

DELEGATIONS ACCEPTED AS A BASIC PREMISE THAT A PACKAGE APPROACH COMBINING EXISTING RESOURCE FLOWS WITH NEW AND ADDITIONAL FUNDS WOULD BE THE BASIS OF THE DEAL; AND ALL DELEGATIONS WERE ABLE TO RALLY AROUND THE CONCEPT OF BUILDING A QUOTE PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT UNQUOTE AS A COMMON OBJECTIVE FOR WHICH FUNDS WOULD BE PROVIDED. NEGOTIATIONS BROKE DOWN INITIALLY OVER THE G77S RELUCTANCE TO COMPLETELY ABANDON THEIR CONCEPT OF A QUOTE GREEN FUND UNQUOTE, WHICH WOULD BE THE MULTI-LATERAL MECHANISMS USED TO PROVIDE ADDITIONAL FUNDS FOR AGENDA 21. THEIR RELUCTANCE TO PART WITH THIS CONCEPT WAS ACCENTUATED BY THEIR (JUSTIFIED) APPREHENSION THAT THE ONLY NEW AND ADDITIONAL MONEY LIKELY TO BE FORTHCOMING WILL BE ONLY FOR AGENDA 21 ISSUES THAT CAN BE JUSTIFIED TO WESTERN DONORS AS ISSUES OF GLOBAL BENEFIT, OR GLOBAL SIGNIFICANCE. BY THE LAST DAY, THE LEADERSHIP OF THE G77 HAD CONCEDED VIRTUALLY ALL OF THEIR EARLIER POSITIONS, AND HAD VIRTUALLY AGREED TO AN AMALGAMATED OECD TEXT. BUT THE NEGOTIATIONS BROKE DOWN OVER AN UNWILLINGNESS BY EC DELS (IN PARTICULAR THE UK, AND FRANCE) TO FIND COMMON GROUND WITH THE LANGUAGE THE G77 HAD PROPOSED ON THE SCOPE AND GOVERNANCE OF THE GEF. AS A RESULT, THE G77 BROKE OFF ALL FURTHER DISCUSSION AND THE PREPCOM TOOK NO DECISION ON THE SUBJECT.

19. CLEARLY IN RIO WE WILL HAVE TO REVISIT THE SAME GROUND - AND COULD PROBABLY BEGIN WITH THE SAME TEXTS AS WE HAD IN PLAY IN NEW YORK. SEVERAL EVENTS BETWEEN NOW AND THEN WILL DETERMINE THE TONE OF NEGOTIATIONS. THE G77 MAY WELL HARDEN THEIR POSITIONS AGAIN AROUND A GREEN FUND AT THE DEVELOPING COUNTRY ENVIRONMENTAL MINISTERIAL IN