



Distr.: General
13 December 2010

Original: English



**Governing Council
of the United Nations
Environment Programme**

**Twenty-sixth session of the Governing Council/
Global Ministerial Environment Forum**

Nairobi, 21–24 February 2011

Item 4 (c) of the provisional agenda*

Policy issues: international environmental governance

**Outcome of the work of the Consultative Group of Ministers or
High-Level Representatives on International Environmental
Governance**

Note by the Executive Director

The Consultative Group of Ministers or High-Level Representatives on International Environmental Governance, established by the Governing Council of the United Nations Environment Programme in its decision SS.XI/1 of 26 February 2010, met in Nairobi from 7 to 9 July 2010 and in Espoo, Finland, from 21 to 23 November 2010. The annex to the present note contains the outcome of its work, which was adopted by the Group at the Espoo meeting.

* UNEP/GC.26/1.

Annex

23 November 2010

**Second meeting of the Consultative Group
of Ministers or High-level Representatives
on International Environmental Governance**
Espoo, Finland, 21–23 November 2010

Consultative Group of Ministers or High-level Representatives

Nairobi-Helsinki Outcome

Origins and mandate of the Consultative Group

1. The Consultative Group of Ministers or High-level Representatives on International Environmental Governance (the Consultative Group) was established by the Governing Council of the United Nations Environment Programme in its decision SS.XI/1 of 26 February 2010.
2. Decision SS.XI/1 builds upon the work of an earlier consultative group of ministers and high-level representatives established by the Governing Council in its decision 25/4 of 20 February 2009. The work of that group, which has come to be known as the “Belgrade Process” in reference to the site of its first meeting, resulted in the identification of some objectives and functions of an international environmental governance system and the elaboration of a “set of options for improving international environmental governance”, which were presented to the Governing Council at its eleventh special session.
3. Decision SS.XI/1 requested the Consultative Group “to consider the broader reform of the international environmental governance system, building on the set of options developed during the Belgrade Process, but remaining open to new ideas”. It also requested the Group to conclude its work in a timely fashion and to present a final report to the Governing Council at its twenty-sixth session, in anticipation of the Council’s contribution to the second meeting of the open-ended preparatory committee of the United Nations Conference on Sustainable Development and the sixty-fifth session of the United Nations General Assembly.
4. The decision requested the Executive Director of the United Nations Environment Programme (UNEP), in his capacity as Chair of the Environment Management Group, “to invite the United Nations system to provide input to the group”, and requested the consultative group, through the UNEP secretariat, “to seek relevant inputs from civil society groups from each region.”

Work and outcome of the Consultative Group

5. The Consultative Group met in Nairobi from 7 to 9 July 2010 and in Espoo, Finland, from 21 to 23 November 2010. Representatives of 58 countries attended the Nairobi meeting and those of 44 countries attended the Espoo meeting. Inputs from civil society were provided to the process through the UNEP secretariat and inputs from the United Nations system through the Environment Management Group.
6. The President of the Republic of Finland, Tarja Halonen, who is also a co-Chair of the High-Level Panel on Global Sustainability, opened the meeting. She welcomed the work of the Consultative Group, saying that the Panel would be listening to the signals that it sent.

Strengthening the international environmental governance system: functions and system-wide responses

7. Having considered the objectives and functions of an international environmental governance system identified during the Belgrade Process, and after reviewing gaps and options discussed in the co-chairs’ document on elaboration of ideas on broader international environmental governance reform (UNEP/CGIEG.2/2/2), the Consultative Group identified a number of potential system-wide responses to the challenges in the current system of international environmental governance, including:

(a) To strengthen the science-policy interface with the full and meaningful participation of developing countries; to meet the science-policy capacity needs of developing countries and countries with economies in transition, including improvement of scientific research and development at the national level; and to build on existing international environmental assessments, scientific panels and information networks. The overall purpose would be to facilitate cooperation in the collection, management, analysis, use and exchange of environmental information, the further development of internationally agreed indicators, including through financial support and capacity-building in developing countries and countries with economies in transition, early warning, alert services, assessments, the preparation of science-based advice and the development of policy options. In this context, the Global Environment Outlook process must be strengthened and work in cooperation and coordination with existing platforms;

(b) To develop a system-wide strategy for environment in the United Nations system to increase the effectiveness, efficiency and coherence of the United Nations system and in that way contribute to strengthening the environmental pillar of sustainable development. The strategy should increase interagency cooperation and clarify the division of labour within the United Nations system.

It should be developed through an inclusive process involving Governments and seeking input from civil society;

(c) To encourage synergies between compatible multilateral environmental agreements and to identify guiding elements for realizing such synergies while respecting the autonomy of the conferences of the parties. Such synergies should promote the joint delivery of common multilateral environmental agreement services with the aim of making them more efficient and cost-effective. They should be based on lessons learned and remain flexible and adaptive to the specific needs of multilateral environmental agreements. They should aim at reducing the administrative costs of secretariats to free up resources for the implementation of multilateral environmental agreements at the national level, including through capacity-building;

(d) To create a stronger link between global environmental policy making and financing aimed at widening and deepening the funding base for environment with the goal of securing sufficient, predictable and coherent funding and increasing accessibility, cooperation and coherence among financing mechanisms and funds for the environment, with the aim of helping to meet the need for new and additional funding to bridge the policy-implementation gap through new revenue streams for implementation. Enhanced linkage between policy and financing is needed along with stronger and more predictable contributions and partnerships with major donors and the pooling of public and supplementary private revenue streams. To consider the development of financial tracking systems, including their costs and benefits, based on existing systems to track financial flows and volumes comprehensively at the international and regional levels, as well as a strategy for greater involvement of private sector financing;

(e) To develop a system-wide capacity-building framework for the environment to ensure a responsive and cohesive approach to meeting country needs, taking into account the Bali Strategic Plan for Technology Support and Capacity-Building. The framework should be targeted at strengthening national capacities required to implement multilateral environment agreements and agreed international environmental objectives;

(f) To continue to strengthen strategic engagement at the regional level by further increasing the capacity of UNEP regional offices to be more responsive to country environmental needs. The aim of such strengthening should be to increase country responsiveness and implementation. Environmental expertise within United Nations country teams should be strengthened, including through UNEP.

8. The Consultative Group suggests that the Governing Council at its twenty-sixth session give consideration to the contribution of UNEP to identifying the implementation of, and actors responsible for, follow-up on the functions and system-wide responses.

Form related aspects of broader institutional reform

9. Having identified the potential system-wide responses above, the Consultative Group considered institutional forms that would best serve to implement those responses and achieve the objectives and functions identified during the Belgrade Process.

10. It was generally accepted that form should follow function and that UNEP should be strengthened and enhanced. Differing views were expressed in respect of institutional reform.

11. Strengthening the global authoritative voice, as well as other voices, for the environment is a key outcome of the international environmental governance reform process, providing credible, coherent and effective leadership for environmental sustainability under the overall framework of sustainable development. During the Belgrade Process and in the Co-Chairs' document on elaboration of ideas for broader reform of international environmental governance (UNEP/CGIEG.2/2/2), various options for broader institutional reforms were put forward, including the following five options:

- (a) Enhancing UNEP;
- (b) Establishing a new umbrella organization for sustainable development;
- (c) Establishing a specialized agency such as a world environment organization;
- (d) Reforming the United Nations Economic and Social Council and the United Nations Commission on Sustainable Development;
- (e) Enhancing institutional reforms and streamlining existing structures.

12. The Consultative Group recognized the need to develop all the options further and suggested that options (b) and (d) would best be addressed in the wider sustainable development context.

13. Based on the principle that form follows function, and recognizing that it had not achieved consensus on institutional form, the Group suggested that existing institutions be strengthened and enhanced and that options (a) (enhancing UNEP), (c) (establishing a specialized agency such as a world environment organization) and (e) (enhancing institutional reforms and streamlining existing structures) were potential options for strengthening the form of the environment pillar in the context of sustainable development and achieving effective international environmental governance.

Next steps

14. The Consultative Group hereby presents its final report to the Governing Council in accordance with paragraph 10 of decision SSXI/1.

15. The Consultative Group is of the view that the Governing Council should further consider how to secure political momentum and efficient follow-up of the international environmental governance process.

16. The Consultative Group expresses its sincere thanks to the Governments of Kenya and Finland and notes that it was honoured by the presence of Tarja Halonen, President of the Republic of Finland at the opening of the its second meeting.
