

Reforming International Environmental Governance: One Year Ahead of Rio 2012

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A Very Short Overview of Environmental Governance

The United Nations Environment Programme (UNEP) is supposed to be the lead agency within the framework of international environmental governance (IEG). However, a poorly coordinated, enormously complex system of more than 1,000 multilateral environmental agreements (MEA) has been built around the Programme, which is itself inadequately equipped in terms of finances and staff. At the same time, there are now dozens of UN institutions, including several international organizations, which have developed an ever-growing portfolio of environmental activities.

Not only is UNEP incapable of effectively coordinating the manifold activities of the hundreds of multilateral environmental institutions, pointing to problems with the Environment Management Group (EMG), comprising 44 UN institutions with an environment-focused mandate. At the same time, an unclear division of labor is impeding coordination efforts among international organizations, where the Chief Executives Board for Coordination as the main coordination entity for the entire UN, the UN development Group, and the EMG all claim overlapping responsibilities for environment-related issues. In other words, just like UNEP is not the heart of international environmental governance, the EMG is not its head.

These failures reflect an unwillingness of the international community to vigorously address the ecological challenges, and they come with a price. Global environmental conditions continue to worsen, planetary boundaries are being overshoot, and the implementation of the United Nations Millennium Development Goals (MDG) has to date been unsatisfactory, in particular Goal 7 on ensuring environmental sustainability. In view of this dire situation, we need to assess what form an institutional architecture could take that promises greater success in the environmental sector, and how we could reach international agreement on the reforms necessary to achieve this.

To date, fundamental reforms have foundered on conflicting interests of key players. Europe is calling for stronger multilateral institutions; both diplomatically and through rising financial contributions, it has demonstrated its willingness to upgrade UNEP to a UN Environment Organization (UNEO). The US remain skeptical of an extensive institutional restructuring, emphasizing the need to make the existing system more cost-efficient instead of creating another specialized agency. For its part, China does see the potential advantages of reforming the IEG architecture, if it involves more effective ways – and, most importantly, more funds – for improving environmental policy capacities in emerging and developing countries. However, it strongly objects to control mechanisms and would never endorse an institution that was designed to monitor national environmental policies. Finally, Brazil has

underlined the need to create closer links between environmental and development policy issues. With its model for an umbrella organization for sustainable development, Brazil has made a vitalizing and constructive suggestion in this regard. Especially the roles of ECOSOC, CSD, and UNEP were supposed to be rethought. Unfortunately, Brasilia never built upon the idea, and as of today, no country has given it any more thought. With less than one year ahead of the UN Conference on Sustainable Development (UNCSD), time is of the essence if Rio+20 should be able to reinvigorate the UN sustainable development architecture, including international environmental governance.

Intergovernmental Reform Processes: From the Co-Chairs' Options Paper to the Consultative Group(s) on IEG

In hardly any other political field is the pre-eminence of “form follows function” as elementary as in environmental governance. While occasionally this principle has been put forward by parties merely interested in not touching the status quo, an intensive discussion about the necessary tasks of the IEG system is indispensable before the institutional architecture can be altered. Beginning in 2006, the international community has conducted three consecutive consultative processes in order to advance a governance reform they had been unable to agree upon for years. During these processes, delegates discussed in detail the strengths and weaknesses, necessary functions and desired objectives of the IEG system. It was only through these discussions that the diplomatic focus could ultimately shift to concrete reform measures, aligned with the needs of the international community. This approach helped to build trust, and it conformed to the enduring “form follows function” principle.

The first process was mandated by the UN General Assembly and called the *Informal Consultative Process on the Institutional Framework for the United Nations' Environmental Activities*. In a series of workshops, discussions circled around central functions of the current IEG architecture, and much-needed agreement was reached on shortcomings of the system. A list of possible reform options was put on paper, originally planned to become a draft UNGA resolution. This “Co-Chairs' Options Paper” contained seven central thematic blocks for reforming the IEG system and offered two ways forward: Delegates could either opt for gradually strengthening existing institutions, or they could try to boldly transform the system. This “ambitious incrementalism”, as the co-chairs labelled their approach, appeared to be the most promising strategy, given that substantial disagreements prevailed between delegations. Yet ultimately, the disagreements were too deep, and in spite of thorough attempts by the co-chairs to draft a UNGA resolution, by fall 2008 they had to realize no consensus was in reach that would substantially deviate from the status quo.

Reform proponents weren't discouraged by this failure to nail down a comprehensive overhaul of the IEG system. Now the international community had an indicative list of functions and respective failures of that system, and they were keen to advance further. In the meantime, the US had been shifting towards at least a little more multilateralism due to the inauguration of Barack Obama, while the big emerging economies were increasingly acknowledging that successful environmental policies could be designed in a way to contributing to economic success and social development. It was Serbia who decided to step forward and invite interested parties to the *Consultative Group of Ministers or High-level Representatives on International Environmental Governance* in 2009. In the new political climate, chances were good that the consultative group would be able to achieve real progress, though nobody expected consensus on the more far-ranging issues. The consultative group convened for the first time with 39 delegations in June 2009 in the

Serbian capital, which is why it was called “Belgrade Process”. Its second meeting was held in Rome in October 2009, this time with 43 delegations attending. Discussions proceeded constructively, and in the outcome document the group laid out a list of five key objectives of the IEG system. These were:

- a) Creating a strong, credible and accessible science base and policy interface
- b) Developing a global authoritative and responsive voice for environmental sustainability
- c) Achieving effectiveness, efficiency and coherence within the United Nations system
- d) Securing sufficient, predictable and coherent funding
- e) Ensuring a responsive and cohesive approach to meeting country needs

These objectives were connected with a list of 19 relevant functions, followed by 24 options for reform to address them. These options were divided into incremental changes to be implemented by UNEP directly, incremental reforms to be decided upon by the General Council or other relevant decision-making bodies within environmental governance, and broader institutional reform, which might exceed the responsibilities of the GC. In that regard, the Group agreed upon highlighting the following five options for a broader transformation:

- a) Enhancing UNEP
- b) Establishing a new umbrella organisation for sustainable development
- c) Establishing a specialised agency such as a world environment organisation
- d) Possible reforms of ECOSOC and the Commission on Sustainable Development
- e) Enhancing institutional reforms and streamlining present structures

In its decision SS.XI/1 from 2010, the Governing Council formally adopted the results of the Belgrade Process, called upon UNEP to swiftly implement incremental changes and to outline as soon as possible what incremental reforms would require GC attention. On broader reform steps, discussions should again proceed during another intergovernmental process, like its predecessor called the *Consultative Group of Ministers or High-level Representatives on International Environmental Governance*. Its first meeting was held in Nairobi in July 2010. With 59 delegations present, it was even better attended than the previous gatherings, and a second meeting took place near Helsinki in November 2010. All delegations proved open to discussing all options, and they agreed to consolidate the list of 24 options for a comprehensive reform. Each of the nine remaining options was assigned to one the five previously agreed objectives, thereby making the menu from which to choose much more digestible. Again, no final decision on the future of the IEG system was taken, yet nobody had expected that to happen.

What became clear in Nairobi and Espoo (where the Helsinki meeting actually took place) was that strictly speaking, two of the five options for broader reform were outside the mandate for both the Consultative Group and the UNEP General Council. In particular, option b) on a new umbrella organization for sustainable development, and option d) on reforming ECOSOC and/or the CSD involved a number of actors from other domains, especially the development branch. In light of the upcoming UN Conference on Sustainable Development (UNCSD), the point was made for using the preparatory phase for connecting IEG reform with one of the two UNCSD key themes, namely the Institutional Framework for

Sustainable Development, and aim for decisions – or at least a broad enough mandate for a substantial follow-up process – at the summit in June 2012.

Broad or Narrow – Umbrella or UNEO? An Outlook at Rio 2012

On 24 December 2009 the UN General Assembly decided to accept Brazil's offer and hold the United Nations Conference on Sustainable Development (UNCSD) in Rio de Janeiro in 2012. Also called Rio+20, in reference to the Earth Summit 1992, the conference will focus on two key themes: a green economy in the context of sustainable development and poverty eradication (GESDPE) and the institutional framework for sustainable development (IFSD).

After the disappointing World Summit in Johannesburg in 2002, no resolution was passed that would automatically have led to a conference in 2012. Thus the decision to hold Rio+20 can be seen as evidence that the participating nations acknowledge the necessity of multilateral agreements. The preparatory process, on the other hand, has so far not given proof to this assumption. It has soon become obvious that green economy would be the dominant topic at Rio 2012. Put bluntly, on the agenda for Rio 2012 is nothing less than a transformation of the global economic system, which appears odd given that the main actors in this regard – the Bretton Woods Institutions, the G8/G20, to name but the most important – will most certainly not see any necessity to adhere to whatever outcome document the international community will be able to agree upon. Still, the EU is trying to squeeze a Green Economy Roadmap out of the Rio meeting. This Roadmap would provide assistance to interested countries, enabling their economies to turn from “brown” to “green” by 2030 at the latest. The beauty of this approach is that it is bottom up. No one needs a top down one-size-fits-nobody model, whereas many countries could use assistance going green their own way.

Yet as it stands, the United Nations is not capable of delivering anything on a scale necessary for such a worldwide transformation. Hence, the institutional architecture for sustainable development will be an equally crucial item on the agenda, and the “form follows function” mantra might get turned on its head. When a transformation towards a global green economy is considered both a necessary and viable goal, we need to think about a form the UN needs to take to get it done. When the function is huge, the form needs to be bold – and funding needs to be big too, for that matter.

It has become clear during the first two Preparatory Committees that a narrow upgrading of the environmental pillar will not suffice. It will neither suffice to advancing the global sustainable development agenda, nor will it suffice to garner the votes of more skeptical nations. A way out could have been a smart division of labor – while Europe refines its proposal for a United Nations Environment Organization, Brazil seeks allies to support and to advance upon its proposal for a sustainable development umbrella. In the background, Europeans and Brazilians could have ensured that both reform agendas become and remain compatible, so that a broad majority of states would see the necessity and feasibility for refurbishing the governance architecture for sustainable development.

In reality, however, Brazil has abstained from thinking about the details of its proposal ever since 2009, and when it stepped into its role as host of Rio+20 it became clear that it wouldn't pick that up again. By March 2011, PrepCom II has consequentially led to a request supported by many delegations, according to which “the PrepCom was also invited to initiate a full analysis of the financial, structural and legal implications and comparative advantages of the options identified in the Helsinki-Nairobi Outcome [...]” The IEG reform is therefore in the hands of the UNCSD process now. If the failure of CSD-19 in May 2011 is any

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indicator for Rio 2012, the outlook for a successful overhaul of the UN sustainable development architecture is bleak. However, it's in the nature of surprises to be unexpected.