



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

Nairobi, 21–25 February 2005

Items 4, 5, 6, 7, 8 and 9 of the provisional agenda*

Assessment, monitoring and early warning: state of the environment

**Outcomes of intergovernmental meetings of relevance to the Governing Council/
Global Ministerial Environment Forum**

**Follow-up to the World Summit on Sustainable Development: contribution of the
United Nations Environment Programme to the forthcoming session of the
Commission on Sustainable Development**

**International environmental governance: implementation of decisions of the
seventh special session of the Governing Council/Global Ministerial Environment Forum
and the World Summit on Sustainable Development on the report of the Intergovernmental
Group of Ministers or Their Representatives on International Environmental Governance**

Cooperation and coordination within the United Nations system on environmental matters

Programme, the Environment Fund and administrative and other budgetary matters

**Status of the implementation of decisions adopted by the Governing
Council/Global Ministerial Environment Forum at its
twenty-second session and its eighth special session**

Note by the Executive Director

1. The Executive Director has the honour to provide, in the annex to the present note, an executive summary of the status of the implementation of the decisions adopted by the Governing Council/Global Ministerial Environment Forum at its twenty-second session and its eighth special session, held in Nairobi, Kenya, and Jeju, Republic of Korea, from 3 to 7 February 2003 and from 29 to 31 March 2004, respectively.

* UNEP/GC.23/1.

2. The annex should be considered in conjunction with various other official documents that are being submitted to the twenty-third session of the Governing Council/Global Ministerial Environment Forum, since the annex primarily provides information on the status of implementation of those Governing Council decisions with respect to which progress reports are not explicitly required by the decisions of the twenty-second session or the eighth special session and will therefore not be found among the working documents of the twenty-third session.

Annex

Status of the implementation of decisions adopted by the Governing Council/Global Ministerial Environment Forum at its twenty-second session and its eighth special session

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Executive summary

1. This summary presents the status of implementation of decisions adopted by the Governing Council/Global Ministerial Environment Forum at its twenty-second session and its eighth special session, held in Nairobi, Kenya and Jeju, Republic of Korea, from 3 to 7 February 2003 and from 29 to 31 March 2004, respectively. As such, the report includes elements of the status of the implementation of the programme of work of UNEP for the biennium 2004–2005.

2. This summary includes information on the progress for the period since the conclusion of the twenty-second session to date in the implementation of decisions 22/6 (Promotion of sustainable consumption and production patterns) and 22/7 (Engaging business and industry), while information on progress for the period July–September 2004 is provided for other decisions, in keeping with the mandate to report on the status of implementation of Governing Council decisions on a quarterly basis to the Committee of Permanent Representatives to UNEP.

I. Status of the implementation of decisions adopted by the Governing Council/Global Ministerial Environment Forum at its twenty-second session and its eighth special session

A. Decision 22/6 (Promotion of sustainable consumption and production patterns)

1. Activities in cooperation with the United Nations Department of Economic and Social Affairs

3. In response to decisions 22/6 (Promotion of sustainable consumption and production patterns)¹, UNEP, jointly with the United Nations Department of Economic and Social Affairs (DESA), organized a regional consultation process on the 10-year framework on sustainable consumption and production. This includes the convening of the following regional meetings: two informal expert meetings in Buenos Aires and Managua, 23–25 April and 15–16 October 2003 respectively; two in the Asia-Pacific region, in Yogyakarta and Seoul, 21–23 May and 6–7 November 2003, respectively; one in Africa, 17–20 May in Casablanca; and two in Europe, in Vilnius, Lithuania, and Ostend, Belgium, 17–18 June 2004 and 25–26 November 2004, respectively. At the global level, UNEP, in cooperation with DESA, organized the first international expert meeting on the 10-year framework of programmes for sustainable consumption and production, [in Marrakech](#), 16–19 June 2003. The 10-year framework on sustainable consumption and production was renamed the "Marrakech process" [at this meeting](#)². A joint UNEP/DESA web site on the Marrakech process³ [has been](#) launched, where all meeting documents and outcomes are available. UNEP is currently preparing a second international meeting, to be held in Costa Rica [in September 2005](#). In addition, UNEP organized an informal meeting of an advisory task force on the 10-year Framework of Programmes on Sustainable Consumption and Production [in Paris on 2 March 2004](#).

2. Other activities in support of promotion of sustainable consumption and production patterns

(a) Activities through cleaner production

4. UNEP has strengthened the implementation of concrete projects through its programmes on cleaner production and sustainable consumption, including its Life Cycle Initiative⁴, which will lead to new initiatives on such issues as waste management and capacity-building. A local level demonstration project was launched in Guiyang, China in December 2004 to test and demonstrate Government's role in fostering alternative economic development that brings short- and long-term economic and environmental benefits to fast developing regions⁵.

¹ The implementation of this decision is also of relevance to that of decision 22/7.

² Activities of UNEP in the implementation of decision 22/6 during the year 2003 were reported to the Governing Council/Global Ministerial Environment Forum at its eighth special session (UNEP/GCSS.VIII/6.)

³ <http://www.unep.org/pc/sustain/10year/>

⁴ This is a partnership activity with the Society of Environmental Toxicology and Chemistry.

⁵ The project focuses on identifying sustainable patterns of economic development and promoting public awareness raising and resource-use efficiency. The results will include economic and environmental gains in

5. The Eighth International High-level Seminar on Sustainable Consumption and Production (SCP) was held in Monterrey, Mexico, 15-16 November 2004, and was attended by approximately 250 participants from over 60 countries. It addressed two main themes: "Environment and basic needs" and "Global challenges and business"⁶. In addition, regional roundtable conferences on SCP, supported by UNEP, were held for Africa in Casablanca, 17-20 May 2004, for Asia and the Pacific in Kuala Lumpur, 15-17 March 2004, and for Europe in Bilbao, Spain, 12-14 May 2004.

(b) Training and capacity-building programmes

6. With a view to promoting training and capacity-building programmes in this area, UNEP:

(a) Within the Advertising and Communication Forum, developed training programmes and a consumer awareness campaign;⁷

(b) With support from the European Commission, and in cooperation with Consumers International, continued the implementation of a capacity building project on the implementation of the United Nations Guidelines for Consumer Protection (paragraph on sustainable consumption), targeting 6 European and 12 Asian countries ("SC.Asia");

(c) In collaboration with Internationale Weiterbildung und Entwicklung GmbH (InWEnt), organized training programmes on facilitating implementation of multilateral environmental agreements through cleaner production, and integrating cleaner production and sustainable consumption in Mannheim, Germany, 19-22 January 2004, and advanced the preparation for a programme on cleaner production in industrial estates in, Berlin, Germany, 23-25 November 2004, with a view to building capacities in UNEP cleaner production centres. As a follow-up, UNEP initiated the implementation of a project on applying cleaner production to multilateral environmental agreements (ACME), supported by the Swedish International Development Agency (SIDA);

(d) Released a CD-ROM entitled "Cleaner Production Companion", aiming at providing information to different stakeholders on implementing cleaner production. It contains more than 160 documents, and materials such as training packages, customized presentations, technical manuals and video clips.

B. Decision 22/7 (Engaging business and industry)

7. Decision 22/7, building upon the relevant internationally agreed mandates such as Agenda 21, the Malmö Ministerial Declaration, the Johannesburg Declaration and the Johannesburg Plan of Implementation, calls for greater corporate environmental and social responsibility. In response to the request spelled out in the decision, UNEP continued working with individual business entities and business associations, on a sectoral and a multisectoral basis.

1. Consultative meetings with associations

8. A key pillar of UNEP activities in this area remained its annual consultative meeting with industry associations, held in Paris. The 20th consultative meeting, 9-10 October 2003, focused primarily on the climate change debate, sustainable cities management, corporate environmental and social responsibility and new developments in the trade and environment debate following the fifth World Trade Organization Ministerial Conference in Cancún in September 2003. Over 100 participants including representatives of 46 international industry associations noted the historical significance of the meeting, 2 years having passed since the first World Industry Conference on Environmental Management (WICEM), held in November 1984. The 21st consultative meeting, 7-8 October 2004, involved business and industry in a discussion on the development of a strategy on capacity-building and technology transfer.

2. Activities at a sectoral level

9. UNEP, in partnership with industry and international organizations such as the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Tourism

demonstration companies, improved capacity for developing government-business partnership projects, and guidelines for local government to identify and evaluate alternative economic development options.

⁶ Environment Ministers from Mexico, Nicaragua, Peru and Tanzania addressed the participants.

⁷ A pilot version of the campaign (television spot) will be broadcast in December 2004.

Organization and the International Telecommunication Union (ITU), continued to strengthen international voluntary initiatives. Relevant activities are highlighted as follows:

(a) The UNEP Finance Initiative, involving more than 270 banks and insurance companies, held its 2003 global round table on the theme “sustaining value: a meeting on finance and sustainability”; in Tokyo, 20–21 October 2003. The initiative also featured side events on finance and energy at the eighth and ninth sessions of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Milan and Buenos Aires, respectively. The Finance Initiative is also taking the lead in monitoring follow-up to undertakings made by major brokerage firms on corporate responsibility and sustainability at the Global Compact Leaders Summit, June 2004;

(b) Activities by the Tour Operators’ Initiative for Sustainable Development, which includes 20 tour operators, included the convening of a sustainable tourism round table in Punta Cana, Dominican Republic, 3–4 December 2003; a joint workshop with WWF on joining forces for sustainable tourism in marine destinations, in Antalya, Turkey, 25–27 October 2004; and its annual general meeting, which included a workshop, in Madrid, 14–16 November 2004. The initiative has started to develop tools for the integration of environmental and social questions in contracting and supply chain management in the tourism sector;

(c) The UNEP/ITU Global e-Sustainability Initiative, which includes 14 telecommunications operators and service providers, held a workshop on exploring sustainability in the information economy, in Geneva, on 31 October 2003, and a workshop on climate change issues and initiatives in the ICT Industry, in Montebello, Quebec, Canada, on 7 October 2004. As a result of these workshops a working group was established to address corporate responsibility in supply chain management. The workshops also supported the research, in cooperation with Fauna & Flora International, on the challenge of dealing with the issue of columbite-tantalite (coltan) mining⁸ in the Democratic Republic of the Congo;

(d) A key activity of the Mobility Forum, which includes 12 automotive manufacturers and related companies, was the completion of a sector supplement to the Global Reporting Initiative (GRI) Guidelines on Sustainability Reporting, focusing on sustainability indicators for the automotive industry. Among the events organized by the Forum was a workshop entitled “Fuelling the Future: Workshop on Automobile CO₂ Reduction and Fuel Economy Improvement Policies”, which was hosted with the International Energy Agency on 13 October in Shanghai, China;

(e) The work programme of the Advertising and Communications Forum on Sustainability, which includes 12 advertising agencies, associations and companies, included co-organizing a 2004 Global Compact policy dialogue on sustainable consumption: marketing and communications, in cooperation with the United Nations Global Compact, in Paris, 5–April 2004. Representatives of 62 companies attended the meeting and heard a presentation by The Worldwatch Institute on new global trends in sustainable consumption. UNEP, in cooperation with interested companies, undertook follow-up activities on responsible advertising and ways of communicating to consumers in a manner that enables them to make informed choices. The forum was also involved in the hosting of a UNEP/European Society for Opinion and Marketing Research (ESOMAR) conference on responsible marketing and sustainability and quality of life, in Berlin, 12–13 May 2004.

3. Activities at multisectoral level

10. UNEP continued to play a leading role in the Global Compact and the Global Reporting Initiative.

4. Global Compact

11. In connection with the Global Compact, working closely with relevant United Nations agencies such as the International Labour Organization, the Office of the High Commissioner for Human Rights, the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO) and the United Nations Office on Drugs and Crime, UNEP

⁸ One called columbite-tantalite, coltan for short, is one of the world’s most sought-after materials. Refined coltan can produce a highly heat-resistant metal powder called tantalum, which is becoming increasingly vital to modern life, such as its use as a key component in mobile phones and computer chips.

continued the development of training materials for participating companies. The “Raise the Bar” toolkit for companies was launched on 24 June 2004 at the Global Compact Leaders Summit.

12. In this area, UNEP also:

(a) Continued the distribution of “The Efficient Entrepreneur” package for small and medium-sized enterprises to introduce them to environmental management systems and reporting;

(b) Started, in cooperation with the Wuppertal Institute, GRI and UNIDO, the development of a corporate environmental and social responsibility training package for small and medium-sized enterprises;

(c) In advancing partnership development in support of the internationally agreed goals contained in the Millennium Declaration, joined UNDP and the World Conservation Union (IUCN) in the launch in January 2004 of The Seed Initiative⁹ at the World Economic Forum in Davos and the World Social Forum in Mumbai;

(d) Organized workshops on the precautionary approach at the 2003 Global Compact Learning Forum in Brazil, 9–11 December 2003, at which a presentation was made of case studies on precaution by companies from Brazil, France, South Africa and Spain;

(e) Co-hosted a Global Compact policy dialogue on sustainable consumption in Paris, 5-6 April 2004, and followed up on the 2002 UNEP/Global Compact Policy Dialogue on Business and Sustainable Development through the publication under the aegis of the Finance Initiative “The Materiality Report”, in June 2004;

(f) Continued the UNEP/Sustainability Global Reporters Survey through support for the development and publication of the 2004 Global Reporters Survey of Corporate Sustainability Reporting¹⁰, in November 2004.

5. Global Reporting Initiative

13. In the last three years UNEP has played a key part in the establishment of GRI as a UNEP collaborating centre in Amsterdam. Meetings of the GRI Board and 60-member Stakeholder Council have been held, the most recent of which took place in Amsterdam, 29–30 November 2004.

14. With support from UNEP, the GRI secretariat has continued to manage a global multi-stakeholder process to gather feedback from all regions, assess and make amendments to the GRI guidelines, with the view to releasing version 3 (G3) of the guidelines in 2006. The structured feedback process conducted in 2003–2004 included a worldwide survey and regional meetings held in Johannesburg, Belo Horizonte, Hong Kong, Melbourne, Tokyo, New York and Geneva, engaging over 420 participants between December 2003 and March 2004¹¹. Sector supplements have recently been developed for various industry sectors, ranging from finance and telecommunications to mining and metals, as well as those of the public sector and a special GRI handbook for small and medium-sized enterprises¹². The general 2002 GRI guidelines are available in various languages, including Chinese, French, Russian and Spanish.

6. Development of guidelines on Cooperation between UNEP and the business sector

15. In response to decision 22/7, taking into account the proposed elements contributed by Governments, and based on the Guidelines on Cooperation between the United Nations and the Business Community issued by the Secretary-General of the United Nations in July 2000, guidelines for cooperation between UNEP and business and industry were developed for use by staff members when undertaking partnership activities and cooperation with business and industry. A document

⁹ In support of partnership development at the local level in various developing countries, *The Seed Initiative* is also supported by the United Nations Global Compact, and received financial support from the Governments of Germany, Norway and the United States of America.

¹⁰ The survey highlighted how leading companies participating in the Global Compact are using the GRI Guidelines to report on their implementation of its human rights, labour standards and environmental principles.

¹¹ Funding support was provided from donors, including the United Nations Foundation.

¹² Financial support was provided by donors, including the European Commission and the Government of the Netherlands.

entitled “Guidelines on Cooperation between the United Nations Environment Programme and Business” was finalized in March 2004, as provided in the appendix to the present document.

16. The Secretary-General’s guidelines encouraged each United Nations organization to develop more specific guidelines in accordance with its specific mandate and activities. The UNEP guidelines represents a version of the Secretary-General’s guidelines adapted for the mandate and activities of UNEP. It is based on the ongoing work of UNEP with business and industry, and aims to ensure greater commitment by the private sector to engendering a new culture of environmental accountability and responsibility. It also represents part of a contribution of UNEP to the internalization of the principles of the United Nations Global Compact within the United Nations System.

II. Status of implementation of other decisions for the period July–September 2004

A. Early-warning, assessment and monitoring: World Conservation Monitoring Centre

17. In response to decision 22/1 III (United Nations Environment Programme World Conservation Monitoring Centre), UNEP:

- (a) Established a process to strengthen the World Conservation Monitoring Centre (WCMC), including consultations with key stakeholders and the development of a review process;
- (b) Continued to collaborate with the secretariat of the Convention on Biological Diversity on the preparation of documents on each of the indicators for reporting on achievement of the 2010 target and continued to support the preparation of Ad hoc Technical Expert Group and Liaison Group meetings;
- (c) Continued to collaborate with the Scientific Committee of the Convention on the conservation of Migratory Species in the preparation of documents on the 2010 indicators, and with the Scientific and Technical Review Panel of the Convention on Wetlands of International Importance, Especially as Waterfowl Habitat on outcome-oriented indicators relevant to the 2010 target;
- (d) Completed a study to examine the expectations of a collaborating network designed to enhance the work of WCMC and other organizations concerned with biodiversity, particularly biodiversity assessment and information management, to propose the scope of such a network, and to suggest a strategy for its establishment and development;
- (e) Held discussions with the Scientific Advisory Council on the network, and prepared a project document on the development of 2010 and Millennium Development Goal biodiversity indicators and related support to developing countries”;
- (f) Finalized “State of the World’s Protected Areas” for publication and launch at the World Conservation Union (IUCN) World Conservation Congress;
- (g) Continued the strengthening of the World Database on Protected Areas (WDPA), in cooperation with the WDPA Consortium, including updating of data, preparation of a WDPA funding strategy, and convening of telephone conferences among Consortium members;
- (h) Initiated discussions with relevant partners on the renewed mandate for the United Nations list process.

B. Climate and atmosphere: Adaptation to climate change

18. In connection with decision 22/3 I (Adaptation to climate change), UNEP:

- (a) Participated in an assessment of impacts and adaptation to climate change (AIACC) regional workshop for Latin America and the Caribbean in Buenos Aires, 24–27 August, to review progress of the first phase;

(b) Organized a workshop on integrating vulnerability and adaptation to climate change into sustainable development policy planning and implementation for Southern and Eastern Africa in Nairobi, 15–17 September.

C. Special geographic focus areas

1. Forest related issues

19. In response to decision 22/5 (Enhancing the role of the United Nations Environment Programme on forest-related issues), UNEP:

(a) In line with its membership in the Collaborative Partnership on Forests (CPF), participated in the thirteenth meeting of the partnership in New York on 6 September, at which the participants discussed the strengthening of joint CPF initiatives;

(b) Provided legal expertise to the secretariat of the United Nations Forum on Forests (UNFF), and drafted pivotal input for two background documents which were considered by an ad hoc expert group that met in New York, 7–10 September, to consider the parameters of a mandate for developing a legal framework on all types of forests¹³.

2. Arctic

20. In response to decision 22/11 (Sustainable development of the Arctic), UNEP:

(a) Participated in a seminar “Studietur Nord”, organized annually by the Norwegian Polar Institute, Norwegian University of Science and Technology, and SINTEF (foundation for scientific and industrial research), 25–31 July, held on the research vessel “Lance”¹⁴;

(b) Participated in the 6th Conference of the Parliamentarians of the Arctic Region, Nuuk, Greenland, 3–6 September, organized by the Greenlandic and the Danish Parliament in cooperation with the Standing Committee of Parliamentarians in the Arctic Region, which addressed climate change and sustainable development in the Arctic¹⁵;

(c) Participated, in the person of the Executive Director, in the Offshore Northern Seas Conference, Stavanger, Norway, 24 August; and held bilateral meetings with the oil and gas industry to explore possibilities for the private sector’s support;

(d) Participated in the Circumpolar Protected Areas Network (CPAN) meeting, Anchorage, Alaska, 13 September, whose main themes included the challenges of implementing regional protected area networks and the expansion of CPAN into marine areas¹⁶;

(e) Participated in the Conservation of Arctic Fauna and Flora (CAFF) 10th Biennial Meeting¹⁷, Anchorage, 14–16 September, and made a presentation on progress in the implementation of the GEF project “ECORA”, an integrated ecosystem management approach to conserving biodiversity and minimizing habitat fragmentation in the Russian Arctic¹⁸;

(f) Commenced, jointly with WWF, a programme on protected areas in the Arctic¹⁹.

¹³ The meeting adopted a report providing a range of options for the future framework to be forwarded to the fifth session of the United Nations Forum on Forests. This could be achieved through 1) developing the existing International Arrangement on Forests; and/or 2) negotiating a legally binding instrument.

¹⁴ Participants included parliamentarians, bureaucrats, and scientists.

¹⁵ Over 120 participants, including parliamentarians, scientists, indigenous peoples representatives, Government officials, and non-governmental organizations participated.

¹⁶ Representatives of seven of the eight circumpolar countries, indigenous groups, and non-governmental organizations attended the meeting.

¹⁷ Approximately 60 participants, including representatives from seven circumpolar governments, indigenous groups, and non-governmental organizations, participated.

¹⁸ The project is a joint initiative between UNEP, CAFF and the Russian Federation.

¹⁹ The output of this cooperation will be an assessment of the state of protected areas in the Arctic. The report will be launched in 2005.

3. Deserts and desertification

21. In response to decision 22/15 (International Year of Deserts and Desertification), UNEP will initiate preparations for activities associated with the International Year of Deserts and Desertification in early 2005, in collaboration with the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and the United Nations Development Programme. In the area of dryland issues, UNEP also:

(a) Continued development of the project “An Ecosystem Approach to Restoring West African Drylands and Improving Rural Livelihoods through Agroforestry-based Land Management Interventions”, in cooperation with the World Agroforestry Centre, the Centre for Environmental Policy of the University of Florida, and West African Governments;

(b) In cooperation with the Food and Agriculture Organization of the United Nations (FAO) and other partners, continued to implement the Global Land Cover Network (GLCN²⁰); prepared, as part of a GLCN capacity-building programme, for the organization of two regional workshops on harmonization of land data in Quito and Pretoria; and held an international workshop on land cover mapping and change assessment applications, policies, and networks in support of sustainable development²¹, in Florence, 21–23 September;

(c) Following the GEF-PDF-B project, Land Degradation Assessment in Drylands (LADA), submitted to GEF a full-scale project in September²²;

(d) Developed through a process of regional multi-stakeholder consultations over the period of about two years the International Assessment of Agricultural Science and Technology for Development (IAASTD), which was endorsed at an inter-governmental plenary meeting²³ in Nairobi, 30 August–3 September;

(e) Developed three full-sized GEF projects that address land degradation²⁴;

(f) Prepared six PDF-Bs and a concept for pipeline entry addressing land degradation, which were approved by the GEF secretariat²⁵;

²⁰ The network is based on the FAO/UNEP Land Cover Classification System (LCCS), a comprehensive methodology for description, characterization, classification and comparison of most land cover features identified in the world.

²¹ The workshop was attended by representatives from present and new GLCN participating countries and institutions in Africa, Asia and Latin America, as well as GLCN supporting governments (Italy and the United States of America).

²² Expected total funding is US\$ 7.725 million from GEF and US\$ 9.055 million in co-financing.

²³ The three-year implementation phase of the multi-stakeholder partnership IAASTD is planned to start in 2005 with financial support from GEF, the World Bank, UNEP and other co-sponsors, including FAO, UNEP, UNDP, UNESCO and WHO, as well as co-financing and in-kind support from other partners including national governments, non-governmental organizations and the private sector.

²⁴ These projects are:

(a) Integrated Management of Transboundary Areas between Nigeria and Niger: Phase 1 was submitted and approved GEF Council in May 2004 (GEF US\$ 5.375 million, co-financing US\$ 9,122 million). This project will support the implementation of the CCD SRAP for West Africa;

(b) Desert Margins Programme: Phase 2 was submitted for GEF funding in September 2004 (GEF US\$ 5,617, co-financing US\$ 12,063,899. This regional project will lead to the development and dissemination of better management practices for desert margins in Sub-Saharan Africa;

(c) The Mount Kenya East Pilot Project for Land and Water Management was developed together with the International Fund for Agricultural Development (IFAD) and submitted to GEF in November 2004 (GEF US\$5 million, co-financing 16,5 million from IFAD plus in-kind contribution from the Government of Kenya and local beneficiaries). The project will address land degradation problems in a critical watershed and a UNESCO Man and the Biosphere reserve and restore ecosystem function and structure and improve rural livelihoods.

²⁵ These are:

(a) Transboundary Agro-Ecosystem Management Programme for the Lower Kagera River Basin (PDF B);

- (g) Continued to oversee the implementation of relevant projects²⁶.

D. Trade and the environment, use of economic instruments

1. Trade and the environment

22. In the area of trade and the environment, UNEP:

- (a) Convened the UNEP/United Nations Conference on Trade and Development (UNCTAD) Capacity-building Task Force on Trade, Environment and Development (CBTF) Training Workshop on Integrated Assessment (IA) for African Countries²⁷, Nairobi, 19–20 July;
- (b) Participated in the final national stakeholders workshop on the project on integrated assessment of trade liberalization in the rice sector²⁸, Can Tho City, Viet Nam, 1 September;
- (c) Continued the preparation for a training workshop on enhancing policy coordination on trade and environment issues and implementation of multilateral agreements containing trade-related measures²⁹, scheduled for October in Phnom Penh, under the joint UNEP-UNCTAD CBTF;
- (d) Convened the national stakeholders workshop to launch a pilot project on integrated assessment and planning for sustainable development, Kampala, 7-8 September; the project will conduct an integrated assessment of the poverty eradication action plan;
- (e) Convened a national stakeholder workshop to launch a Colombian pilot project on integrated assessment and planning, which will analyse the impacts of trade policy on the Colombian agriculture sector, with special emphasis on biodiversity and poverty reduction;

(b) Sustainable Management of Natural Resources in the High Pamir and Pamir-Alai Mountains (PDF B);

(c) Rational utilization of Medicinal, Aromatic and Pesticidal (MAP) Plants through Sustainable Land Management (regional PDF B in West Africa);

(d) Preventing Land Degradation in Small Island Ecosystems in the Caribbean through Sustainable Land Management (PDF B);

(e) Kalahari-Namib Project: Enhancing decision-making through Interactive Environmental Learning and Action in Molopo-Nossob River Basin (Concept involving Botswana, Namibia and South Africa);

(f) Sustainable Land Management in the Transboundary Gran Chaco ecosystem in South America (Concept involving Argentina, Bolivia and Paraguay).

²⁶ These projects are:

(a) At the national level, UNEP is supporting 32 countries to undertake national capacity self assessments for improved environmental management (NCSAs) to identify country-level priorities and needs for capacity building to address land degradation, biodiversity and climate change;

(b) UNEP is also involved in implementing the capacity-building component of the Environment Initiative of the New Partnership for Africa's Development (NEPAD), which has the combatting of land degradation, desertification and drought as its first priority area;

(c) Land use change analysis as an approach to assessing biodiversity loss and land degradation that is synthesizing and analyzing more than 30 years of data from East Africa; Management of indigenous vegetation for rehabilitation of degraded rangelands in the arid zone of Africa (Botswana, Kenya, Mali);

(d) Desert Margins Programme, phase 1;

(e) Community-based rehabilitation of degraded lands in transboundary areas of Senegal and Mauritania, which is implemented together with UNDP.

²⁷ It targeted African research and training institutions, which are in a position to train others in IAs in cooperation with their Governments.

²⁸ The workshop objective was to launch the final study and discuss modalities for implementing the recommendations emanating from the project. The outcome of the study convinced policy makers and other stakeholders of the need to promote "clean" rice production by adopting environmentally sound environmental practices in rice farming and production.

²⁹ The workshop aims to enhance national coordination on implementation of the three multilateral environmental agreements, i.e. the Basel Convention, CITES, and CBD (and the Biosafety Protocol).

(f) Participated in the Third International IFOAM Conference on Biodiversity and Organic Agriculture “The role of Organic Agriculture for Biodiversity: Current Contributions and Future Possibilities”³⁰ Nairobi, 24–26 September; during which potential collaboration with UNCTAD, FAO, and IFOAM in promoting sound environmental practices, including organic agriculture as a market access opportunity, was explored.

2. Use of environmental impact assessments, economic instruments and natural resource accounting

23. With respect to the use of environmental impact assessments, economic instruments and natural resource accounting, UNEP:

(a) Convened, in cooperation with the United Nations Statistical Division, a meeting on integrated environmental and economic accounting³¹, Copenhagen, 20–21 September, to promote the use of environmental-economic accounting for sustainable development and identify and coordinate work to enhance the capacities of governments in this area;

(b) Convened a train-the-trainers workshop, Tunis, 22–26 September, based on the UNEP environmental impact assessment training resource manual for francophone Africa³², to develop participants’ skills in preparing and presenting environmental impact assessment training courses at the national level;

(c) Made a presentation at an FAO technical consultation on fisheries subsidies, Rome, 30 June–2 July, aiming at compiling the country experiences on subsidies and defining a global approach for policy reform;

(d) Finalized a UNEP paper, “Analysing resource impact of fisheries subsidies: a matrix approach”³³, as a contribution to WTO negotiations and debate within FAO;

(e) Drafted a project proposal on fisheries subsidies and artisanal fisheries, aiming to build capacity of developing country policy makers, practitioners, negotiators, subsidies administrators and recipients of subsidies to reform the fisheries sector subsidies; and produced a bulletin on fisheries subsidies to disseminate the findings of recent UNEP work, including country studies and a workshop;

(f) Finalized the preparation of an interagency paper on environmental fiscal reform, aiming to assist especially developing countries to use economic instruments to address poverty, environmental and fiscal concerns simultaneously; and reviewed and provided comments on a country study on Indonesian pulp and paper sector;

(g) Drafted a project proposal on economic instruments for chemical and waste related conventions (Basel Convention on the Transboundary Movement of Hazardous Wastes and their Disposal, Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, Stockholm Convention on Persistent Organic Pollutants), aiming to promote the use of economic instruments to achieve the objectives of the conventions and building synergies between the conventions.

E. Civil society, children and youth

1. Environmental education and training

24. In relation to decisions 22/9 (Support for Africa)³⁴ and 22/18 (Civil society), UNEP continued to promote environmental education and training. Among other activities in this area, UNEP:

³⁰ The conference addressed the theme of organic agriculture’s possible and current place in the drive to the nature biodiversity.

³¹ The meeting was attended by approximately 30 participants from developed and developing countries, intergovernmental organizations, non-governmental organizations and experts.

³² The workshop targeted participation from Algeria, Burkina Faso, Cameroon, Chad, Guinea-Bissau, Iraq, Mali, Morocco, Palestinian Authority, Senegal and Tunisia.

³³ The paper assesses the impacts of different types of subsidies under various management and bio-economic conditions.

(a) Supported and participated in the 27th International Steering Committee Meeting of the UNEP/UNESCO/BMU (German Government) International Postgraduate Training Programme on Environmental Management for Developing and Emerging Countries, Dresden, Germany, 10–14 July. The event was the 28th of a series;

(b) Undertook a mission to Rhodes University, South Africa, to present a paper on the UNEP vision for environmental and sustainable education in Africa at the centenary celebration of the university, Grahams Town, South Africa, 30 July;

(c) Organized, in collaboration with University of Joensuu and with the support of the Government of Finland, the inaugural University of Joensuu–UNEP course on international environmental law-making and diplomacy³⁵, Joensuu, 22 August–3 September, attended by 36 experts from 30 countries, as well as a total of 25 resources persons; the Deputy Executive Director officiated and made a presentation on international environmental diplomacy;

(d) Participated in the 47th Session of the International Conference on Education (ICE), organized by UNESCO, Geneva, 8 (e) 11 September;

Participated in and presented papers on “accessing UNEP learning resource materials” and the UNEP strategy for the decade of education for sustainable development at the Second World Environmental Education Congress³⁶, organized by UNESCO, Rio de Janeiro, 15–18 September;

(e) Organized, jointly with the University of Nairobi, through the Partnership for the Development of Environmental Law and Institutions in Africa (PADELIA) and the Centre for Advanced Studies in Environmental Law and Policy (CASELAP), a four-day-symposium of environmental law lecturers from African University, Nakuru, Kenya, 28 September–3 October, and presented a paper entitled “Mainstreaming the Environment in African Universities: A Challenge for Law Faculties”.

2. Long term strategy on engagement of youth and young people in environmental issues³⁷

25. In response to decision 22/18 II (Long-term strategy on engagement and involvement of young people in environmental issues), UNEP:

(a) In cooperation with the International Coalition for Children and the Environment and the Mashantucket Piquot Tribal Nation of Connecticut, organized the Tunza International Children’s Conference on the Environment, New London, Connecticut, 19–23 July, attended by 650 children and their chaperones. The Conference developed challenges and commitments, which have been shared with Governments and United Nations agencies;

(b) Launched a new children’s illustrated series. The first storybook in the series, “Tessa and the Fishy Mystery”, focusing on seas and oceans, was launched 19 July at the Tunza International Children’s Conference³⁸;

(c) Launched a revamped web site with a new look for young people, www.unep.org/tunza, which provides more easily accessible environmental resources for young people, 16 July;

(d) Initiated a newsletter for the Tunza Youth Advisory Council³⁹. Distributed three issues of the newsletter, 3, 17 and 30 September respectively;

³⁴ Activities in the implementation of decision 22/9 are reported in documents UNEP/GC.23/3/Add.7 and UNEP/GC.23/INF/9.

³⁵ The topics covered a wide range of current emerging issues such as: (a) international environmental law diplomacy; (b) major developments in environmental law-making; (c) concept of sustainable development from theory to practice; (d) role of national parliaments and NGOs in environmental law-making; (e) basic and emerging environmental law principles and concepts; (f) treaty-making process and procedures and treaty drafting; (g) techniques of environmental negotiations; (h) implementation and enforcement of MEAs; and (i) art and science of multilateral negotiations. The specific theme of focus was water.

³⁶ The meeting was attended by the Minister of Education, delegates from 137 member States, 14 intergovernmental organizations and 21 non-governmental organizations.

³⁷ Document UNEP/GC.23/INF/14 provides detailed information on the implementation of the strategy.

³⁸ Two storybooks will be published annually with each concentrating on a different environmental issue.

(e) Together with Volvo, launched an award programme for children, the “Volvo-UNEP Adventure”, 1 September, which gives young people a chance to gain international recognition for their local environmental projects and helps supports environmental education in schools and the local community⁴⁰;

(f) Launched, in cooperation with the Japan-based Foundation for Global Peace and Environment (FGPE) and Bayer AG, the fourteenth International Children’s Painting Competition on the Environment, 24 September, with a focus on green cities, the theme for 2005 World Environment Day⁴¹;

(g) Held the first steering committee meeting in connection with Bayer’s sponsorship of UNEP children and youth activities, Bangkok, 23 September, at which decisions were taken on the projects.⁴²

3. Long-term strategy for sport and the environment⁴³

26. In response to decision 22/18 III (Long-term strategy for sport and the environment), UNEP:

(a) In cooperation with the Japan-based Global Sport Alliance and a group of sporting goods manufacturers in Lahore and Sialkot, Pakistan, continued the preparation for the Third Global Forum for Sport and Environment (G-ForSE), to be held in Lahore, Pakistan, 24–26 November, including the convening of a preparatory meeting for G-ForSE, Lahore, 30–31 August, at which agreement was reached on the tentative agenda and other details of the Forum;

(b) Participated in the Athens 2004 Olympic torch relay, 23 June and 12 August, Geneva and Athens, respectively;

(c) Participated in the XXVIII Olympiad, Athens, 13–29 August. Held discussions with environmental non-governmental organizations in Greece, with the International Olympic Committee and with the organizing committees of the Turin 2006 and Vancouver 2008 Winter Olympic Games to discuss the environmental components of the Athens and future Olympic Games;

(d) Participated, together with several United Nations agencies and leaders from various countries, in the Athens Roundtable Forum, organized by an international sport NGO-Right to Play, 14 August, which focused on the use of sport to promote development and peace;

(e) Held, in the person of the Executive Director, a meeting with the German Minister of Environment and the FIFA 2006 World Cup organizers, Berlin, 6 September, to discuss cooperation between UNEP and the FIFA World Cup team on the environmental programme of the 2006 World Cup entitled “Green Gold”.

F. Global Environment Facility

27. In connection with decision 22/19 (Amendments to the instrument of the establishment of the restructured Global Environment Facility), during the reporting period one UNEP/GEF full-sized project was approved by the GEF Council as part of the July 2004 intersessional work programme. In addition, one UNEP/GEF medium-sized project, two Project Development Facility (PDF) Block B grants to develop full-sized projects, and two national enabling activities were approved by the GEF Chief Executive Officer (CEO).⁴⁴

³⁹ The newsletter provides information on relevant UNEP activities to Youth Advisory Council members.

⁴⁰ Top prizes for the award will be given in May 2005 at a global conference for young people by Volvo.

⁴¹ The competition is open to children between 6 and 14 years old and runs up to 31 January 2005. Regional selections will be organized by UNEP regional offices, which will submit at least 100 entries for the global selection. The global winners will be announced during the main World Environment Day celebrations in San Francisco, 5 June 2005.

⁴² These projects will benefit from Bayer’s 1 million Euro contribution for 2005.

⁴³ Document UNEP/GC.23/INF/28 provides detailed information on the implementation of the strategy.

⁴⁴ Projects approved are as follows:

Full-sized project

- Multi-focal, global: “Global Support Programme for National Capacity Self-Assessments”. Total funding \$2.0 million; GEF grant, \$1.88 million (jointly implemented with UNDP).

1. Corporate support to GEF

28. UNEP continued to provide corporate support to GEF, including inputs to the GEF business plan for the period 2005–2007, and other policy documents under preparation for the 24th meeting of the GEF Council. UNEP participated in the regular meetings of the GEF Executive Coordinators and meetings of the GEF inter-agency task forces, including input to the GEF Programme Studies for Biodiversity, Climate Change and International Waters. UNEP participated in a special seminar of the GEF Council, Paris, 27–28 September, which reviewed options for a resource allocation framework for GEF.

2. Africa Initiative

29. The implementation of the medium-sized project “Capacity-building Programme for the Development of Sub-Regional Environmental Action Plans of the New Partnership for Africa’s Development (NEPAD)”, approved by the GEF Chief Executive Officer, 30 June (total funding US\$ 1.135 million, GEF grant US\$ 1.0 million), has commenced. A training workshop on the NEPAD environmental policy process and mainstreaming environment into regional and national economic and development programmes was held for representatives of African regional economic commissions and national focal points for multilateral environmental agreements, Nairobi, 20–25 September. In a parallel activity, the implementation of a project on capacity-building to alleviate poverty through synergistic implementation of the Rio Conventions in Mozambique, Rwanda, Uganda and the United Republic of Tanzania also commenced.⁴⁵

3. Scientific and Technical Advisory Panel (STAP)

30. UNEP continued to provide services to the Scientific and Technical Advisory Panel (STAP) of GEF, through its secretariat, which is co-located in Washington, D.C. and Nairobi. In this regard, UNEP continued its work on the study of inter-linkages among GEF focal areas; participated in a STAP workshop on mainstreaming biodiversity considerations into production landscapes, Cape Town, South Africa, 20–24 September; and undertook preparations for the fifth meeting of STAP-III, preceded by a familiarization seminar for new panel members.

G. Biennial programme and support budget

31. In connection with decision 22/20 (Environment Fund budget: proposed biennial programme and support budget for 2004–2005), the draft budget (unedited advance copy of document UNEP/GC.23/8) was submitted to the Committee of Permanent Representatives to UNEP for its review, 15 July. The outcome of the Committee’s work was transmitted by Mr. Frédéric Renard,

Medium-sized project

- Climate Change, Africa (Eritrea, Ethiopia, Kenya, Uganda, United Republic of Tanzania): “Building Sustainable Commercial Dissemination Networks for Household PV Systems in Eastern Africa”. Total funding, US\$ 1.330 million; GEF grant, US\$ 718,000.

PDF Block B grants

- Biodiversity, Global: “Strengthening Capacity to Generate, Disseminate and Adopt Good Practices in BD Conservation”. Total funding, US\$ 572,500; GEF grant, US\$ 362,500 (jointly implemented with UNDP and the World Bank).
- Land Degradation, Caribbean (Antigua and Barbuda, Barbados, Dominica, Grenada, Jamaica, St Kitts and Nevis, St. Lucia, St Vincent and the Grenadines): “Preventing Land Degradation in Small Island Ecosystems in the Caribbean through Sustainable Land Management”. Total funding, US\$ 630,000; GEF grant, US\$ 400,000.

Enabling Activities

- Persistent Organic Pollutants, Guinea Bissau: “Enabling Activities for the Stockholm Convention on Persistent Organic Pollutants (POPs): National Implementation Plan for Guinea Bissau”. Total funding, US\$ 462,800; GEF grant, US\$ 450,800.

- Biodiversity, Madagascar: “Activités habilitantes additionnelles en biodiversité Evaluation des besoins en renforcement des capacités et participation à la mise en œuvre du mécanisme du Centre d’échange d’information”. Total funding, US\$241,000; GEF grant, US\$191,000.

⁴⁵ This initiative is financed by the Government of Belgium, and experience gained will be extended to other African countries through funding provided by the Government of Norway.

Ambassador and Permanent Representative of Belgium to UNEP and Chair of Subcommittee II, on behalf of the Committee, to the Executive Director for his action, including submission to the Advisory Committee on Administrative and Budgetary Questions.

Appendix

Guidelines on Cooperation between the United Nations Environment Programme and Business

-- Final version, March 2004 --

I. INTRODUCTION

1. In July 2000 the UN Secretary-General issued "Guidelines on Co-operation between the United Nations and the Business Community". These Guidelines encourage each UN organisation to develop more specific guidelines in accordance with their specific mandates and activities. The following text represents an adapted version for the mandate and activities of UNEP. It is based on the ongoing work of UNEP with business and industry to ensure greater commitment by the private sector to engender a new culture of environmental accountability and responsibility, as called for by Environment Ministers in the Malmö Ministerial Declaration of May 2000.

II. PURPOSE AND RATIONALE

2. The purpose of these guidelines is to facilitate the formulation and application of terms of co-operation between UNEP and the business community in a manner that ensures the integrity and independence of the Organisation and enhances the effectiveness of its partnership activities with the business community.

3. These guidelines define "business" as for-profit enterprises or associations or organisations that represent for-profit enterprises.

4. These guidelines are intended to serve as a common framework for all Divisions of UNEP.

5. Co-operation between UNEP and the business community primarily take three forms, namely projects with individual companies, projects with trade and industry associations, and voluntary initiatives with specific industry sectors. These also involve other partners, from governmental, inter-governmental, non-governmental and other Major Group sectors. Co-operation with associations is of particular importance in providing support to small and medium-sized enterprises.

III. CHOOSING A PARTNER

6. UNEP is one of the core UN organisations of the Global Compact of the UN Secretary-General. The Global Compact provides UNEP with an overall value framework for co-operation with the business community. The principles of the Global Compact relate to environment, labour standards and human rights. They are based on intergovernmental agreements and particularly relevant for business.

a) Within their sphere of influence, private enterprises should demonstrate a commitment to meeting or exceeding the principles of the Global Compact by translating them into operational corporate practice. The environmental principles under the Compact, for which UNEP acts as guardian, require business to:

- support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmentally friendly technologies.

b) In addition, business partners should show a commitment to developing and adopting policies, strategies and practices that:

- are cleaner and safer,
- use natural resources more efficiently,
- incorporate environmental costs,

- ensure environmentally sound management of chemicals,
 - support the implementation of international environmental agreements, and
 - reduce pollution and risks to humans and the environment.
- c) Business partners should demonstrate corporate environmental and social responsibility, as called for in the 2002 Johannesburg Declaration. This includes supporting UN causes and core values as reflected in the UN Charter and multilateral environmental agreements. Active participation with UNEP as partner in international voluntary initiatives is encouraged through sectoral and multisectoral partnerships, demonstrating commitment to the principles and objectives of the relevant initiative.¹ The publication by the business partner of corporate sustainability reports according to the Guidelines of the Global Reporting Initiative (GRI) is also a sign of commitment to transparency and accountability.
- d) Business partners should also demonstrate a willingness to engage in multistakeholder dialogue when appropriate. UNEP emphasises the value of multistakeholder dialogue, which it displays among others through its annual Consultative Meeting with Industry Associations and Global Civil Society Forum with participation by representatives from all regions.
- e) Business entities that are complicit in human rights abuses, tolerate forced or compulsory labour or the use of child labour, are involved in the sale or manufacture of anti-personnel mines or their components, or that otherwise do not meet relevant UN obligations or responsibilities, are not eligible for partnership.

IV. GENERAL PRINCIPLES

7. Irrespective of the situation-specific nature of co-operative arrangements, they should be guided by the following general principles:
- a) Advance UN goals: The objective needs to be articulated clearly and must advance UN goals as laid out in the Charter.
- b) Advance UNEP goals, as mandated in decisions of the UNEP Governing Council and Global Ministerial Environment Forum.
- c) Maintain integrity and independence: Arrangements should not diminish the integrity, independence and impartiality of UNEP and the UN.
- d) Have a clear delineation of responsibilities and roles: The arrangement must be based on a clear understanding of respective roles and expectations, with accountability and a clear division of responsibilities. These should be stipulated in a letter of agreement or memorandum of understanding. In the case of a voluntary initiative, these should be stipulated in the constitution, rules and procedures of the initiative.
- e) Provide no unfair advantage: Every member of the business community should have the opportunity to propose co-operative arrangements, within the parameters of these guidelines. Co-operation should not imply endorsement or preference of a particular business entity or its products or services.
- f) Be transparent: Co-operation with the business community must be transparent. Information on the nature and scope of co-operative arrangements should be available within the Organisation and to the public at large. Branches should send the relevant information to the focal point at the UNEP Division of Technology, Industry and Economics, who is responsible for sending summary information to UN headquarters for posting on the UN-Business website.²

¹ see <http://www.uneptie.org/outreach/home.htm>

² see <http://www.un.org/partners/business/index.asp>

V. USE OF NAME AND EMBLEM OF THE UN AND UNEP

8. Pursuant to General Assembly Resolution 92 (I) of 7 December 1946, the use of the UN name and emblem is limited to official purposes. The Organisation has consistently interpreted this resolution to apply also to the use of the name and emblem of the UN Funds and Programmes whose names include the "United Nations" or its acronym.

9. Recognising the evolving new relationship with the business community, the following paragraphs set out general principles on the use of the name and emblem of the UN and UNEP by the business community in the context of partnership co-operation:

- a) In principle, and subject to the appropriate terms and conditions, a business entity may be authorised to use the name and emblem on a non-exclusive basis.
- b) The use of the name and emblem must be expressly approved in advance in writing and upon such terms and conditions as may be specified. Request for permission to use the name and emblem should be submitted by the relevant Division Director to the Office of the Executive Director, who will submit it for legal review.
- c) The use of the name and emblem by a business entity may be authorised, even if it involves the making of profit, so long as the principal purpose of such use is to show support for the purposes and activities of the UN and UNEP, including the raising of funds for the Organisation and Programme, and the generation of profit by the business entity is only incidental.
- d) The use of the name and emblem may be authorised for the following purposes:
 - (i) To support the purposes, policies and activities of the Organisation / Programme;
 - (ii) To assist in the raising of funds for the Organisation / Programme;
 - (iii) To assist in the raising of funds for entities that are not part of the Organisation / Programme, but which are established to achieve the purposes and policies of the Organisation / Programme.
- e) When authorised, the use of the name and/or emblem shall be in accordance with the written specifications, usually in a Memorandum of Understanding, provided by UNEP.
- f) With appropriate written approval, and subject to appropriate conditions on the time, manner and scope of such use, the use of a modified UN or UNEP emblem may be exclusively authorized to a limited number of business entities in connection with the promotion of a special event or initiative, including fund-raising for such event or initiative.
- g) With respect to design of publications and the placement of emblems (UNEP logo), requirements of the UNEP Division of Communications and Public Information should be followed.

VI. MODALITIES

10. Modalities for entering into partnerships with the business community, which are distinct from procurement activities, require flexibility in order to reflect the particular purposes and objectives of the partnerships:

- a) Direct contribution by the business partner: The modality for direct contribution for specific purposes would be made under a trust fund or special account agreement with the partner. The agreement would be subject to the applicable Financial Regulations and Rules, i.e., the purposes of the contribution would have to be consistent with the policies, aims and activities of UNEP and that generally, the contribution would not entail any financial liabilities to UNEP.
- b) Indirect contribution by the business partner through the establishment of a charitable organisation or foundation: Under this modality, a relationship agreement would be established between UNEP and the charitable organisation or foundation, laying out the terms of the relationship, including the issues related to the use of the name and emblem, liability, settlement of disputes and the privileges and immunities of UNEP.

- c) Partnership in technical assistance projects: This modality would involve either two direct bilateral agreements with the business partner and with the government of the country in which the assistance would be carried out, or a tripartite agreement among the business partner, the UNEP and the government.
- d) Partnership in promoting the purposes and activities of UNEP. This modality, whereby the business partner provides a forum to disseminate information about UNEP, would involve direct agreements with the business partner, setting out the terms and conditions of the arrangement, including UNEP's control of the information to be disseminated, the issues related to the use of the name and emblem, liability, settlement of disputes and the privileges and immunities of UNEP.
- e) Partnership in co-operative projects: This modality, whereby UNEP and a business partner jointly develop a product or service, consistent with and in furtherance of the aims, policies and activities of UNEP, would involve an agreement with the business partner, setting out the terms and conditions of the arrangement, including the contributions each party could make to the development of the product or service, the use of the name and emblem, liability, settlement of disputes and the privileges and immunities of UNEP.
- f) Partnership in voluntary initiatives: This modality would involve an agreement with UNEP, business partners and other involved stakeholders agreeing on a constitution with a statement of principles and objectives as well as rules and procedures for the initiative. The constitution will stipulate the agreed governance arrangements, including the role of UNEP, and provide for the creation of a trust fund with annual membership contributions.

VII. INSTITUTIONAL CAPACITIES

- 11. Co-operative arrangements with the business community have often evolved on an ad hoc basis. The Secretary-General encourages UN organisations to further develop the policy frameworks and institutional capacities needed to manage successfully such arrangements.
 - a) Building institutional competencies: UN organisations that engage business in their work should develop the necessary competencies to properly assess and guide the relationship. It is in response to this that the Executive Director has designated the Director of the UNEP Division of Technology, Industry and Economics as focal point for UNEP co-operation with business. The Resource Mobilisation Unit remains focal point for UNEP fundraising activities.
 - b) The responsibility of the UNEP focal point for business is to provide guidance on co-operation with the private sector, ensuring transparency and consistency in the establishment and maintenance of contacts.

VIII. FUTURE REVIEWS

- 12. To remain valid, the Guidelines for Co-operation between UNEP and Business should be critically reviewed regularly and updated. Ensuring this is the responsibility of the UNEP focal point for business.³

³ UNEP Division of Technology, Industry and Economics (DTIE), Paris, www.uneptie.org, Tel 33 – 1 – 4437 1450, Fax 33 – 1 – 4437 1474, Email monique.barbut@unep.fr