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PROVISIONAL SUMMARY RECORD OF THE 37th MEETING

Held at the Palais des Nations, Geneva,
on Monday, 24 July 2006, at 3 p.m.

President: Mr. ČEKUOLIS (Lithuania)
(Vice-President)

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In the absence of Mr. Hachami (Tunisia), Mr. Čekuolis (Lithuania), Vice-President,
took the Chair.

The meeting was called to order at 3.15 p.m.

ECONOMIC AND ENVIRONMENTAL QUESTIONS

- (a) SUSTAINABLE DEVELOPMENT (A/6/72-E/2006/54, A/61/75-E/2006/49, A/61/76-E/2006/51, E/2006/29. E/2006/33)
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COORDINATION, PROGRAMME AND OTHER QUESTIONS (continued)

- (h) TOBACCO OR HEALTH (E/2006/62)

Ms. PUNYARATABANDHU (Chairperson, Committee for Development Policy (CDP)), introducing the Committee's report on its eighth session (E/2006/33), said that it focused on three themes: creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and the impact on sustainable development; coping with economic vulnerability and instability; and triennial review of the list of least developed countries (LDCs).

Regarding national and international policy responses to economic vulnerability and instability, the report noted that domestic policy efforts were often weakened by external shocks; hence the need for international efforts to mitigate economic vulnerability. The Committee suggested establishing rules for prompt disbursement of adequate financing in the case of shocks, building the necessary capacity in governments of vulnerable countries to better deal with external shocks and continuing to give priority to long-term development objectives.

With regard to the triennial review of the list of least developed countries, the Committee maintained its position that, in addition to the current least developed countries, the countries to be considered should include those identified by the World Bank as low-income countries in any one of the three most recent years.

The Committee had applied three assessment criteria for the inclusion in and graduation of countries from the list of LDCs. The first criterion compared the income situation of countries to the established thresholds. A country was to be included in the list of LDCs if the three-year average of its income per capita was below US\$ 745. The two other criteria referred respectively to a country's level of human development (human assets index - HAI) and its vulnerability to exogenous economic shocks (economic vulnerability index - EVI). The Committee had also decided that the thresholds for graduation should be maintained at a 10 per cent difference from the inclusion thresholds.

Applying those agreed thresholds and taking into account other information and considerations, the Committee had concluded that Papua New Guinea and Zimbabwe qualified for inclusion in the list of least developed countries. It had informed both countries of its findings but had been notified that the Government of Zimbabwe did not give its consent to be included in the list of least developed countries. Subject to the acceptance of the Government of Papua New Guinea, the Committee therefore recommended that only Papua New Guinea should be included in the list of least developed countries.

For reasons spelled out in paragraph 23 of its report, in 2003 the Committee had found Samoa eligible for graduation from the list of LDCs. The Government of Samoa had expressed substantive concerns about the Committee's assessment of its economic vulnerability and the quality of data used. The Committee had taken those concerns duly into consideration, but had nevertheless recommended that Samoa be graduated from the list of LDCs. The Committee had also found that Equatorial Guinea, Kiribati, Tuvalu and Vanuatu had met the graduation criteria for the first time and recommended that more detailed information be collected on the situation of those three countries before the next triennial review in order to allow a fully informed assessment.

Most countries that either qualified or were eligible for graduation under the review were small island developing States. All those countries and their development partners were to be commended on their successful escape from the poverty trap that plagued the least developed countries. At the same time, they all continued to face the special development challenges of small island economies. The international community must make further substantial progress in formulating policies and actions to address that particular set of challenges.

Ms. GEBRE-EGZIABHER (Director, United Nations Human Settlements Programme (UN-Habitat)), introducing the report of the Secretary-General on coordinated implementation of the Habitat Agenda (E/2006/71), said that an estimated 1 billion people were currently living in urban slums in most of the developing countries, a figure that could easily reach 2 billion by 2030 unless urgent action was taken. Recent studies showed that high-density occupation and lack of predictable income and of access to decent shelter, water and sanitation rendered the urban poor as vulnerable to poor health, disease and malnutrition as their rural counterparts, and in many cases more vulnerable, as they depended on monetary income for such access.

Until recently, most developing countries had underestimated the consequences of rapid urbanization. Investment in urban infrastructure and services lagged far behind demographic growth and the physical expansion of towns and cities. The lack of financial and technical capacity, especially of local authorities, remained a severe constraint. To address those problems, UN-Habitat had developed a strategic approach. The report outlined the progress made in its coordinated implementation, described the partnership developed between the United Nations, the World Bank and other organizations, research institutes and civil society and concluded with lessons learned and recommendations.

Having described UN-Habitat's inter-agency cooperation in mainstreaming a more sustainable approach to shelter, land and property rights and its provision of its expertise at country level, she said that it fully supported the discussions being held on reform of the United Nations and on system-wide coherence in the areas of development, humanitarian affairs and the environment. The reforms should address the complementary nature of the expertise required at country level, regardless of the size of organizations.

Pro-poor housing, infrastructure and services were essential to meeting basic needs and constituted key components for social and economic development. Well planned and managed human settlements were critical to shrinking the ecological footprint of human activity, reducing pollution and promoting the sustainable use of natural resources. Sustainable post-disaster and post-conflict reconstruction and rehabilitation were contingent upon the restoration of land and property rights, key determinants of peacebuilding and the sustainable restoration of livelihoods.

Dr. MOCHIZUKI-KOBAYASHI (Director, Tobacco Free Initiative, World Health Organization), presenting the report of the Secretary-General on the activities of the Ad Hoc Inter-Agency Task Force on Tobacco Control (E/2006/62), said that tobacco was described as accounting for approximately 5 million deaths a year, equivalent to 1 in 10 adult deaths globally - the second cause of death in the world. The burden of disease and death from tobacco use entailed not only health damages but also economic ones due to loss of income and increased costs for treating tobacco-related diseases.

One of the specific areas of concern on which the report focused was exposure to second-hand smoke. The evidence about the dangers it entailed had recently been strengthened by the publication of three major reports. All three conveyed the same public health message: second-hand tobacco smoke caused disease and death in children and adults who did not smoke, and the scientific evidence indicated that there was no safe level of exposure to it. It was an occupational hazard that had a variety of psychological and social aspects and must be strictly regulated to protect the health of workers. In light of the experience of countries and agencies that had successfully banned tobacco use in the workplace, the Task Force strongly recommended that a complete ban of smoking and prohibition of sales of tobacco products be implemented in all United Nations premises (headquarters and regional and country offices).

Regarding the link between tobacco and poverty, she said that by helping tobacco users to quit and by discouraging young people from taking up tobacco use through strong tobacco control measures, damage to health and loss of basic income could be substantially reduced, resulting in poverty alleviation and better economic development in developing countries.

The WHO Framework Convention on Tobacco Control (WHO FCTC) had entered into force on 27 February 2005. It was a widely embraced treaty, with 134 Parties spanning the globe and income groups and covering almost 80 per cent of the world's population. The first session of the Conference of the Parties (COP), the Convention's governing body, had been held in Geneva from 6 to 17 February 2006. It had highlighted the need for the elaboration of a protocol on illicit trade in tobacco products.

For WHO, tobacco companies and social responsibility were an inherent contradiction. It was unfortunate that three tobacco companies were listed in the United Nations Global Compact (UNGC), an initiative established with the aim of promoting responsible corporate citizenship. In order to avoid situations where the tobacco industry could use its social activities to remodel its image in a positive manner, the Task Force called on the Economic and Social Council to recommend that the United Nations Global Compact establish a working group to examine the extent to which tobacco companies could invest and participate in socially responsible activities, in particular in connection with United Nations work. WHO had also been involved with the International Organization for Standardization's efforts to develop non-binding standards of social responsibility. The Task Force recommended that the tobacco industry not be allowed to use social responsibility programmes or strategies to promote its product or its business in any way and that the right to health should be listed in the standard as a basic human right.

Mr. ROSENGREN (Observer for Finland), speaking on behalf of the European Union, the acceding countries (Bulgaria and Romania), the candidate countries (Croatia, the former Yugoslav Republic of Macedonia and Turkey), the countries of the stabilization and association process and potential candidates (Albania, Bosnia and Herzegovina and Serbia) and, in addition, Ukraine and the Republic of Moldova, said that following the intensive negotiations at the sixth session of the United Nations Forum on Forests (UNFF), a consensus had emerged and the outcome of the session had been satisfactory. While a legally binding instrument on all types of forests would be the most effective means of promoting policies for sustainable forest management at the international level, the outcome of the sixth session was nevertheless a good basis for the Forum's continuation. Both the report on the sixth session and the draft resolution contained therein were acceptable.

The European Union welcomed the Secretary-General's report on progress made by the Ad Hoc Inter-Agency Task Force on Tobacco Control and the proposed draft resolution on smoke-free United Nations premises. Smoke-free indoor air was a basic right of all citizens. All who were exposed to the smoke of cigarette users faced serious health risks. In the spirit of the WHO Framework Convention on Tobacco Control, an increasing number of European Union members had adopted legislation prohibiting smoking at the workplace and in public facilities.

Tobacco was not only a health issue; tobacco use and production had a broad impact on the poverty of individuals and countries, as well as on the environment. The European Union supported the recommendations concerning close collaboration between all competent agencies and organizations in the fight against tobacco; any conflict of interests should be avoided.

Sustainable development was about safeguarding the earth's capacity to support life in all its diversity. While positive achievements had been made, many challenges remained. The Council of the European Communities had accordingly adopted an ambitious strategy for sustainable development. All three pillars - economic development, social progress and environmental protection - were necessary for achieving the internationally agreed development goals.

The European Union was concerned about the Statistical Commission's findings on deficiencies in collecting statistical data in connection with the Millennium Development Goals (MDGs). National capacities should be strengthened and national data better utilized.

The Commission on Population and Development should periodically assess its methods of work; the European Union welcomed its resolution on that subject. The Commission's resolution on international migration and development underlined the need for Member States to consider the multidimensional aspects in order to maximize the development benefits and minimize the negative impacts on the countries of origin, destination and transition. The root causes of migration and the contribution of international migration to internationally agreed development goals, including the MDGs, should be given in-depth analysis. It was equally important to look into ways of improving the development impact of remittances, to address circular migration and to analyse the contributions that transnational communities could make to the development efforts of the countries of origin.

The European Union appreciated the detailed analysis in the report of the Committee of Experts on Public Administration on how governments could innovate more in their public administration and develop participatory governance. The role of local authorities in implementing development commitments at the local level should be emphasized and encouraged.

The European Union welcomed the work done by the Committee of Experts on International Cooperation in Tax Matters and hoped that in future sessions it could continue to work productively and focus on questions related to its original mandate, taking into account similar work performed in other important fora. The future work of the Committee should be performed within existing resources.

Mr. SUROVTSEV (Russian Federation) said the Commission on Sustainable Development was pivotal within the United Nations system for ensuring the effective implementation of the decisions reached at the United Nations Conference on Environment and Development and subsequent fora. His Government approved of the review carried out at the Commission's fourteenth session of progress made in fulfilling the decisions of the World Summit on Sustainable Development concerning energy, industrial development, atmospheric pollution and climate change. The momentum in the Commission's post-reform work must be maintained, principally by enhancing the effectiveness of its administrative organs.

UN-Habitat had been effective in promoting the global campaign to guarantee the right to decent housing, monitor sustainable development of populated areas and evaluate and mitigate the effects of natural and man-made disasters. The in-depth analysis of its work carried out according to the criteria of the Committee on Programme and Coordination was of great importance and decisive efforts must be made to fulfil the recommendations resulting from that analysis.

The Russian Federation hoped to establish stronger cooperation with the United Nations Environment Programme (UNEP) in resolving global and regional problems of environmental conservation, ecological safety and sustainable development.

The work of the United Nations Forum on Forests (UNFF) was instrumental in raising the visibility of forest issues within the overall sustainable development agenda. Among the most noteworthy outcomes of the Forum's sixth session were agreed strategic objectives on forests and decisions on elaborating a non-binding instrument on the sustainable development of all forests and on future working modalities. The Russian Federation endorsed the consensus decision recommending the proclamation of an International Year of Forests in 2010 or 2011.

Mr. NOVRUZOV (Observer for Azerbaijan) said that despite his country's rapid economic development over the past few years, a special concern had been evinced at all administrative and regional levels for environmental protection - preserving the landscapes and forests and combating desertification and the degradation of vulnerable mountain and water ecosystems. The Government had recently decided to incorporate the development of alternative and renewable sources of energy - wind, solar, and biomass - into its overall strategy of development.

Azerbaijan was poised to produce strategically important quantities of oil and natural gas that could contribute to world economic and energy security. There was a misperception that if a State extracted hydrocarbons, it was a polluter, but his Government was always mindful of the "polluter pays" principle. It was ready to see its balance of payments suffer a bit by importing expensive but environment-friendly equipment in order to make sure that any possibility of pollution was duly addressed and assessed.

It was precisely because of the construction of a strategic oil export pipeline linking the Caspian region with the Mediterranean shores of Turkey and western Europe that the environmentally vulnerable straits of the Bosphorus and Dardanelles were now subjected to much lower pressures of pollution and petroleum tanker traffic. Such was the cost that Azerbaijan had paid to secure regional economic development with a concern for environmental protection. The challenges that his country faced in that area included pollution of watercourses, air pollution as a result of an increase in transport activity, degradation of fertile soil and decreased biodiversity. Azerbaijan was largely dependent on surface water flows from neighbouring countries in the South Caucasus, a situation that entailed serious environmental and health threats, since the main water flow artery brought in increasing amounts of chemical and petrochemical wastes as well as nitrogen and heavy metals. Twenty per cent of Azerbaijan's internationally recognized territory remained under Armenian occupation, and in uncontrolled areas, waste spills were causing environmental disaster.

Another concern was significant damage to forests through Armenian aggression. Massive cutting and illegal logging constituted gross violations of Azerbaijan's sovereign right to the use and management of its natural resources. Across the occupied territories in the past month,

massive forest fires had deliberately been set to exacerbate environmental degradation and cause damage to wild animal species. The world should not ignore such defiant acts of intentional environmental vandalism.

Azerbaijan had always stood committed to helping its neighbours and remained committed to the causes addressed recently at the World Summit on Sustainable Development, where the environment had been recognized as an indelible component of overall sustainable development. He appealed strongly to States to discuss environmental protection as one of the urgent and pressing needs of the international community. The United Nations system-wide approach to assessing efficiency in its activities at the national and regional levels must result in the condemnation of acts that disturbed regional ecosystems and fomented serious consequences of regional dimensions.

His statement had given examples of various problems. It was through such examples and by finding solutions that the results desired by many and envisaged in many resolutions could be achieved.

Mr. ELISAIA (Observer for Samoa) said that prior to the review of its LDC status by the Commission for Development Policy, his country had asserted that its geo-physical characteristics and inherent vulnerability to external shocks were not temporary, but permanent. The economic vulnerability index (EVI) should be the sine qua non of criteria that countries must satisfy before coming off the LDC list. Small island developing States (SIDS) were suddenly being projected as capable of sustaining their economic and social development efforts. Yet how could such countries, which had been recognized by the United Nations as highly vulnerable, be seen as eligible to lose the very status that provided them with the means to fight their vulnerability?

Of the seven countries that had graduated or been deemed eligible to graduate, none, including his own, had ever met the minimum threshold required under the economic vulnerability index. All had met only the other graduation criteria. The fact that Samoa had continuously performed poorly over a decade under the EVI criteria, and continued to do so,

conclusively confirmed its persistent economic vulnerability and had led his Government to request that the CDP defer recommending Samoa's graduation. Hence its surprise upon learning recently of the Commission's recommendation that Samoa be graduated from LDC status.

Even more worrisome was the prospect of such a recommendation being acted upon by the Council. Far from challenging the criteria for graduation, Samoa was inviting the Council to consider reforming the graduation rule to highlight the significance of the economic vulnerability index (EVI) in the two criteria to be met when countries were being considered for graduation from LDC status. It was better to graduate a country when it was fully prepared to sustain its new status, economically, socially and politically, than to go through the process purely as a symbolic gesture to satisfy concerns that retaining the status quo would be tantamount to a lack of progress on the LDC issue.

Samoa's dependence on a few sources of income had not prevented it from performing well under the other graduation criteria. Those modest achievements were primarily the result of stringent utilization of assistance accrued by virtue of Samoa's LDC status, prudent planning and the people-centred financial and economic policies implemented by the Government. The relative success achieved to date belied the extent of the country's true vulnerability to external factors, economic and climatic and natural and man-made. Much work remained to be done in order to achieve full and sustainable development for the people of Samoa.

Samoa's continued economic progress would be doubtful, and could well be reversed, if its LDC status was prematurely removed. It would be too drastic a move to graduate Samoa at present. The Council should consider mandating CDP to reconsider the graduation rule with a view to making the economic vulnerability index the sine qua non for graduation and deferring Samoa's graduation to await the outcome of that study.

Mr. TRIBUSH (Observer for Belarus) pointed out that a satisfying environment was essential to communal coexistence but that the increasing exploitation of natural resources for development purposes made it necessary to consider strictly regulating and seeking secure and ecologically clean technology for their use.

Twenty doleful years had now passed since the accident at the Chernobyl nuclear power plant in Ukraine. Having suffered more than any country, Belarus was acutely aware of the need to ensure safe development of energy technology, heightened effectiveness of its use and acquisition of new and renewable sources of energy. While not denying the potential uses of nuclear energy for development purposes, Belarus advocated a considered and prudent approach, including the processing and storage of nuclear wastes, during which one country's actions could directly affect the interests of its neighbours, as experience had unfortunately shown. The exchange of national experiences and of technological advances, implementation of international partnerships and development of national strategies for environment-friendly activities would greatly facilitate the creation of an equitable and democratic system for intergovernmental coordination of natural resources conservation.

As a party to the Montreal Protocol on Substances that Deplete the Ozone Layer and the London Amendment thereto, Belarus furnished data on the gradual reduction and elimination of the use of products that depleted the ozone layer. Its emissions rate was significantly lower than the norm and a steady trend towards reduction in water consumption for domestic purposes had become evident. It had recently become a party to the Kyoto Protocol to the United Nations Framework Convention on Climate Change and hoped that other countries would do likewise.

Mr. CABRAL (Guinea-Bissau) acknowledged the importance of the work done by UN-Habitat: the higher the poverty level, the more difficult it was for people to find decent living conditions and the greater the likelihood that they would be at risk from diseases. It was true that auspicious conditions must be created for combating tobacco use, but unfortunately the poorer one was, the more one smoked, often because of frustration due to personal psychological problems and others such as unemployment or lack of democracy or of respect for human rights. Nevertheless, the fight against tobacco in public places would redound to the benefit of all and he thoroughly supported it.

Regarding the appeal by the representative of Samoa, he said it was neither an honour nor a privilege to be one of the LDCs. All countries wanted their populations to progress and better living conditions to be established for all. The points made by Samoa about the factors that should be taken into account for graduation from the category of LDCs should be given due consideration.

Mr. SILVA (Observer for Cape Verde) said that following the General Assembly's decisions on removing Cape Verde from the list of LDCs and establishing a gradual transition process for such purposes, his country had submitted proposals for setting up productive partnerships to prevent it from being disadvantaged, in view of its vulnerability and its specific situation as an island within an archipelago. Cape Verde expected its development partners to help maintain its advantages in the areas of trade, development financing and technical assistance. While graduation constituted a major responsibility, shared by the Government as well as Cape Verde society, the mobilization of all development partners was essential to ensuring the country's survival and the implementation of the development strategy that had enabled it to leave the list of LDCs.

Ms. FERNANDO (Sri Lanka) said that although her country had never been an LDC, it was a small island developing country. She well recalled the sense of utter vulnerability felt when the tsunami had occurred in December 2004. She therefore supported the appeal by Samoa on behalf of a number of small island developing States of the Pacific for the EVI to be made the sine qua non for graduation from the list of LDCs.

Mr. HERAWN (Indonesia) said his country was fully committed to sustainable management of forests and had been actively participating in the related international dialogue, including through UNFF. His Government was to convene a country-led initiative to develop a broader understanding of the Forum's new multi-year programme of work with a view to facilitating its consideration and adoption at the Forum's seventh session. The country-led initiative, to be convened in Bali in February 2007, would also take into account work to be done on the non-legally binding instrument to be discussed at the next session of the Forum.

Mr. GOLD (International Labour Organization (ILO)) informed the Council that it had been as a result of the most recent meeting of the Ad Hoc Inter-Agency Task Force, hosted and co-chaired by ILO, that WHO had submitted an official request to ILO with a view to developing a code of practice on workplace tobacco use. The ILO Programme on Safety and Health at Work and the Environment (SafeWork) was actively collaborating with the Tobacco Free Initiative in addressing the dangers associated with tobacco products and second hand or environmental tobacco smoke. ILO also worked with WHO in a number of other areas including the Joint ILO/WHO Committee on Occupational Health and the International Programme on

Chemical Safety. According to ILO estimates, at least 10 per cent of the 2.2 million occupational deaths every year worldwide might be caused by environmental tobacco smoke; hence the need for continued collaboration between ILO and the WHO Tobacco Free Initiative.

Ms. BREINES (United Nations Scientific, Educational and Cultural Organization (UNESCO)) said that under the UNESCO strategy for the eradication of poverty, especially extreme poverty, particular emphasis was placed on endogenous capacity-building, quality education at all levels and throughout life, democratic and participatory governance, incorporation of cultural factors in development strategies, environmental protection, harnessing science and technology for development and human rights as guiding principles for development. The Organization's action in support of poverty eradication concentrated on three major objectives: broadening poverty reduction strategies to encompass education, culture, sciences and communication; helping to establish effective linkages between national poverty reduction strategies and sustainable development frameworks, focusing on UNESCO's areas of competence; and fostering an environment for empowerment, a participatory approach and livelihood generation at the national level.

In view of the patent absence of the notion of culture or cultural diversity as forces for sustainable development in the reports on sustainable development, she suggested that the Commission on Sustainable Development might wish to consider analysing its policies and programmes from a cultural diversity perspective to ensure that culture was duly taken into account.

UNESCO was working with a broad range of partners in its role as the coordinating agency for the United Nations Decade of Education for Sustainable Development (2005-2014). Its World Heritage Committee had recently adopted a programme of action for sustainable development of small island developing States under which assistance would be aimed at the conservation, management and presentation of natural and cultural heritage assets. Because cultural diversity was an engine through which visions, memories and empowerment could be maximized, culture must be seen as a motor for development.

UNESCO had programmes in the fields of hydrology, oceanography, geology and man and the biosphere. It was organizing an International Conference on Humid Tropical Ecosystems with the participation of several specialists from tropical forest regions that could be a significant contribution to the implementation of the resolution proposed by UNFF to the Council.

UNESCO had recently organized an international forum on social science research and policy that had provided an innovative space to develop a new kind of dialogue. Many of the workshops had emphasized the analysis of successes and failures in the use of social science knowledge for policy in relation to poverty eradication and social development. Better understanding of what worked and what failed was the basis for more accurate scientific analysis and enhanced capacity for action.

Mr. MNATSAGANIAN (Armenia), speaking in exercise of the right of reply, said that the Council's meetings had been used several times as a forum for accusations against his country, but Armenia had refrained from responding - not because it lacked arguments, but because it believed that a genuine commitment to a peaceful settlement required a different approach.

The observer for Azerbaijan had spoken of forest fires in lands adjacent to Nagorno-Karabakh, a territory on which negotiations towards a peaceful settlement were in progress within the Organization for Security and Cooperation in Europe (OSCE). Intentional arson had been alleged, yet the fact that the forest fires had spread to the territory of Nagorno-Karabakh had been acknowledged. Strange that the people of that region should set their own lands on fire.

The observer for Azerbaijan had acknowledged that the authorities of Nagorno-Karabakh had invited a fact-finding mission by OSCE to examine the situation. Perhaps he was not familiar with the findings of that mission, which were likely to disappoint him, as Azerbaijan's allegations were not supported. Perhaps it was not helpful for propaganda purposes to admit there might be other, natural causes for what had happened.

The environment was precisely one of the areas that called for joint action and cooperation, transcending political considerations. However, the notion of regional cooperation was anathema to Azerbaijan, possibly because it failed to perpetuate the image of an innocent victim. In future, he hoped his country would not be accused of other regretful occurrences in the territories mentioned.

Mr. NOVRUZOV (Observer for Azerbaijan), speaking in exercise of the right of reply, said he was disappointed by the speaker for Armenia's poor attempt to rebuff the important points raised in his statement. If, as alleged, they had been made simply for the sake of propaganda, then for what purposes did other member States speak about their own problems? It was his country's right to address, at the regional and international levels, the issues he had mentioned. The representative of Armenia's defiant comments on Nagorno-Karabakh impelled him simply to say that it was not solely in the adjacent territories that forest fires had occurred. They had been the result, not of natural causes, but of the intentional burning of land. Several other areas of the territory of Azerbaijan were under the control of Armenian armed forces, and forest fires had also occurred there. True, a special OSCE mission had carried out investigations, but the report, only nine pages long, had not addressed the problems in sufficient detail. The mandate of OSCE should not be confused with the work of the Council. Negotiations were ongoing in a very appropriate forum, outside the Council. His Government stood ready to share its arguments, the results of fact-finding missions and satellite images with any other governments or partner organizations.

Mr. MNATSAGANIAN (Armenia), speaking in exercise of the right of reply, said he greatly welcomed the reference made to OSCE as the main framework within which the conflict was to be discussed.

Draft decision E/2006/L.16: Human settlements

Mr. MOULTON (South Africa), speaking on behalf of the Group of 77 and China and introducing the draft decision, said it was essentially procedural and he trusted that all members of the Council would give it whole-hearted support.

Draft resolution E/2006/L.10: Smoke-free United Nations premises

Mr. GROVER (India), introducing the draft resolution, said that various studies had established that consumption of tobacco in any form was injurious to health and that involuntary or passive smoking resulted in the inhalation of carcinogens and other toxic components. Implementation of a smoke-free United Nations premises policy would have a great symbolic value and enable the United Nations to lead the way on an issue of tremendous importance for global public health. The thrust of the draft resolution was the implementation of a complete ban on smoking at United Nations premises, both at Headquarters and at regional and country offices, and a similar ban on sale of tobacco products.

Report of the Commission on Sustainable Development on its fourteenth session and provisional agenda for the fifteenth session of the Commission (E/2006/29, Chap. I)

The PRESIDENT invited the Council to take action on the draft decision contained in chapter I of the report of the Commission on Sustainable Development (E/2006/29).

The draft decision was adopted.

The PRESIDENT drew attention to two recommendations contained in the report of the Committee for Development Policy (E/2006/33) on the graduation of Samoa from, and the inclusion of Papua New Guinea in, the list of LDCs. He took it that the Council wished to defer action on those recommendations pending further consultations.

It was so decided.

The PRESIDENT invited the Council to take note of the report of the Global Ministerial Environment Forum of the United Nations Environment Programme on its ninth special session (A/61/25).

It was so decided.

The PRESIDENT invited the Council to take action on the recommendations contained in the report of the United Nations Forum on Forests on its sixth session (E/2006/42 and Corr.1 and 2). Chapter I, section A, of the report contained a draft resolution for adoption by the Council.

Outcome of the sixth session of the United Nations Forum on Forests (chap. I, sect. A)

The PRESIDENT suggested that action on the recommendation be deferred pending review by the United Nations Budget Division.

It was so decided.

Proclamation of an International Year of Forests (chap. I, sect. B, draft decision I)

The PRESIDENT recalled that during informal consultations, Croatia, the main sponsor of the draft decision, had informed the Council that the year 2010 was being proclaimed the International Year of Biodiversity, and accordingly, the year 2011 should be proclaimed the International Year of Forests. He proposed that the draft decision be thus orally amended.

Draft decision I, as orally amended, was adopted.

Dates and venue for the seventh session of the Forum (chap. I, sect. B, draft decision II)

Draft decision II was adopted.

Report of the United Nations Forum on Forests on its sixth session and provisional agenda for its seventh session (chap. I, sect. B, draft decision III)

The PRESIDENT suggested that action on the draft decision be deferred to a later stage in the Council's proceedings.

It was so decided.

ECONOMIC AND ENVIRONMENTAL QUESTIONS (A/60/853-E/2006/75, E/2006/24, E/2006/25, E/2006/44, E/2005/45, E/2006/57)

- (c) STATISTICS
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Mr. BERTUCCI (Director, Division for Public Administration and Development Management - DESA), introducing the report of the Committee of Experts on Public Administration on its fifth session (E/2006/44), said that in its past several sessions, the Committee had endeavoured to highlight some of the areas in which public administration needed to be strengthened in order to fill the gap between developmental demands and the capacity of States to meet them. It had dealt with such issues as strengthening policy-making mechanisms in the economic and social areas, institutional capacity to deliver services efficiently and effectively, strengthening human resources in the public sector, financial management capacity and the potential of information technology for governments.

During its fifth session, it had focused its attention on how innovation in governance and public administration could be an important tool in filling the gap between demand and capacity to respond, and in particular, on how governments could find innovative ways of designing public policy, delivering public services and deploying limited resources. The Committee had emphasized that sharing of innovation and successful practices could provide governments with a set of concrete and workable options on how to meet development goals. Learning from each other could save time and resources and inspire new reforms. The idea was not to transfer models from one country to another but rather to share interesting ideas that could be adapted to specific country or local conditions.

Mr. BENSOUDA (Chairperson, Committee of Experts on International Cooperation in Tax Matters), introducing the Committee's report on its first session (E/2006/45), reported that the Committee had dealt with the following substantive items: (a) treaty abuses and treaty shopping; (b) mutual assistance in collecting tax debts; (c) international tax arbitration; (d) earnings stripping; (e) taxation of income derived by participants in development projects; (f) modified permanent establishment definition; (g) revision of the United Nations Model Double Taxation Convention between Developed and Developing Countries; and (h) adoption of the revised draft United Nations Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries.

On the basis of the discussion of those topics, the Committee had produced a set of conclusions and recommendations. The subjects addressed included treaty abuse, mutual assistance in collecting tax debts, dispute resolution and taxation of development projects.

To the extent that resources allowed, the Committee would continue to organize training workshops for developing countries as part of its mandate for capacity-building and technical assistance. To supplement regular budget resources, the Committee requested the United Nations to establish a trust fund for contributions from Member States and other institutions interested in providing financing for activities to support international cooperation in tax matters.

Mr. RAUBENHEIMER (South Africa), speaking on behalf of the Group of 77 and China, said that the report before the Council showed that the Committee of Experts was working hard to fulfil its mandate of improving broad-based dialogue on international cooperation in tax matters and to give special attention to the needs of developing countries. The Group of 77 and China stood ready to play its role within the Council to contribute to that debate and, where possible, to enhance the Committee's capacity to fulfil its mandate.

Mr. CHULKOV (Russian Federation) said the Russian Federation welcomed the Statistical Commission's adoption of a significant resolution on strengthening the statistical potential of member States, something that was of great importance for consistently monitoring the fulfilment of internationally agreed development goals, including the MDGs. His Government likewise welcomed the contribution made by some of the decisions adopted at the thirty-ninth session of the Commission on Population and Development to the formulation of internationally agreed migration policies.

The Committee of Experts on International Cooperation in Tax Matters had done seminal work on compilation, analysis and sharing of the latest international experience on improving national tax systems, exchange of information on ways of combating specific types of tax crime and treaty abuse and mutual assistance in collecting tax debts, determining optimal regimes for taxation of the revenues of participants in development projects and alternative methods of dispute prevention and settlement.

Mr. CABRAL (Guinea-Bissau) welcomed the work of the Committee of Experts on International Cooperation in Tax Matters, in particular the effort made to take into account the concerns of developing countries. The work of the Statistical Commission deserved support, as it

enabled all to advance towards the attainment of the MDGs. His country welcomed the idea that statisticians had to be trained and the reliability of statistics promoted so that conclusions could be drawn on a scientific basis.

The PRESIDENT invited the Council to take action on the recommendations contained in the report of the Statistical Commission on its thirty-seventh session (E/2006/24).

Strengthening statistical capacity (draft resolution in chap. I, sect. A)

The draft resolution was adopted.

Report of the Statistical Commission on its thirty-seventh session and provisional agenda, dates and documentation for the thirty-eighth session of the Commission (draft decision in chap. I, sect. B)

The draft decision was adopted.

The PRESIDENT invited the Council to take action on the draft decision contained in chapter I of the report of the Commission on Population and Development.

Report of the Commission on Population and Development (draft decision in chap. I)

The draft decision was adopted.

Following a comment by Mr. MILLER (United States of America), the PRESIDENT suggested that action on the recommendations contained in the report of the Committee of Experts on Public Administration be deferred pending informal consultations.

It was so decided.

The PRESIDENT said that if he heard no objection, he would take it that the Council wished to take note of the report of the United Nations Group of Experts on Geographical Names on the work of its twenty-third session.

It was so decided.

The meeting rose at 5.55 p.m.