590. At the 11th plenary session of the meeting the Conference of the Parties expressed its sincere gratitude to the Government of Malaysia and to its people for the cordial welcomed that was accorded to the meeting and for their contribution to the success of the meeting. The Conference of the Parties adopted decision VII/36 on the basis of the draft decision UNEP/CBD/COP/L.36 submitted by the Bureau. The text of the decision is contained in the annex to the present report.

ITEM 28. ADOPTION OF THE REPORT

591. The present report was adopted at the 11th plenary session of the meeting, on 20 February 2004, on the basis of the draft report presented by the Rapporteur (UNEP/CBD/COP/7/L.4 and Add.1) and the reports of Working Group I (UNEP/CBD/COP/7/L.4/Add.2) and Working Group II (UNEP/CBD/COP/7/L.4/Add.3) on the understanding that the Rapporteur would be entrusted with its finalization in the light of the discussion at the 11th and 12th plenary sessions.

ITEM 29. CLOSURE OF THE MEETING

592. At the 6th plenary session of the meeting, on 27 February 2004, the Conference of the Parties heard closing statements from Mauritius (on behalf of the small island developing States), Hungary (on behalf of the Central and Eastern European Group), India (on behalf of the Asia and Pacific region and the Group of Megadiverse Countries), Australia (on behalf of Japan, United States, Canada, Australia and New Zealand), Ireland (on behalf of the European Union and the Acceding Countries and Bulgaria and Romania as Candidate Countries), Colombia (on behalf of the Latin American and Caribbean Group), Ethiopia (on behalf of the African Group), the Republic of Korea and Nepal.

593. Statements were also made on behalf of non-governmental organizations from all the continents and the International Indigenous Forum on Biodiversity.

594. Closing addresses were also made by the representative of UNEP, on behalf of the Executive Director of UNEP, Mr. Klaus Töpfer and by Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity.

595. The President also made a closing statement and he declared the seventh meeting of the Conference of the Parties closed at 4 p.m. on Friday, 27 February 2004.