

Flexible economic instruments could help to attain this goal at lowest cost by ensuring that "prices tell the environmental truth". Mr. Töpfer underscored the need for close cooperation between institutions in the United Nations family, and outlined the means by which UNEP, in cooperation with the conferences of the parties to the "Rio conventions", might aid in the achievement of common environmental goals. He identified the need for a better scientific assessment of the linkages between the conventions and of possible synergies in their programmes, for example, with respect to the crosscutting environmental demands posed by hydrofluorocarbon gases (HFCs). UNEP also looked forward to cooperating with the United Nations Conference on Trade and Development (UNCTAD) with the aim of promoting an inter-governmental process on the use of economic instruments for the effective implementation of environmental policy. In closing, Mr. Töpfer emphasized the need for all institutions to work together to meet common goals.

7. The Executive Secretary began by thanking Minister Alsogaray and Mr. Töpfer for their statements. With particular reference to Mr. Töpfer's remarks, the Executive Secretary underlined the importance of building on the potential for policy coherence and positive linkages among different conventions. In this context, he recalled his suggestion to the COP Bureau that the SBSTA might consider inviting UNEP to address issues relating to HFCs and to land-use change and forestry which cut across the Kyoto Protocol and other legal instruments. The Executive Secretary then offered some comments regarding work on the mechanisms envisaged in Articles 6, 12 and 17 of the Kyoto Protocol. Firstly, he observed that, since Kyoto, a multiplicity of activities on the mechanisms had been initiated by various organizations. He informed the subsidiary bodies that the secretariat had recently convened a meeting of a number of such organizations to exchange information on their activities. The information collected could be found in documents FCCC/SB/1998/MISC.2 and Add.1. Secondly, the Executive Secretary turned to the secretariat work programme with respect to the mechanisms, noting that, to date, this had centred around methodological issues relating to the pilot phase of activities implemented jointly. He suggested that this work could be adapted to the needs of the new mechanisms, in particular joint implementation (Article 6) and the clean development mechanism (Article 12) and, in this context, he drew the attention of Parties to the note by the secretariat contained in document FCCC/SB/1998/2. In particular, the Executive Secretary proposed that the secretariat could make inputs to the design of modalities for certification under these two articles, both of project activities and of emission reductions, as appropriate, as well as to the architecture of governance. He noted that such functions should be kept separate from the promotion and finance of projects; therefore, the secretariat should not be involved in such work as the design of financial mechanisms, arrangements for the preparation of projects or investment clearing houses. The Executive Secretary further underscored the potential contribution of the secretariat to work on related elements of the Kyoto Protocol, such as guidelines for national systems, the accounting of assigned amounts and compliance, observing that the credibility of the Kyoto Protocol would depend on the effectiveness of these procedures. The Executive Secretary concluded by noting that he looked forward to guidance from Parties on the work programme of the secretariat, in the light of his comments.