

INTERNATIONAL ENVIRONMENTAL GOVERNANCE: NEXT STEPS

Desired Outcome

- A strengthened international environmental governance system, built on existing mechanisms and structures.
- One body responsible for overseeing the coordination of environment activities across the UN including through improved provision of services to member states and levels of cooperation and coordination with other international organisations.
- A flexible and adaptable structure able to respond to emerging environmental challenges, catalyse action and take leadership.
- Mainstreaming of environment into policy and decision making (economic, trade development, security) across UN and beyond i.e. IFIs, WTO.
- Improved levels of cooperation and coordination amongst and between international organisations.
- A more streamlined approach to Multilateral Environmental Agreements; enhanced synergies, coordination and cooperation between them and reduced reporting burdens on governments and other stakeholders.
- A systemic reform of IEG, including through incremental but significant steps, which are mutually reinforcing and deliver tangible, immediate benefits to UN environment activities.

Progress on strengthening IEG

Progress has been made on the implementation of the Cartagena Package, in particular Bali. But this has been slow. The EU believes the main reasons for this can be summarised as:

- Lack of political prioritisation of environmental issues and lack of political weight of UNEP.
- Lack of coordination, cooperation and coherence between international organisations, including those outside of the traditional environmental architecture (i.e. WTO) and those within it (over 30 UN bodies now have environment in their mandate).
- Deficiencies in national coordination between various focal points and between ministries.
- Lack of predictable, stable and adequate resources; ineffective use of resources
- Adoption of a 'silo' approach to environment, economics and development and the lack of integration of environment into other policy areas (e.g. trade).

- Proliferation of Multilateral Environmental Agreements (MEAs) and the resulting fragmentation of environmental architecture; there are over 500 MEAs (regional and global, with different secretariats, memberships etc).
- Inadequate identification and scientific assessment of environmental issues and strategic programming, due to limited resources and mandate of UNEP.
- Ineffective implementation, compliance and enforcement of environmental commitments / agreements at national level, and funding for implementation.
- Non state actors e.g. business, NGOs and scientists are having an increasingly influential role in environmental governance. This does not work in a structure, which is focused on the role of state-actors.

Vision for a new institutional framework

The EU suggests the following characteristics to guide an effective and efficient system of IEG:

- Strong and well functioning institutions.
- IEG should operate as a coherent “system” with reasonable cooperation and coordination, regular communication and a shared sense of direction among its various elements.
- Transparency and accountability between institutions.
- Ensure implementation of decisions and commitments.
- Division of labour based on comparative advantage to avoid duplication or gaps in activities.
- The IEG system should seek to incorporate environmental concerns and actions within other areas of international policy and action, and particularly so in the context of sustainable development.
- Mechanisms to facilitate the above mentioned objectives (e.g. EMG, UNDG).
- Scientific knowledge should be the authoritative basis of sound environmental policy and provide information on new and emerging environmental problems. The IEG system should be seen as a knowledge-based, knowledge dissemination and knowledge-producing system.
- The institutions that make up the IEG system should be well-managed; have results based management; they should have adequate resources and should use these resources efficiently.

Vision for an upgraded UNEP: A United Nations Environment Organisation

The EU believes that the Cartagena package includes the elements for a strengthened and effective institutional framework for the environment, but not all. The relative lack of implementation of Cartagena has left many concerned that we cannot only rely on the package to achieve an IEG architecture that will meet the growing number and intensity of environmental challenges and provide a forum where political consensus can be galvanised to address these challenges.

The EU firmly believes that a more ambitious reform is required in order to achieve real change. The EU objective is not to create a new organisation, but to build on the structures and systems that are already in place. In this context, the EU is pursuing the upgrading of UNEP to a specialised agency, a United Nations Environment Organisation (UNEEO).

A UNEEO would:

- Be based on UNEP, with a revised and strengthened mandate and with its HQ in Nairobi.
- Be *the* environment pillar of the UN, carrying political weight and leadership.
- Have adequate, stable and predictable resources to fulfil its mandate and to allow long term business planning as well as ability to respond to environmental emergencies.
- Have a clear normative function and authority on early warning, monitoring and data collection, achieving implementation through others.
- Have a strengthened scientific base, improving evidence based policy and decision making.
- Achieve coherence and cooperation through working with and influencing other international organisations (within and outside the UN system) to ensure coherent policy and decision making (e.g. trade measures that do not contradict or trump environmental objectives).

Mandate

- Authoritative body / centre of excellence on monitoring, assessment and early warning on the global environment that can mobilize scientific support, information, and knowledge as well as technical support and capacity building.
- Promote and facilitate implementation through improved cooperation with others (e.g. UNDP)
- Give clear policy guidance and set priorities and standards for global environmental actions, at a high level.
- Facilitate cooperation and coordinate environmental activities across the UN, at global, regional and national level.

- Mainstream environment in other policy areas to ensure policy / programme coherence.
- Facilitate cooperation and coordination as well as MEA synergies.
- Define global environmental standards and develop global environmental norms and policies as well as assisting with their implementation.

Institutional structure

The EU is of the firm view that form should follow function. The details of how the organisation should be structured should come later, once agreement has been reached on the mandate.

That said, some provisional thoughts are that a UNEO could consist of:

- Director General; Head of the Organisation.
- A Plenary Body responsible for identifying environmental priorities. Membership open to all members of the UN and with a one country one vote policy.
- An Executive Organ responsible for the budget and work programme.
- Secretariat of Senior Management, under the executive oversight of the Director General and comprising each Head of Division of UNEO.
- Strengthened regional offices in each of the five UN regions responsible for offering technical advice (e.g. to governments, other specialised agencies, regional commission and bodies) as well as guidance on environmental standards on regional and national level on a demand driven approach.
- The UNEO should work through existing structures (including One UN Pilots), in particular UNDP networks, which could support implementation of environmental programme at the countries level and the mainstreaming of environment into national development and poverty reduction strategies.
- Consultative Boards; Regional/National networks of experts.

Rationalisation of financing

In order to make the best use of its own resources, the agency could *inter alia*:

- Concentrate on clearly identified core functions, which are directly related to its overall objectives.
- Execute priority programs through the core budget, rather than through earmarked funds and extra-budgetary resources.
- Be able to program on the basis of adequate, stable and predictable resources.
- Strictly adhere to the principles and methods of results based management.
- Be accountable and have at its disposal adequate auditing as well as monitoring, evaluation and follow up capacity.

More efficient use of existing resources by:

- Facilitating cooperation and coordination of environmental activities to avoid duplication of efforts.
- Ensuring greater effective directing of resources in capacity building and technology support (implementation of the Bali Plan, strengthening of regional offices), based on a demand-driven approach.
- Facilitating cooperation and coordination as well as MEA synergies while respecting the legal autonomy of the Conferences of Parties of MEAs.
- Giving guidance for simplifying and mainstreaming reporting procedures.
- Improving global financing for environment in the framework of sustainable development; the establishment of a UNEO should not divert existing resources flows away from development, especially in the context of commitment to MDGs and other development goals.

Why this is the preferred option

Existing processes and agreements on strengthening IEG have not been supported by the necessary political weight and have not gone far enough to bring about real change and have not been implemented effectively to ensure progress. More radical reform and urgent action is required. A UNEO helps achieve this by injecting ambition and political weight.

The status and the profile of a specialized agency could give the reformed UN institution for the environment the ability and the means for better resources mobilization, capacity building and cooperation with public administrations at regional and national level (in cooperation with UNDP) helping environment ministries set ambitious priorities according to their needs, as well as support to technology transfers and assistance for the implementation of MEAs, while preserving their legal autonomy.

The Broader IEG Landscape

The EU believes the process for the establishment of a UNEO should be accompanied by a broader strategy for strengthening IEG. It needs to be achieved in the context of the broader UN Reform debate and to build on existing processes, structures and systems.

Immediate action is required within existing frameworks, in particular in the following areas:

- Improved implementation of the Cartagena Package, including the Bali Strategic Plan.
- Improving cooperation, coordination and synergies between MEAs.
- Strengthening the financial base of UNEP through a move away from earmarked funding to a better balance between earmarked and non-earmarked resources.

- Improve cooperation and coordination with other agencies, the MoU between UNEP and UNDP and the participation of several heads of agencies and the WTO in the 24th Session of the UNEP GC/GMEF are good examples of this.
- Strengthening the scientific base of UNEP through increased core staff capacity.
- Strengthening the Environmental Management Group to facilitate cooperation and coordination across and outside the UN on environmental issues.
- Re-visiting the issue of Universal Membership at UNGA64.

Other options that need to be explored include:

- UNEP potentially chairing an 'environmental subgroup' of the UN Development Group.
- Effective involvement / engagement of UNEP in One UN Pilots (report expected from EDs study in April '07).
- UNEP becoming a formal observer to the WTO CTE.

Vision for achieving a strengthened IEG

A number of processes are now open to pursue IEG reform. These include:

- UNEP GC/GMEF
- New York Informal Consultation on IEG
- UN System Wide Coherence follow-up
- French led Pioneer Group of the Friends of UNEO

New York Informal Consultation on IEG

We very much welcome the important consultations in the UNGA and look forward to a fruitful continuation of this process.

UNEP GC/GMEF

The EU believes this is the right place for decisions to be taken, which expedite the implementation the Cartagena Package. Such decisions need to be informed by and inform the work of the UNGA Group on IEG.

UN System Wide Coherence

The EU is awaiting the UN General Assembly Debate on how recommendations on SWC (including IEG) should be taken forward.

French Led Pioneer Group of the Friends of UNEO

This Group is an important forum for accelerating the high-level political momentum to be built around the UNEO. The work of the group should support the UNGA Group on IEG and the UNEP GC/GMEF. The Group should engage in open discussions with those who also favour a substantially reformed UN institution for the environment.