

Canada, as chair of the Annex I countries' project on Policies and Measures for Common Action, intervened on the first day of SBSTA to bring Parties up to date on the project. The OECD and IEA Secretariats have been busy preparing a draft work plan for the project and in organizing an experts workshop to be held Sept 25 and 26 in Paris. The Workshop will be a brainstorming session to gather ideas on promising policies and measures that could be considered for coordinated implementation by Annex I countries. On September 26 and 27 delegates from Annex I countries will meet to consider the work plan for the project and to select possible policies and measures for analysis. Canada (Russell- ENVCD) will chair these sessions.

28. This analytical project will be a crucial input to the work of the AGBM as well as the SBSTA and SBI. Because it deals with sensitive policy measures, care will need to be taken to ensure that it delivers a balanced, analytical piece and avoids falling into the potential trap of becoming a negotiating forum for Annex I Parties. NGOs, particularly American business lobbyists, have expressed concern about the project and want further information. In efforts to nip any potential misunderstandings in the bud, Canada convened a special meeting of Annex I delegates to decide on ground rules for NGO involvement. These were then communicated by Canada and the OECD & IEA Secretariats to both business NGOs and environmental NGOs at two separate briefing sessions. The two important points being that the experts group meeting would only include government representatives and that any documentation being prepared for the joint project would only be made available to non government parties at the discretion of national governments. A commitment was made to continue such briefing sessions on the margins of future meetings of the AGBM.

29. Canada chaired several meetings of the extended Common Interest Group (OECD countries plus economies in transition). Candel also participated in daily JUSCANZ (Non European Union OECD) meetings. Both CIG and JUSCANZ meetings proved to be very useful, especially in dealing with the technical panels issue and in coming up with solutions which are in the interests of all the Annex 1 Parties. In fact, cooperation within the CIG was greater than had been seen for many FCCC sessions.

30. Funding for LDC participation: G-77, China, and the countries with economies in transition were concerned over the lack of funding for their full participation. In this regard, Germany announced its contribution of U.S.\$150K (DM220K) to the International Voluntary Fund. Canada will be announcing, at the next session of the AGBM, its contribution of Cdn\$65k to this fund.

31. Article 13: During the final meeting of JUSCANZ, JLO/Hannaford presented to the delegations the Canadian Proposal regarding the Article 13 Multilateral Consultative Mechanism. It was stressed that the mechanism was a new approach to compliance and was distinct from the direction taken in, for instance, the Montreal Protocol. Comments were also solicited. Amb Wensley of Australia encouraged the members of JUSCANZ to forward to Canada their thoughts on the Canadian approach to Article 13. Australia