

**First meeting of the Consultative Group
of Ministers or High-level Representatives
on International Environmental Governance**
Belgrade, 27 – 28 June 2009

Speaking points
Executive Director of UNEP, Mr. Achim Steiner

Agenda item 1: Opening ceremony
09.30-10.30 a.m. Delegates Area

<Welcome>

Honourable Ministers;

Distinguished delegates;

H.E. Mr. Oliver Dulić, President of the UNEP Governing Council;

Mr. Dragan Djilas, Mayor of Belgrade;

Mr. Bill Infante, United Nations Resident Representative;

Ladies and Gentlemen,

Firstly, let me express my most sincere thanks to the President of the UNEP Governing Council, H.E. Mr. Oliver Dulić, for hosting this meeting and for investing his time, energy and resources into this process.

It is with great pleasure that I join you here today as adviser to the Consultative Group of Ministers or their High-Level representatives.

<Context of meeting>

The reason for this meeting is Governing Council decision 25/4: The Group is requested to present a set of options for improving international environmental governance (IEG) to the Governing Council/Global Ministerial Environment Forum (GC/GMEF) at its eleventh special session, with a view to providing inputs to the United Nations General Assembly.

But as the President has indicated in his speech, calls to reform the IEG system have been heard for more than a decade now and what we are in need of a fresh approach.

<History of process>

Both the Nairobi Declaration of 1997 on the role and mandate of UNEP and the Malmö Declaration of 2000, identified an alarming discrepancy between commitments and action, and declared that goals and targets agreed by the international community in relation to sustainable development must be implemented in a timely fashion and that the mobilization of domestic and international resources, including development assistance, far beyond current levels is vital to the success of this endeavour.

The Malmö Declaration also called for a review of the requirements for a greatly strengthened institutional structure for IEG.

Decision SS.VII/1 of 2002 on international environmental governance and its appendix, known together as the “Cartagena package”; the 2006 Report of the Secretary-General’s High-Level Panel on United Nations system-wide coherence in the Areas of Development, Humanitarian Assistance and the Environment; and the 2008 management review of environmental governance within the United Nations system prepared by the Joint Inspection Unit, all identify the need to strengthen the environmental governance system.

Paragraph 169 in General Assembly resolution 60/1 of 24 October 2005 on the 2005 World Summit Outcome, amongst others, recognized the need for more efficient environmental activities in the United Nations system, with enhanced coordination, improved policy advice and guidance, strengthened scientific knowledge, assessment and cooperation, better treaty compliance, while respecting the legal autonomy of the treaties, and better integration of environmental activities in the broader sustainable development framework at the operational level, including through

capacity building, and agreed to explore the possibility of a more coherent institutional framework to address this need, including a more integrated structure, building on existing institutions and internationally agreed instruments, as well as the treaty bodies and the specialized agencies.

The 'Informal consultations of the General Assembly on the institutional framework for the United Nations' environment work' initiated in 2006 and led by Ambassador Claude Heller (Mexico) and Ambassador Peter Maurer (Switzerland), as co-chairs concluded in their report of 10 February 2009 that there was "general support for strengthening the IEG system" but that "the extent and ambition of that strengthening presented difficult dilemmas."

In particular, governments could not reach agreement on the following issues that were part of the proposal for a General Assembly resolution in May 2008 (and which was subsequently revised and underwent two further readings on 30 October and 25 November 2008):

- the weight [given] to sustainable development;
- the scope of UNEP's mandate;
- the extent of cooperation between Multilateral Environmental Agreements and their interaction with UNEP;
- the work of the Environment Management Group (EMG) in the context of the Chief Executive's Board (CEB);
- the implementation of the Bali Strategic Plan; and
- secure and sufficient financing of environmental activities.

The conclusion of this analysis – and this has also been the general mood during the last UNEP Governing Council – appears to be that governments agree that the current system is inadequate to meet the environment and development challenges we are experiencing today, primarily due to lack of adequate financing, incoherence among bodies, weak linkages between science and policy, insufficient capacity at the national level to implement laws and policies, and a significant disconnect between the environmental and the economic and social spheres.

However, while showing general consensus about the need for reform, the number of ongoing discussions also show that there are questions to be solved as to the way forward and the exact scale and nature of the reform required.

In fact, H.E. Mr. Marthinus van Schalkwyk, then Minister for Environment and Tourism of South Africa, through his keynote address delivered at the last GMEF, hit the nail on his head, by saying that "it is not only the system that is fragmented, but also the debate on fixing the system."

<Objective of this meeting>

This meeting seeks to remediate this. By reserving this meeting for Ministers and their High-Level representatives, the objective of the discussions planned for the next two days, is to enable a political discussion, and the President has proposed to commence the process of discussing a set of options for the reform of IEG, as requested by the Governing Council, by first addressing the underlying functions we expect an IEG system to deliver for Member States, fit to meet the needs of countries.

The moment for this reflection is opportune, as there is general consensus that sustainable development is conditioned upon a healthy environment; and as several processes closely linked to the aforementioned shortcomings of the current IEG system will come to a close by the end of this year, including the fifth replenishment of the GEF and the current climate change negotiations.

<Environment within Sustainable Development>

The most compelling reason for the review of the IEG system is probably the recognition of the close interlinkages between the environmental and the economic and social spheres of sustainable development.

Scientific evidence that shows the interlinkages abounds. It can be found in such reports as the:

- Fourth Assessment Report of the IPCC;
- 2008 World Development Report: Agriculture for Development of the World Bank;
- Secretary General's High-Level Task Force on the Global Food Security Crisis of July 2008;
- International Assessment of Agricultural Knowledge, Science and technology for Development (IAASTD);
- Third World Water Development Report of UNESCO; and
- UNEP's own GEO 4

It has also been recognised by the General Assembly in its resolution 63/220 of 9 March 2009 in which the General Assembly expresses its deep concern over the evidence presented in the fourth UNEP *Global Environment Outlook: Environment for Development* of unprecedented environmental changes at all levels, including possible irreversible changes with potentially negative implications for economic and social development, especially for the poor and vulnerable groups in society.

There is today a real risk that the MDGs will not be achieved due to the deterioration of the environment and the services it provides that underpin sustainable development.

The environmental pillar of sustainable development provides the foundation for the economic and social pillars because life on earth is conditioned upon a healthy environment.

However, addressing environmental change successfully can only be achieved by working with and through the economic and social pillars of sustainable development.

It is through a sustainability lens that we should review the institutional and financial architecture for environmental governance in a multilateral context.

This shift in paradigm has also been reflected in the evolution of UNEP's mandate and focus of engagement:

While the UNEP mandate continues to comprise five overall, interrelated areas:

- (a) Keeping the world environmental situation under review;
- (b) Catalysing and promoting international cooperation and action;
- (c) Providing policy advice and early warning information, based upon sound science and assessments;
- (d) Facilitating the development, implementation and evolution of norms and standards and developing coherent interlinkages among international environmental conventions;
- (e) Strengthening technology support and capacity in line with country needs and priorities,

UNEP has, in its Medium Term Strategy 2010-2013 identified the need “to enhance the linkages between environmental sustainability and economic decision-making” as a “key nexus for public policy making and market development”.

In the context of assisting developing countries this means that UNEP places great emphasis on the implementation of the Bali Strategic Plan for Technology Support and Capacity-building.

<Buy-in for developing countries>

The IEG debate has largely focused on an international dialogue that is remote from the real life challenges that are confronting states. In addressing threats to food, energy and water security and grappling with the impacts of climate change, states are currently dealing with an array of United Nations agencies, financial institutions and mechanisms, private sector interests and civil society organizations.

The incoherence and complexity of the system can lead to high transaction costs and carries the risk of developing countries not being able to actively participate in the system.

Given the significance the environment holds for sustainable development, this process is of highest importance to developing countries. And developing countries have the opportunity to identify how a reformed IEG could better serve their needs.

On the occasion of the recent conference of African Finance Ministers' on financing climate change in Kigali, the honourable President of Rwanda, Mr. Paul Kagame said:

“This Conference is timely – it should not only enable us to discuss the environmental challenges our continent faces, but even more importantly, permit us to achieve a key imperative: placing the environment at the centre stage of development processes, where it belongs.”

“The environment is our life-blood; indeed the real surprise is not that ministries of finance are now talking to ministries of environment – but that it has actually taken this long.”

<Implications for IEG>

As we see the world around us changing, IEG reform must keep up with this changing context.

Given the history of the IEG reform process and its current impasse, it is important that we take a fresh approach to the debate. Let me re-emphasise that I hope the discussions we will have over the coming days will focus on identifying those elements that are required to make the system function.

My advance report provides some food for thought and raises some of the questions that may serve to help guide your discussions.

<Future steps and milestones>

Once we have clarified the needs of the system, we will be in a better position to look at institutional arrangements and structures that can support the needs of countries.

An assessment of those needs will also help us in determining whether the road ahead is about “incrementalism”, “ambitious incrementalism” or “fundamental reform”.

The timing of this new effort is fundamental. The scale of environmental change mandates us to act swiftly. At the same time there is a window of opportunity to make fundamental changes to the IEG system vis-à-vis the ongoing climate change negotiations and the discourse on financing mechanisms.

As the President has stated, we should not shy away from thinking big and we should use the window of opportunity to come to a conclusion within the next two year period in the run up to the Twentieth anniversary of the Rio Summit.

<Wrap up>

You are the owners of this process.

UNEP can provide you with the scientific evidence of the challenges at hand that form the rationale for IEG reform.

UNEP can provide you with a platform to exchange ideas and opinions, such as the meeting we are about to start.

UNEP can guide you in your discussions and facilitate the dialogue.

UNEP can assist you in finding solutions that are equitable and are reflecting the principle of common but differentiated responsibilities.

But, ultimately, it is up to Ministers and their governments to take a decision on the way forward and we stand ready to serve you as best we can in your deliberations.