

enabling activities, and in particular, support for the preparation of national communications. Agreement was not reached on the Annex to the MOU, which addresses the issue of the determination of funding necessary and available for the implementation of the Convention. While Annex 1 Parties were expecting simple approval of a document that had been approved by developed and developing countries at the last GEF Council meeting, non-Annex 1 Parties at COP 2 took exception to this "assumption of arrogance" on the part of the GEF and insisted that Parties have the right to negotiate and change the language of the annex. Since a number of Annex 1 Parties, including Canada, did not have a mandate to change the terms of the annex, little could be accomplished except for an agreement that all parties will consider the annex and the proposed alternative annex drafted by the G-77 at the next meeting of the SBI. A special session of the SBI was called for December (none had been originally scheduled) to deal with this issue. Parties are also invited to send their comments on this issue by September 30/1996.

34. AG13: the Ad Hoc Group on Article 13 met on two occasions, once at an informal session on consultative mechanisms as well as in a formal session, dealing largely with procedural matters. At the informal session representatives of the WTO, the ILO, the Centre for Human Rights, the Basel Convention and the Implementation Committee of the Montreal Protocol provided information as to the operations of consultative/compliance mechanisms within those institutions. At a formal session the following day, the Synthesis of Responses was introduced as a Working Document for the December session. A Decision was drafted to extend the mandate of the Group until its work was finished. As well, a draft Decision to authorize the Group to consider the application of the Article 13 multilateral consultative process to the future legal instrument (FLI) was introduced. This latter draft raised considerable resistance, as it was considered premature by many. However, Canada supported the Chair in seeking such a Decision, for reasons of timing: if authority is not vested in the AG13 now, the next opportunity to raise the issue before the COP will be at COP3 in Japan. By this time, any new protocol will have been drafted.

35. Permanent Secretariat: The COP approved several matters regarding the establishment of a permanent secretariat, including the relocation arrangements for the move of the secretariat to Bonn, taking note of the headquarters agreement signed June 20, 1996 by U.N., The FCCC secretariat and the Government of Germany and encouraging Parties to identify liaison focal points in Bonn, Geneva or New York. The secretariat is institutionally linked directly to the U.N. (rather than through a department or program) and this linkage will be reviewed prior to the year 2000. The COP took note of the UNGA resolutions 50/115 and 50/232 regarding funding for conference servicing of \$5.5 Mil for 1996-97. The proposed budget which is reduced by \$4 mil as a result of administrative support provided by the U.N. and the relocation to Bonn was approved.

36. Cdn del to the subsidiary bodies AGBM, SBI, and AG13 was co-led by Tony