
**First meeting of the Consultative Group
of Ministers or High-level Representatives
on International Environmental Governance**
Nairobi, 7 – 9 July 2010

Compendium of views on broader reform of international environmental governance from members of the Environment Management Group

Summary

By paragraph 7 of decision SSXI/1 the UNEP Governing Council/Global Ministerial Environment Forum (GC/GMEF) “Requests the Executive Director, in his capacity as Chair of the Environment Management Group, to invite the United Nations system to provide input to the group, including by assessing gaps, needs and considerations related to how the system is currently achieving the identified objectives and functions for international environmental governance”.

By letter of the UNEP Executive Director, members of the Environment Management Group (EMG) were invited to comment on the documentation for the first meeting of the Consultative Group as well as provide separate comments on broader reform of international environmental governance. During their meeting on 19 May 2010 at the margins of the first meeting of the preparatory committee for the UN Conference on Sustainable Development to be held in Rio de Janeiro in 2012, members expressed the wish to make their comments in person at the first meeting of the Consultative Group.

The following document therefore only provides the views of one EMG member, which submitted its input in writing.

Elements of a UNDP perspective on broader reform of the International Environmental Governance system

This paper addresses some issues that are important to UNDP at this initial stage in its involvement in the ministerial IEG process. The paper supplements the draft Information Note on Environment in the UN System to which UNDP provided substantive comments and has been drafted to avoid repetitiveness with issues dealt with in that Note. The paper also pertains to many of the issues raised in the Annex to Decision SS.XI/1 (the "Rome paper"). UNDP endorses the "form follows function" leitmotif of the Rome paper. In this first contribution UNDP chooses to focus on objectives c), d) and e) of the Rome paper.

Coherence with a view to ensuring implementation

This section relates mainly to objective c) Achieving effectiveness, efficiency and coherence within the UN system.

To UNDP, a primary purpose of strengthening the International Environmental Governance (IEG) system is to ensure that developing countries can better access the expertise and resources of the UN system to help countries define and achieve environmental goals as an integral part and to the benefit of their development process.

44 UN agencies are currently engaged in environment. This reflects that the international system is responding to the growing interrelatedness between environmental and other challenges. It also underscores the need for ensuring coherence and (at least) avoiding further fragmentation of institutions and decisions and enable the system to deliver better and in a more integrated and coherent manner on the ground in response to countries own development objectives.

The mandates of UN agencies have evolved over time, also in environment, and not necessarily in a coordinated way¹. The broad international environmental governance system basically consists of three types of organizations and constituencies:

- a) Organizations whose primary and principal focus is on the environment in a primarily normative setting (e.g. UNEP, MEA convention secretariats), and who are for the most part governed by environment ministries.
- b) Specialized organizations (not all are specialized agencies) whose activities and operations are related to environment, but for whom environment is not a principal focus (e.g. FAO, ILO, UNESCO, UNICEF, WFP, WHO etc.). These are typically governed by different

¹ There is currently no overview of environmental and related mandates in the UN system. While members of the governing body of one agency may have good knowledge of the mandate of that specific agency, the lack of access to knowledge about the mandates of other agencies may lead to situations where overlaps of mandates are established while gaps are left unattended.

line ministries (agriculture, labour, education, health etc.).

c) Organizations with a broad development mandate that includes environment in an operational country-based context (e.g. UNDP, the World Bank, regional development banks). These are typically governed by finance, planning, foreign and development ministries.

The normative organizations listed under a) and the way they are organized and interact are at the core of the discussions on International Environmental Governance (IEG). However, *increased coherence across the broader system, through strengthened inter-agency collaboration (including with the Bretton Woods institutions, the GEF and other development partners) and pursuit of the One UN approach, as well as enhanced coherence in government policies and messaging across the governing bodies of all the international institutions engaged in environment, are indispensable for the system to enhance delivery at the country level.*

A system-wide strategy and planning instrument for environmental sustainability for the UN systems designed to accommodate a demand-driven (rather than a top-down) approach in response to countries' own development priorities and developed in a way that ensures sufficient ownership in all parts of the UN system, including in the various constituencies that govern the system, could help achieve further coherence. When devising such a new UN-wide strategy and planning instrument, form should follow function. What the UN jointly ambitions to achieve at the country level and the need for the UN to better and more coherently deliver at the country level should be the driving force, rather than the system-wide strategy itself.

Taking a bottom-up, country based, perspective from the level of "implementation" would reveal a need for the UN system to come together as service deliverers with countries being in the driver's seat. This would imply *a rethinking of approaches, e.g. moving away from designing programmes globally for "implementation" and instead moving in the direction of defining services to be delivered by the UN system as a whole on a demand driven basis against countries own development objectives* under the five objectives set out for the ministerial consultations. The IEG process and the global assessment, normative and policy functions of UNEP, should be reviewed within this overarching framework and be part and parcel of a coherent and integrated set of the UN services.

Incremental change: Strengthening synergies among normative environmental institutions

A better organization of normative environmental institutions will make them more predictable and trusted partners who can make environmental knowledge and expertise available in a succinct manner to partners on the ground. It would also reduce transaction costs.

With over 500 multilateral environmental agreements (MEAs) on the books, reflecting a plethora of environmental norms and standards that are developed from a specific perspective, a crucial task is and remains enhancing synergies between MEAs and working to ensure that the further development of

existing and potential new agreements conform to the need to avoid duplication of work internationally as well as nationally.

Increased cooperation between the chemicals related MEAs and the foreseen similar approach to the biodiversity related conventions is a strong outcome of the IEG discussions over 2009 and the 2010 UNEP GC/GMEF Special Session. *UNDP would welcome UNEP's lead in taking the MEAs to their next phase and in assisting in developing an integrated approach to their implementation. In addition, it should be noted that the recently started work by UNEP to compose a compilation of internationally agreed standards on the environment, and a consolidation and overview of the texts related to the environment and adopted through the years at different international forums will create transparency and the possibility for oversight and better coordination for governments and IGOs.*

Broader Reform of the International Environment Governance System within the UN system

Despite the almost 40 years that have passed since the Stockholm Conference, environment is still treated somewhat like the “newcomer in the class” in the UN system. The fact that environment underpins development in many other areas is reflected in the broad engagement of UN system entities in environment (as demonstrated by the Information Note on Environment in the UN System), but it is not reflected in the overall international architecture that these entities form part of. Intergovernmental bodies dealing with environment and environment-related matters are placed lower in the international institutional hierarchy than intergovernmental bodies dealing with other subject matters. Thus, environment continues to be dealt with at the level of governing bodies of individual institutions (notably UNEP), and balanced and integrated economic, social, and environmental development (e.g. sustainable development) is dealt with by a functional commission (CSD) under the Council for Economic and Social Affairs (ECOSOC).

By contrast, human rights, for instance, has been the concern of a functional commission (the UN Commission on Human Rights) under ECOSOC since 1946 and was replaced in 2006 by the UN Human Rights Council which is a subsidiary body under the UN General Assembly. Likewise, social affairs have since 1946 been the concern of a functional commission (the Commission for Social Development) under ECOSOC. Its mandate was reviewed in 1996 by the World Summit for Social Development in Copenhagen.

In UNDP's view time has come to upgrade environment as well as sustainable development to their rightful places in the global system. UNDP recognizes the numerous proposals (such as universal membership of UNEP's Governing Council, UNEO, WEO etc.) as well as the establishment of UNEP's Global Ministerial Environment Forum (GMEF) that have been made in seeking to overcome the imbalances of the system. Another approach could be to replace and upgrade existing institutions to fit into the international system as is and the way it works in other areas.

One such approach could be to replace the GMEF by a functional commission (UN Commission on Environment) under ECOSOC, and to merge CSD and ECOSOC into a Council on Sustainable Development under the UN General Assembly.

Such an upgrade would require a revision of UNEP's mandate, as well as the establishment of a mandate for the new Commission on Environment (which could be based on elements from UNEP's mandate from 1972, from GMEF's mandate and the mandates of other functional commissions), and a revision of ECOSOC's mandate to reflect the merger with CSD.

A Commission on Environment could, inter alia, serve as a high-level forum on environment to review progress at international, regional and local levels in the implementation of environmental goals, to elaborate policy guidance for future activities to achieve environmental sustainability, and to promote partnerships and build dialogue for the environment with governments, the private sector and civil society. Conferences of the parties of MEA's could be held back to back with meetings of the Environment Commission with administrative and cross-cutting issues dealt with in joint sessions.

Financing

Regarding objective d) Securing sufficient, predictable and coherent funding, UNDP would like to point to three issues that, when addressed, could contribute to enhancing coherent "implementation".

First of all, unpredictable financial resource flows and global financing mechanisms often lead UN agencies to compete for resources rather than cooperate as one. This is true at the global level as well as at the country level. The discussions on strengthening of the financial basis of multilateral environment policy, launched through the Cartagena Agreement on International Environmental Governance in 2002, could be pursued further.

Secondly, financing "environment" should be seen within the broader development framework and be part of it, and include such institutions as the Bretton Woods and the GEF. Since the Rio Conference in 1992 more and more financing for environment has been channeled through global funds such as the GEF, the SCCF, the LCDF, the Adaptation Fund, and the WB CIF's. All these funds support the objectives of the global MEAs. The embedded risks to this approach are that environment is seen by the donor community as "already being taken care of" and/or that interventions financed this way are not planned as an integral part of countries' overall development processes. Financing environment cannot be seen as a stand-alone activity.

And thirdly, implementation would be enhanced if global environmental funds were better aligned with the principles of harmonization, and, not least, alignment of the Paris Declaration (2005) and the Accra Agenda for Action (2008). Pursuit of the aid/development effectiveness agenda offers opportunities that have not yet been fully explored for ensuring that environment and climate change are mainstreamed into the national and sub-national development processes and ensuring that

targeted environment and climate change finance (not only mainstreaming) is responsive to national development priorities and gives options for increased national level access to domestic (public and private) and international funds. Consideration should be given on how to ensure/promote that all development partners (UN, Bretton Woods, GEF etc) deliver integrated and coherent packages of services to countries in function of countries own development objectives.

Addressing environmental governance in the context of sustainable development

From UNDP's perspective, strengthening international environmental governance should take place with a view to enhance convergence with the economic and social pillar of sustainable development e.g. within the framework of sustainable development. This means, inter alia, that ***better linkages must be made between the environment agenda and the vital policy areas of economic growth, reducing poverty and inequality, democratic governance, the empowerment of women, etc.***

The Secretary-General's report prepared for the first PrepCom of UNCSD in 2012 points to the lack of convergence and maybe increasing divergence between the environmental pillar and the two other pillars of sustainable development. When taking into consideration that most of the policies that impact or create the enabling conditions for improving the state of the environment are designed and decided upon outside the environmental ministries, this lack of convergence could be a contributing factor in explaining why the report also notes that environment is the pillar that has perhaps demonstrated the least progress.

The reasons for this lack of convergence or divergence with the other pillars should be further, analyzed, discussed and addressed.

While continued capacity building (institutional and individual) in the environmental pillar should continue, there is a need to expand its scope to build environmental capacity as an integral part of economic, social and development institutions at all levels. In this context, the UN system would be benefit from increased coherence in the guidance provided by the governing boards of individual agencies and in a further clarification and clear division of the functions the different agencies are mandated to perform so that the work of agencies complement each other, rather than leading to duplication and fragmentation.

A vision for wider reform

The IEG discussion should not be seen in isolation but rather be part and parcel of the discussion leading up to Rio+20. In an ideal world, a possible outcome of Rio+20 in 2012 could be a strengthened mandate for the UN within a defined new development framework that addresses all major multilateral (development) agencies, including the UN, the Bretton Woods institutions, the Global Environment Facility (GEF), other climate change funds including the future Green Fund.

In this ideal world, Rio+20 would discuss and agree on a *new development paradigm/new sustainable development paradigm/low-carbon, climate-resilient production and consumption patterns that are pro-poor and pro-MDGs - to be achieved through the application of green economy principles.*

The needs and aspirations of countries would be the driving factor in this transitioning. In other words, the assistance provided by the multilateral system to developing countries, would be based on their aspirations as reflected in e.g. the UNDAF and other national planning documents, and not pre-curred by mandates of international institutions and their governing bodies, as is currently sometimes the case.

The whole multilateral development system would provide coherent, sequenced and integrated services to countries to help them make the transition. The multilateral development system would scale-up Delivering as One, have a clear division of function, and clear agreements on financing core mandates, and deliver sequenced and integrated services to countries. Such a collaborative model is possible – there is enough work to do to give everybody a codified role and a fair share of the international public financing available; however, the incentive structure in the multilateral system is often perverse and largely prevents such a model coming into being. Different parts of governments—both donors and recipients—have interests in favouring particular institutions, while those institutions themselves are engaged in inherent competition for those interests. In an ideal world, governments would take the opportunity of the Rio process to address these root causes together with the international system of agencies.

In terms of international processes and looking ahead, a closer cooperation between the Rio preparatory process, the MDG achievement process, the discussion on the institutional and financial architecture to address climate change, and the IEG process might be beneficial and ensure that the environmental, economic and social pillars of sustainable development (and their respective communities), are better integrated. Forwarding jointly the green economy/growth might be one way of doing this and enhancing countries' pathway to sustainable development.

At the same time consideration should be given on how carbon financing can be used to catalyze the wider MDG and Sustainable Development agenda's. The support provided to countries to move to less carbon intensive production and consumption processes could also be used, if rational and informed decisions are taken, to forward the world's quest to achieve the MDGs and derive development benefits from action to address climate change. Thus climate change financing could also be used to support the achievement of the MDGs, in addition to reducing greenhouse gases (GHGs).