

should be held off until after the INC-Climate Change has concluded its negotiation (final negotiating session before UNCED is April 30 - May 14). As a result, the chapter remains in a state of relative flux and will need to be renegotiated at UNCED based on the Climate Change Convention.

Although Saudi Arabia, Kuwait and Yemen put the entire chapter in square brackets, the majority of their concern are contained within the programme area on promoting sustainable development which contains most of the actions directed at the energy sector. This would suggest that this programme area will need to be re-examined in light of the climate change convention. It is my belief, however, that regardless of the outcome of those negotiations, Saudi Arabia and Kuwait will not be able to accept any proposals that suggest reducing fossil fuel consumption, that promote the use of other sources of energy in place of fossil fuels, or that include the use of economic instruments as a means of changing consumption patterns.

Overall, the document coming out of PrepCom IV does represent some gains relative to the Secretariat's document PC/100/Add.14 at least with respect to Canadian objectives. The segregation of transboundary air pollution and stratospheric ozone depletion into separate programme areas is a step backwards and counter to our objectives; however, this is somewhat compensated for by the introduced language that recognizes and tries to address the linkages between the issues.

The square bracketed text, beside those around the entire text fall within the following categories:

- a) environmentally [safe and] sound energy systems - The square bracketed phrase is a reference to not promoting nuclear energy with the words "safe and" introduced by Saudi Arabia. This debate has been going on for a number of years and should be resolved. The most effective way of doing this could be to make reference to the need to increase the safety aspects of all energy systems throughout the entire cycle with the goal of minimizing risk.
- b) reference to economic instruments and incorporating externalities into the price - These proposals are part of the deliberations within the INC-Climate Change convention negotiations and should be resolved prior to Rio. Working Group I had negotiated a proposal that was acceptable (provided flexibility) in the opinion of most delegations. This negotiated language should be revisited in light of the climate change convention.