

**Second meeting of the Consultative Group  
of Ministers or High-level Representatives  
on International Environmental Governance**  
Rome, 26 – 29 October 2009

### ***'The Belgrade Process'***

## **Developing a set of options for improving International Environmental Governance**

This paper is prepared by the Executive Director in response to paragraph 17 of the co-Chairs' summary of the first meeting of the Consultative Group of Ministers or High-Level Representatives on International Environmental Governance ('the Consultative Group'), which was held in Belgrade, Serbia from 27 to 28 June 2009. The summary is also referred to as the *'Belgrade Process'*.

A draft paper was distributed on 14 August 2009 with electronic comments requested to be sent on or before 13 September 2009 to the Executive Director.

This paper has been prepared to assist the Consultative Group in implementing Governing Council Decision 25/4 in line with the *Belgrade Process*. It draws upon the discussion of the Consultative Group during its first meeting, subsequent written comments provided by participating governments, comments on the draft paper, and other sources in identifying potential functions and possible forms to address such functions. Hence the views expressed do not necessarily reflect the views of the Executive Director.

This final paper was prepared by the Executive Director in consultation with the co-Chairs and was distributed on 30 September 2009.

## EXECUTIVE SUMMARY

The co-Chairs' summary of the first meeting of the Consultative Group invited the Executive Director "to prepare a paper that draws upon the discussion of the Consultative Group during its first meeting and any subsequent written comments provided by participating governments, proposing a number of potential functions and possible forms to address such functions."

This paper approaches potential functions by first identifying the key objectives of International Environmental Governance (IEG) from a system-wide perspective. Based on each of these key objectives the paper then identifies a range of core functions which are necessary to achieve each objective.

The core objectives and the potential functions are addressed in the context of the UN system as a whole and in the broader context of environmental sustainability and sustainable development. The potential functions are interrelated and should not be read in isolation.

The following list summarizes the core objectives with their underlying functions:

- 1. Creating a strong, credible and coherent science base.**
  - Data and information collection, exchange and analysis
  - Assessment, early warning and awareness raising
  - Cross-sectoral data collection and research
  - Science-policy interface
- 2. Developing a global authoritative and responsive voice for environmental sustainability.**
  - Global agenda setting and policy guidance
  - Rule making, standard setting and development of universal principles
  - Compliance, monitoring and accountability
  - Dispute avoidance and settlement
- 3. Achieving coherence within the UN system.**
  - Coordination of policies and programmes
  - Coherence among Multilateral Environmental Agreements (MEAs) and rationalisation of MEA secretariat activities
- 4. Securing sufficient, predictable and coherent funding.**
  - Mobilising funds for the global environment
  - Development of innovative market-based financing mechanisms
  - Influencing priorities for financing environmental initiatives
  - Linking the public and private sector
- 5. Ensuring a responsive and cohesive approach to meeting country needs.**
  - Human and institutional capacity building
  - Technology transfer and financial support
  - Linking international and local levels
- 6. Facilitating the transition towards a global green economy.**
  - *The functions for objectives 1-5 will collectively contribute towards achieving the objective of facilitating the transition towards a global green economy, for example through assessment, policy guidance, rule making, mobilizing funds etc.*

From the objectives and functions the paper turns to laying out possible forms, some of which could be included within a set of options for the reform of IEG – and these are presented as a

Compendium. The paper emphasizes that incremental changes and broader institutional reform are not mutually exclusive and can be addressed in tandem.

In describing the potential forms the Compendium draws upon the proposals for reforming the IEG system over the last decade and this process builds on political momentum that has been gained in other fora, taking into consideration the:

- 2002 'Cartagena Package' decision (SS.VII/1, GC/GMEF).
- 2005 World Summit Outcome Paragraph 169<sup>1</sup>.
- UN General Assembly (GA) Informal Consultative Process on the Institutional Framework for UN Environment Work.
- UN Delivering as One process.
- 2008 Joint Inspection Unit (JIU) Report on the Management Review of Environmental Governance in the UN System.

It also draws from the discussions at the first meeting of the Consultative Group, the written comments received by the Executive Director following the first meeting and on the first draft of this paper, as well as other sources. They do not necessarily reflect the views of the Executive Director, nor do they represent a consensus view among states. Views range from incremental changes to the establishment of a specialized agency such as a World Environment Organization (WEO).

Comments received from countries on the first draft of the paper suggests wide support for the objectives and functions presented above, and to taking an approach that acknowledges that incremental reforms can move forward while a discussion on broader changes continues.

The conclusion to this paper, on page 15, clusters comments received on: process; incremental institutional reforms; and suggestions for broader institutional reforms. There is broad support for moving forward with incremental reforms. Based on the comments received, the outcome of the JIU Report, the report of the co-Chairs of the GA Informal Consultative Process, and observations made by the Executive Director, these incremental changes could include:

- **Strengthening the role and status of the GC/GMEF** as the global authority for the environment, for example through:
  - Expanding its membership to universal membership<sup>2</sup>;
  - Establishing relevant intersessional sub-committees to, for example: evaluate and review MEA implementation; and examine enhanced mechanisms for more effective implementation of MEAs;
  - Fostering its collaboration with other portfolios and strategic partners, such as ministers of economics, finance, transportation, agriculture, etc., and the Commission on Sustainable Development (CSD);
  - Promoting concrete measures for providing policy advice and guidance to funding mechanisms concerned with the environment;
  - Promoting the adherence to and further development of internationally agreed environmental principles and goals; and
  - Issuing regular statements on emerging environmental policy issues.

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<sup>1</sup> As a positive example, in which the UNGA integrated a number of existing bodies to form a more effective and efficient organisation should be mentioned in the consolidation of UN bodies tasked with the advancement of gender equality: The General Assembly in A/RES/63/311 on system-wide coherence "Strongly supports the consolidation of the Office of the Special Adviser on Gender Issues and the Advancement of Women, the Division for the Advancement of Women, the United Nations Development Fund for Women and the United Nations International Research and Training Institute for the Advancement of Women, into a composite entity, taking into account the existing mandates."

<sup>2</sup> See GC/GMEF Decision SS.VII/1 2002, WSSD Plan of Implementation. and UNGA Resolution 58/209 which requests comments on universal membership by Member States, GC and relevant bodies to be made to the UNGA 60<sup>th</sup> Session for its consideration. The consideration of this item has been deferred to the UNGA 64<sup>th</sup> Session.

- **Improving system-wide planning and evaluation**, for example through UNEP:
  - Reviewing the role and functions of the Environment Management Group (EMG) and its position in the UN system<sup>3</sup>;
  - Examining practical ways for the design and implementation of a system-wide policy orientation, a system-wide strategy and a results-based planning framework for the environmental component of sustainable development;<sup>4</sup> and
  - Expanding the Environment Fund to further catalyze work with other agencies; and
  - Assessing the system-wide implementation of environmental policies.
- **Providing guidance and advice on how to advance the synergies process** beyond the chemical and waste cluster, for example through:
  - Applying lessons learned from the chemical and waste cluster to the biodiversity-related cluster;
  - Establishing intersessional sub-committees of the Governing Council to examine further opportunities for fostering synergies among MEA clusters; and
  - Requesting the Executive Director of UNEP to prepare a report on the options and opportunities for an enhanced clustering process.
- **Further exploring the development of a science-policy interface** based on the experience of the Intergovernmental Panel on Climate Change, the International Panel on Sustainable Resource Management, and the ongoing discussions on IPBES, for example through:
  - Advancing the IPBES process on biodiversity and ecosystem services;
  - Further analysing the effectiveness of existing mechanisms more broadly; and
  - Identifying strategic partners in the public and private sector to enable the strengthening of a science network.
- **Strengthening country level responsiveness and the system-wide implementation of the Bali Strategic Plan (BSP)**, for example through:
  - Identifying strategies to ensure the system-wide implementation of the Bali Strategic Plan, in collaboration with the Chief Executive Board (CEB) and the EMG, and recommending the General Assembly adopt the Plan; and
  - Promoting integration of the objectives of the BSP into the policies of World Bank and other lending and development agencies (i.e. World Bank environment portfolio is estimated at USD 5 billion, UNDP is estimated at USD 1 billion)<sup>5</sup>

Some comments received suggested the list of forms be reduced. Others encouraged retention of the full list. All options put forward have been retained with the opportunity to further refine the list at the high level officials meeting on 26-27 October 2009.

In looking towards developing a set of options for improving IEG, it is worth noting that despite global acceptance of an integrated approach to governing relationships among environment, economy and social issues, the governance structures for the environment are regarded by many as the weakest and most fragmented. Facilitating a strong environmental pillar, able to address multiple challenges and to take advantage of emerging opportunities, may require governments to look more closely at broader reforms through future consultations.

In this context, **a process to undertake consultations on broader institutional reforms**, for example moving towards the creation of a specialised agency such as a WEO, including linking such consultations to a possible high-level event on sustainable development may warrant the consideration of governments – noting that 2012 will be 40 years since Stockholm, 20 years since Rio de Janeiro, and 10 years since Johannesburg, as well as 25 years since the release of the Brundtland Report.

<sup>3</sup> Such as the former Environment Coordination Board

<sup>4</sup> Such as the former System-Wide Medium-Term Environmental Programme (SMWTP) for the UN

<sup>5</sup> IISD Report Global Environment Governance: An Agenda for Reform, 2006, p. 91

## A. Introduction

In accordance with decision 25/4 on International environmental governance (IEG) taken by the twenty fifth session of the Governing Council/Global Ministerial Environment Forum (GC/GMEF) in Nairobi, February 2009, the First Meeting of the Consultative Group of Ministers or High-level Representatives on International Environmental Governance (“Consultative Group”) was held in Belgrade, Serbia from 27 to 28 June 2009.<sup>6</sup>

The mandate of the Consultative Group as determined by decision 25/4 is to “present a set of options for improving international environmental governance to the Governing Council/Global Ministerial Environment Forum at its eleventh special session, with a view to providing inputs to the United Nations General Assembly.”

The Consultative Group process and the subsequent conclusions reached by the GC/GMEF at its eleventh special session “will provide input to, among other things, the General Assembly’s follow-up to the measures set out in paragraph 169 of the 2005 World Summit Outcome”.<sup>7</sup>

### ***A need for reform of International environmental governance***

- Through General Assembly resolution 63/220 of 9 March 2009 the General Assembly expressed its deep concern over the evidence presented in the fourth *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.
- Options for improved international environmental governance need to be found because the current environmental degradation represents a serious challenge for human well-being and sustainable development, and in some cases peace and security, and that for many problems the benefits of early action both outweigh the costs and represent opportunities for the private sector, consumers and local communities for strengthened cooperation at the national and international levels to achieve sustainable development.<sup>8</sup>
- The transition toward sustainable development may involve hard choices among different concerns and interests in society which need to be supported by well-governed, effectively managed, innovative and results-oriented institutions able to create appropriate conditions for change.<sup>9</sup>
- Investments at the global, regional, national and local levels to achieve sustainable development and to take timely action to prevent, mitigate and adapt to unprecedented environmental change offers opportunities for addressing the nature and scale of the emerging multiple global crises related to food, energy, freshwater and finance and for transitioning to a green economy.<sup>10</sup>
- The messages contained in the President’s Summary of the twenty-fifth Session of the GC/GMEF<sup>11</sup>, include the observation that the current international environmental governance system either cannot meet – or has problems in meeting – the development challenges that we face today and that it is important to...set clear milestones in the next three years leading up to the proposed Rio+20 summit in 2012 and that there is a need to make a fresh start in the discourse and to inspire a new generation of thinkers to achieve sustainable development and an international environmental governance system to deliver on it.

Box 1

<sup>6</sup> For background documents to the meeting see the UNEP website at:

<http://www.unep.org/environmentalgovernance/Introduction/tabid/341/language/en-US/Default.aspx>. These include; the Draft Agenda, the Executive Director’s Background Paper, the co-Chair’s Summary the ‘Belgrade Process’, the President’s and Executive Director’s speaking notes from the opening session, and the Executive Director’s PowerPoint presentation.

<sup>7</sup> General Assembly resolution 60/1 of 25 October 2005. See also GC decision 24/5 preambular paragraph 5

<sup>8</sup> Governing Council decision SS.X/5 paragraph 2

<sup>9</sup> Governing Council decision SS.X/5 paragraph 4

<sup>10</sup> See the discussion paper: “Globalization and the environment – global crises: national chaos?” (UNEP/GC.25/16) and Governing Council decision SS.X/5 paragraph 5.

## **B. Purpose of this paper**

To deepen the debate and provide a basis for follow-up discussions, the Consultative Group invited the Executive Director “to prepare a paper that draws upon the discussion of the Consultative Group during its first meeting and any subsequent written comments provided by participating governments, proposing a number of potential functions and possible forms to address such functions.”<sup>12</sup>

As requested by the Consultative Group this paper examines IEG in the broader context of environmental sustainability and sustainable development and identifies a number of potential functions required for an effective IEG system, as well as possible forms to address them.

A first draft of this paper was circulated to governments for comment between 14 August and 13 September 2009. During this period, 22 governments provided comments. This final paper has been produced in consultation with the co-Chairs, taking into account the comments received.

The basic structure of the paper has remained the same as this was generally supported by the comments that were received. Changes to the draft version of the paper include:

- Minor changes have been made to the objectives and functions to reflect suggestions;
- The working draft of the Compendium of potential functions and possible forms has been modified and reordered in line with received comments; and
- An Executive Summary and Conclusion have been added.

## **C. Context of the paper**

### ***Form to follow function***

In developing a set of options, the Consultative Group emphasised that any reform to IEG should be based on the principle that form should follow function.<sup>13</sup> As a starting point for building consensus, the Consultative Group noted the Executive Director’s background paper<sup>14</sup> that presented the core objectives for the IEG system as the basis for articulating key functions for the UN system.

### ***IEG in the context of environmental sustainability and sustainable development***

There is general support amongst ministers that the IEG debate should be addressed in the broader context of environmental sustainability and sustainable development.<sup>15</sup> The concept of three interdependent and mutually reinforcing pillars of sustainable development was incorporated into the 2002 Johannesburg Plan of Implementation. The environmental pillar should be visualised as providing “the foundation for the economic and social pillars of sustainable development, because life on earth is conditioned upon a healthy environment”.<sup>16</sup>

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<sup>11</sup> As a reflection of ideas presented and discussed rather than a consensus view of all points raised by participants.

<sup>12</sup> *Belgrade Process*, paragraph 17

<sup>13</sup> *Belgrade Process*, paragraph 7

<sup>14</sup> Note by the Executive Director, “International Environmental Governance: Moving Forward with Developing a Set of Options.” Presented at the First meeting of the Consultative Group of Ministers or High-level Representatives on International Environmental Governance Belgrade, 27 – 28 June 2009

<sup>15</sup> *Ibid*, paragraph 7 and President’s summary of the Ministerial Consultations at the Twenty-fifth session of the UNEP GC/GMEF Ministerial consultations. UNEP/GC.25/INF/37. February 2009, Page 7

<sup>16</sup> Note by the Executive Director, “International Environmental Governance: Moving Forward with Development a Set of Options.” Page 3

### **UNEP Medium-term Strategy 2010-2013**

The current environmental challenges and opportunities will see the environment move from being often considered as a marginal issue at the intergovernmental and national levels to the centre of political and economic decision making. New and exciting avenues to achieve sustainable development will emerge through establishing enabling environments for innovation and creative solutions by using economic and regulatory instruments, new and existing technologies, and through the empowerment of stakeholders.<sup>17</sup>

Box 2

#### ***Political nature of the process***

In moving forward, the political nature of the discussion was highlighted and participation at the highest level was encouraged. It was considered that the Consultative Group could provide a political strategy to facilitate progress on the reform of IEG.<sup>18</sup>

This consultative process is informed by, *inter alia*, a consideration of the co-Chairs Options Paper prepared as a part of the UN General Assembly 'Informal Consultative Process on the Institutional Framework for the United Nations' Environment Activities' ('the co-Chair's Options Paper')<sup>19</sup>, and the JIU Report. While there is a need to be informed by previous discussions on IEG, this consultative process should not be constrained by them.

Some participants in the first meeting of the Consultative Group noted the possible implications of the UNFCCC Conference of the Parties (COP) 15 to be held in Copenhagen, the 5th replenishment of the Global Environment Facility (GEF), and a potential decision by the General Assembly on a possible Rio+20.

#### **D. Potential functions**

Paragraph 7 of the *Belgrade Process* sets out that "Developing a set of options for improving IEG should follow from a fresh examination of multiple challenges and emerging opportunities" while paragraph 16 refers to the list of core objectives discussed by the Consultative Group based upon the presentation of UNEP's Executive Director. Paragraph 17 requested the Executive Director to, *inter alia*, "propose a number of potential functions...."

The following section thus seeks to identify potential functions that will achieve the core objectives identified by the Executive Director and discussed at the first meeting of the Consultative Group, namely:

1. Creating a strong, credible and coherent science base
2. Developing a global authoritative and responsive voice for environmental sustainability
3. Achieving coherence within the UN system
4. Securing sufficient, predictable and coherent funding
5. Ensuring a responsive and cohesive approach to meeting country needs
6. Facilitating the transition towards a global green economy

The core objectives and the potential functions described below are addressed in the context of the system as a whole in the broader context of environmental sustainability and sustainable development. They do not set out who will contribute towards delivering each objective, nor who will perform each function.

<sup>17</sup> See UNEP Medium-term Strategy 2010-2013

<sup>18</sup> *Belgrade Process*, Paragraph 9

<sup>19</sup> Paper dated 14 June, 2007.

It is acknowledged that based on the proposals that have been made in other processes (for example, the co-Chair's recommendations from the UNGA Informal Consultations, JIU Report, etc.) and the comments received on the draft of this paper, many of the specific proposals relate largely to UNEP. Incremental changes relate to what can be achieved within the context of the existing system and the mandate of UNEP.

The potential functions are also interrelated and should not be read in isolation. For example, data and information exchange and analysis is also related to functions such as coordination of policies and programmes, human and institutional capacity building, and technology transfer and financial support.<sup>20</sup>

### **1. Creating a strong, credible and coherent science base**

#### **Potential functions:**

- **Data and information collection, exchange and analysis** – timely, accurate, credible, relevant and consistent data and information is critical to understanding the state of the environment, the causes of environmental problems, and their potential consequences for human life. It includes the development of indicators and benchmarks to monitor and verify environmental change that is occurring. It also assists in identifying knowledge gaps, consensus building, identifying policy needs, and in choosing appropriate policy responses.
- **Assessment, early warning and awareness raising** – keeping the state of the global environment under review requires ongoing scientific assessment; early warning brings new risks to the attention of policymakers, and helps steer political and public attention to issues posing threats to human well-being and requiring policy intervention.
- **Cross-sectoral data collection and research** – identification of interlinkages between environmental science and economic and social factors is crucial in mainstreaming environmental interests into other policy areas and developing adequate policy responses.
- **Science-policy interface** – effective structures and processes aimed at improving the identification, formulation, implementation, and evaluation of policy to render governance more effective are needed. Such policy-science interfaces involve a range of sectors and stakeholders.

#### ***UNEP and Science***

The importance of science for the process of environmental policy-making has been continuously recognised by governments in, among others, the outcome of the consultation on strengthening the scientific base of UNEP<sup>21</sup> and, most recently, in GC decision 25/2/III “*Request[ing] the Executive Director, through the programme of work, to continue to conduct comprehensive, integrated and scientifically credible global environmental assessments, avoiding duplication and building on ongoing assessment work, to support decision-making processes at all levels, in the light of the continuing need for up-to-date, scientifically credible, policy-relevant information on environmental change worldwide, including analyses of cross-cutting issues and indicator based components*”.

Box 3

<sup>20</sup> In its subsequent written comments Switzerland identified three interrelated core functions namely: scientific information, policy guidance and implementation.

<sup>21</sup> GC decision 22/1 I A

## 2. Developing a global authoritative and responsive voice for environmental sustainability

### Potential functions:

- **Global agenda setting and policy guidance** – in light of the multiplicity of interests competing against each other in the international arena there is a need for environmental sustainability to be represented vis-à-vis these other interests by an authoritative voice. Such a voice could convene governments and relevant stakeholders, as appropriate, to coordinate global responses to environmental challenges and provide policy “space” for sustained interaction, negotiation, and policy-guidance including providing fora for robust political discussions and debates.
- **Rule making, standard setting and development of universal principles** – rules, standards and principles facilitate the move towards and assessment of progress in applying environmentally sound practices. Standards also aid the collection and sharing of data and information. An authoritative voice could give guidance on development and application of rules, standards, best-practices and principles to governments in general, and assistance to developing countries to build their capacity to apply them in particular. An authoritative voice could also guide private sector actors in adopting voluntary, non-binding standards for environmental management and assist environmental advocacy groups in developing and using standards as a way to raise awareness of and encourage green consumption and production.
- **Compliance, monitoring and accountability** – while the goodwill of governments exists to implement and comply with the commitments they have made under the various MEAs, questions remain about the degree of implementation and more specifically about compliance and accountability. This concern could be mitigated through the introduction of different review systems, ranging from peer reviews to reviews by independent experts, in consultation with civil society and, if necessary, systems for avoidance and settlement of disputes:
  - **Policy review of international commitments** – a policy review mechanism similar to the one of the World Trade Organisation would provide a peer-based approach where every few years member states prepare peer reviews to gain a picture of the state of implementation of WTO agreements among each other. The reports are then submitted to the General Council, meeting as Trade Policy Review Body and reviewed by all parties. The JIU Report recommends that the General Assembly regularly review the implementation of MEAs administered by the UN System.<sup>22</sup>
  - **Expert review system** - the review of commitments by an independent expert review mechanism, a type of mechanism that is commonly found in the human rights field. The Human Rights Council, for example, reviews instances of non-compliance concerning

**Principles based approach** – Like most other regimes, the environmental governance regime has a plethora of principles that guide governments in their policy-making, including the polluter-pays principle, the principle of inter- and intra-generational equity, and the principle of common but differentiated responsibilities. As opposed to other regimes, environmental governance has not succeeded in embedding these principles into legal agreements, the way many of the most successful international regimes have done. Examples of such regimes are the WTO with its overarching principles of Non-discrimination, Most Favoured Nation treatment and reciprocity and the ILO with its principle of Freedom of Association and Collective Bargaining. In these regimes the principles form the fundamental core of the regime and are inviolable by members. They provide consistency and hierarchy among competing norms and interests.

Box 4

<sup>22</sup> This response to this recommendation may be influenced by any final decisions on universal membership of the UNEP Governing Council, given the underlying rationale for the recommendation.

international human rights treaties. Many times these instances have been raised through alerts from NGOs or reports of the Special Rapporteurs, who are part of the mechanism. The International Labour Organization (ILO) has an expert body that reviews the reports of member states on the consistency of their national rules with the International Labour Code.

- **Dispute avoidance<sup>23</sup> and settlement for non-compliance** – a system, in which member states can raise incidents of non-compliance of other members with established dispute settlement bodies. The most prominent example is that of the WTO General Council, meeting as Dispute Settlement Body, which allows member states to raise cases of non-compliance of another member state before it. The mechanism covers all WTO agreements. If the dispute cannot be resolved through consultation, the matter will be referred to a dispute settlement panel which decides the validity of the non-compliance and allows for trade sanctions by the importing country to bring the non-compliant party back in line with WTO rule. The system also has an appeal mechanism.

#### ***Rio Declaration and Sustainable Development***

Principle 4 of the 1992 Rio Declaration on Environment and Development stipulates that “in order to achieve sustainable development, environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it.”<sup>24</sup>

Box 5

### ***3. Achieving coherence within the UN system***

#### **Potential functions:**

- **Coordination of policies and programmes** – the overlapping mandates of international organisations and specialised agencies related to international environmental protection create a complex (and sometimes confusing) landscape for policy-makers. A global environmental governance body or structure that aims to improve coordination and integration of policies and activities among agencies, treaties and governments could reduce redundancy and contradictions. It would bring together governments and international organisations to ensure that strategies, policies, and actions are coherent and effective.
- **Coordination and rationalisation of MEA secretariat activities<sup>25</sup>** – as the number of MEAs has been steadily increasing, each being equipped with its own secretariat, administrative costs have grown disproportionately to implementation activities. While retaining the legal authority of MEAs, rationalisation of their administrative mechanisms would free resources to increase implementation activities.<sup>26</sup>

<sup>23</sup> See Montevideo IV UNEP /GC/25/INF/15.

<sup>24</sup> General Assembly resolution S-19/2 of 28 June 1997, states that good governance for sustainable development consists of properly constructed strategies to enhance prospects for economic growth and employment and at the same time protect the environment.

<sup>25</sup> The JIU Report states that the current framework of international environmental governance is undermined by the absence of a holistic approach to environmental issues and lack of clear operational linkages between development assistance on the one hand, and compliance and capacity-building assistance for environmental protection in developing countries, on the other. Lack of distinction and coordination between sustainable development and environmental protection in the work programmes of the United Nations organisations has been a major source of duplication and fragmentation of their work, which Member States need to tackle (JIU Report p.7).

<sup>26</sup> The financial implications for establishing independent secretariats for MEAs are significant. The JIU Report calculated that the unit cost of the MEAs grew by a factor of 4.7, compared to 1.2 for conventions under the custody of United Nations agencies between the years 1992/1993 and 2004/2005 (JIU Report p. 11).

#### ***From Environment Coordination Board to Environment Management Group***

Under the original institutional arrangements made during the establishment of UNEP in 1972, an Environment Coordination Board (ECB) had been set up to “provide for the most efficient coordination of United Nations environmental programmes”<sup>27</sup> under the chairmanship of UNEP’s Executive Director. In particular, the ECB was tasked to “meet periodically for the purpose of ensuring cooperation and coordination among all bodies concerned in the implementation of environmental programmes” and to “report annually to the Governing Council of UNEP”.<sup>28</sup> Following the merger of the ECB into the Administrative Committee on Coordination (ACC)<sup>29</sup> under ECOSOC in 1978, UNEP to a large extent lost its coordination authority.

Following the merger of the Coordination Board with ACC and the set-up and termination of a variety of coordinating divisions under ACC, the Environment Management Group (EMG) was established by the General Assembly in 1999 “for the purpose of enhancing United Nations system-wide interagency coordination related to specific issues in the field of environment and human settlements”.<sup>30</sup> It consists of the specialized agencies, programmes and organs of the United Nations including the secretariats of the MEAs and is chaired by the UNEP Executive Director. The EMG reports to the Governing Council rather than being directly embedded in the framework of the Chief Executives Board (CEB), an issue that was addressed through the co-Chair’s Options Paper.<sup>31</sup>

Box 6

#### ***4. Securing sufficient, predictable and coherent funding***

##### **Potential functions:**

- **Mobilising funds for the global environment** – increased funding for implementation is required across the board of the IEG system. By way of example, the British Prime Minister has recently stated, USD 100 billion per year are needed by 2020 to assist developing countries in their mitigation and adaptation efforts. In comparison with other regimes, mobilisation of funds and related governance arrangements in the environmental field is extremely scattered with bodies continuously competing for funds, implying, at the aggregate level, inefficient transactions and high overhead costs.
- **Development of innovative market-based financing mechanisms** – funds for environmental protection can also be raised through the internalisation of environmental externalities in the economy. While this may not generate sufficient funds to pay for all environmental activities it will greatly assist in creating sustainable financing measures. Among the available tools are: taxes and incentives that directly reduce pollution or indirectly lower the human impact on the environment by changing consumption and production patterns; removing perverse incentives in the international trading system; creating a global carbon market; creating a global market for ecosystem services.
- **Influencing priorities for financing environmental initiatives** – as a result of the scattered financing system associated with IEG there is also an increased risk of duplication on the one hand and oversight of funding gaps on the other. Coherence is needed to ensure that adequate resources are allocated to priority needs and in an equitable manner.
- **Linking the public and private sector** – the need to create innovative financing mechanisms has been stressed by many policy-makers including, most recently, the leaders of the Major Economies Forum, who pledged ‘to dramatically increase and coordinate public sector investments in research, development, and demonstration of these technologies, with a view to

<sup>27</sup> GA Resolution 2997 (1972 )

<sup>28</sup> Ibid.

<sup>29</sup> GA Resolution 32/197 (1978)

<sup>30</sup> GA Resolution 53/242. See also GCSS VIII/8

<sup>31</sup> See for example page 8 and 9.

doubling such investments by 2015, while recognizing the importance of private investment, public-private partnerships and international cooperation, including regional innovation centres'.<sup>32</sup>

### ***Interrelationship between funding and mandate***

When UNEP was created in 1972, its set-up was based upon the assumption that it would act as a catalytic organisation, instigating and driving coordination on environmental issues within the UN system. Two sources of financing were envisaged: firstly, contributions from the UN regular budget to cover the costs of the secretariat and, secondly, the establishment of an Environment Fund to cover the operational programme costs, programme support and their administrative costs.

More specifically, the Environment Fund was created to “enable the Governing Council of UNEP to fulfil its policy-guidance role for the direction and coordination of environmental activities” as well as for “financing such programmes of general interest as regional and global monitoring, assessment, and data collecting systems, including, as appropriate, costs for national counterparts; the improvement of environmental quality management, environmental research; information exchange and dissemination; public education and training; assistance for, national, regional and global environmental institutions; the promotion of environmental research and studies for the development of industrial and other technologies best suited to a policy of economic growth, compatible with adequate environmental safeguards; and such other programmes the Governing Council may decide upon, [...], in short, a vast field of activities. As it turned out, the regular budget did not cover the secretariat’s costs and the resources of the Environment Fund were insufficient to fund the system in the manner envisaged.

Governments established the Global Environment Facility (GEF) by Instrument in 1994. The GEF, which has its own governance structure, is one of the principal financial mechanisms for the global environment (in the context of agreed global environmental benefits), and also serves as a financial mechanism for some MEAs.

#### **Expenditures on normative vs. operational environmental activities within the United Nations system (in millions of United States dollars)**

	1993	2000	2006
<b>I. Normative activities</b>			
Environmental protection activities by UNEP funds	89.8	139.8 (6.5 per cent)**	132.5(-0.9 per cent)**
Total expenditures for UN/UNEP-administered MEAs***	6.8	45.0 (31.0 per cent)	78.3 (9.7 per cent)
<b>II. Operational activities</b>			
Non-UNEP operational activities for development devoted to environment*	149.4	176.7 (2.4 per cent)	332.7 (10.6 per cent)
UN system operational activities for development	5,153.3	6,494 (3.4 per cent)	16,368.4 (16.7 per cent)

\*Undertaken by UNDP, UNICEF and specialized agencies

\*\* The percentage in parentheses indicates growth per annum over the previous period.

\*\*\* Core activities

Sources: For operational activities, A/61/77-E/2006/59 and A/63/71-E/2008/46;

For normative activities: In 1993 and 2000, Financial reports and audited statements in Reports of the Board of Auditors (e.g. A/49/5/Add.6 to A/63/5/Add.6) and A/61/203 on UNFCCC; and 2006, budget performance reports of organizations concerned.

Box 7<sup>33</sup>

<sup>32</sup> Declaration of the Leaders of the Major Economies Forum on Energy and Climate, July 2009

<sup>33</sup> Though there are several sources of environmental funding outside of the UN system, this table focuses on the analysis conducted by the Joint Inspection Unit on the operational versus normative funding for environment within the UN system. Other individual sources of information on this type of funding include the UNDP evaluation on Energy and Environment, World Bank evaluation of Environment, OECD as well as academics (e.g. Hicks, et.al: “Greening Aid?”, Oxford University Press, 2008)

## **5. Ensuring a responsive and cohesive approach to meeting country needs**

### **Potential functions:**

- **Human and institutional capacity building** - the importance of capacity building is well reflected in the Bali Strategic Plan for Technology Support and Capacity-building (BSP).<sup>34</sup> This requires building the capacity of people and institutions at national, sub-regional and regional levels in order to assist countries' achieve their environmental and development goals, targets and objectives. It includes assisting in developing networks of institutions and experts, and includes building capacity at the country level for a strong, credible and coherent science base.
- **Technology transfer and financial support** – as reflected in the BSP there is clearly a need for technology transfer and adequate finance for sustainable development. Recent trends in official development assistance and foreign investment also suggest that insufficient amounts of money are going to countries in need of significant capacity building for sustainable development.
- **Linking international and local levels** – translating internationally agreed goals and targets into strategies and programmes that are relevant to the needs of member states is one of the key challenges of the UN system. This means that agreed global environmental goals and targets need to be firmly grounded in national development plans and strategies.

#### ***International environmental governance: help or hindrance? – International environmental governance from a country perspective.***

The international environmental governance 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, in grappling with the impacts of climate change and in seeking to capture emerging opportunities, States are now dealing with an array of United Nations agencies, financial institutions and mechanisms, multilateral environmental agreements, private sector interests and civil society organizations. Keeping pace with the activities and requirements of multiple organisations and processes is, however, putting a significant burden on countries' human and financial resources and has weakened their ability to implement their commitments. A recent study shows that between the years 1992-2007 the parties of eighteen major MEAs were called for 540 meetings at which 5,084 decisions were taken.

Incoherence and complexity in the international environmental governance system can lead to high transaction costs and in some instances this could discourage developing country participation in the system, giving rise to questions on whether the system of international environmental governance provides coherent support to countries and better enables them to meet their environment and development objectives, in particular in the case of developing countries.<sup>35</sup>

Box 8

## **6. Facilitating the transition towards a global green economy**

The green economy initiatives were endorsed – by the General Assembly in its recent resolution 63/303 stating that: “We acknowledge that the response to the crisis presents an opportunity to promote green economy initiatives.”<sup>36</sup>

The core functions that will facilitate the transition to the global green economy are, in principle, the same ones that will facilitate sustainable development. The five core objectives referred to previously and their related potential functions will collectively contribute towards achieving the objective of facilitating the transition towards a global green economy.

<sup>34</sup> UNEP/GC23/6.

<sup>35</sup> UNEP/GC.25/16/Add.1

<sup>36</sup> See paragraph 32.

### ***Transition to a green economy – an agency-wide response***

A Green Economy can also address multiple persistent and looming crises from overcoming poverty and combating climate change to reversing the degradation of multi-trillion dollar ecosystems and their services, experts argue. "Investing stimulus funds in such sectors as energy efficient technologies, renewable energy, public transport, sustainable agriculture, environmentally friendly tourism, and the sustainable management of natural resources including ecosystems and biodiversity, reflects the conviction that a green economy can create dynamic new industries, quality jobs, and income growth while mitigating and adapting to climate change and arresting biodiversity decline"<sup>37</sup>

To facilitate the transition donor countries are called upon to make good their commitments on financial support, including those made at G8 and G20 meetings, the development of carbon pricing, the phasing-out of perverse subsidies and the avoidance of protectionism. This must also be accompanied by measures to protect and improve access by the poor to food and energy security, revived trade and new trade policies which support both development and the transfer of technologies, accompanied by training and capacity building.<sup>38</sup>

Box 9

### **E. From incremental changes to broader institutional reforms: Proposing possible forms to address functions**

Paragraph 7 of the *Belgrade Process* states that: "Consultations on functions will lead to a discussion on forms that could range from incremental changes to other broader institutional reforms" and that "Incremental changes to IEG can be considered alongside other more fundamental reforms." In other words, rather than examining short, medium and long-term reforms, the process aims to identify incremental changes that can be implemented in the current setting while concurrently considering more profound changes to the IEG system.

There have been a lot of proposals for reforming the IEG system over the last couple of decades and this process builds on political momentum that has been gained in other fora, taking into consideration *inter alia*: the 'Cartagena Package' decision (SS.VII/1, GC/GMEF), which contains recommendations aimed at strengthening IEG; the UN General Assembly Informal Consultative Process on the Institutional Framework UN Environment Activities that began in 2006; the Secretary General's High-level Report on United Nations Systemwide Coherence in the areas of development, humanitarian assistance and the environment and the findings of the 2008 Joint Inspection Unit through the JIU Report that included a number of recommendations for improved coherence within the UN system (see Annex Table 4).

The proposed incremental and enhanced steps to reform the IEG system coming out of these processes have been captured in the Compendium to this paper. It also draws from the discussions at the first meeting of the Consultative Group, the written comments received by the Executive Director following the first meeting, and other sources.

Though, there has been global acceptance of an integrated approach to governing relationships among environment, economy and social issues, the governance structures for the environment are regarded by many as the weakest and most fragmented. International economic institutions form the strongest of the three pillars with a regime centred on the international financial and trade organisations, including the World Bank, the International Monetary Fund (IMF) and the WTO. The social pillar of sustainable development is represented by well-regarded institutions such as the ILO, the World Health Organisation (WHO), and the United Nations Human Rights Council (UNHRC). Table 1 in the Annex to this paper analyses how the six core objectives identified for the IEG system are met by the WHO, the ILO and the WTO in their respective areas of expertise.

<sup>37</sup> An Interagency Statement of the United Nations System, 30 June 2009, Geneva.

<sup>38</sup> UNEP Press Release, 25 June 2009. "UN Agencies 'Deliver as One' To Realize a Green Economy" at <http://www.unep.ch/etb/pdf/2009%20press%20release%20deliver%20as%20one/Press%20release.E.pdf>.

## **F. Conclusions**

Based on the comments that have been received from 22 governments on the draft version of this paper, which was distributed for comment from 14 August to 13 September, 2009, a number of themes have emerged regarding the way forward for the Consultative Group and for the IEG process as a whole. There appears to be a level of support for the following, with the process issues and incremental institutional reforms gaining most support:

### **Process:**

- The content, format and style of the paper.
- The identified objectives and functions for the IEG system, with some suggested modifications.
- The inclusion of the full list of options, with some exceptions, (from incremental to broader institutional reform) in a Compendium and for the Consultative Group to consider the full range of various options.
- The Consultative Group to identify incremental changes that can be implemented within the current setting to be presented to the GC/GMEF in February 2010 alongside more fundamental changes.
- To avoid putting time constraints on considering different options.
- To consider, in the range of functions and forms, the findings of the JIU Report, in particular its recommendations.
- To conduct an analysis of the current IEG system.

### **Incremental institutional reform:**

- A more country-responsive IEG system. Building capacity at national level as key to the reform of IEG. The BSP to be fully implemented and the relationship between UNEP and UNDP to be strengthened and UNEP's role in the undg enhanced.
- Strengthening the authoritative voice of the UNEP GC/GMEF as stipulated in the 'Cartagena Package', such as through enlarging its membership, strengthening its outcomes and enhancing its legal standing.
- Advancing the clustering of MEAs using the example of the synergies process taking place between the chemicals and waste conventions.
- Increasing coherence amongst MEAs in general as key element of IEG system. A possible role that the GC/GMEF could play in providing advice and guidance to the biodiversity-related conventions.
- Ensuring an independent, authoritative, high-quality and reliable science-policy interface building on existing mechanisms, including the IPCC, International Panel on Sustainable Resource Management, and possibly IPBES, and offering its services to the wider community.
- Supporting a joint UN system-wide planning framework for the management and coordination of environmental activities.

### **Broader institutional reform:**

- The Consultative Group should agree on a statement of principles on how potential new climate architecture might complement the current IEG arrangements.
- Steps for considering upgrading UNEP to a WEO/specialised agency should be undertaken.
- The Consultative Group should look beyond UNEP and examine how the multilateral system as a whole can deliver more coherently, efficiently, and effectively on ensuring environmental sustainability and sustainable development.
- Rather than creating new funds, the current funding architecture should be reviewed as to its efficiency and effectiveness.

**Compendium of potential functions and possible forms – *working draft***

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
<p><b>Creating a strong, credible and coherent science base</b></p>	<p>Data and information collection, exchange and analysis Assessment, early warning, and awareness raising</p>	<p>Encourage UNEP to partner systematically with research institutions, academies of science and scientific societies to access research and in-depth expertise.<sup>2</sup></p> <p>Formulate guidelines for conflict of interests of experts participating in technical and scientific panels and committees in the field of environment. (Inspector's observation)<sup>1</sup></p> <p>Strengthen the links between UNEP's regional offices and relevant scientific networks.<sup>2</sup></p> <p>Create a central information node for submission of government data related to all international obligations.</p> <p>Explore the benefits of networking among scientific mechanisms and institutions, based on the example of IPBES.<sup>21</sup></p>	<p>Establish independent permanent thematic scientific mechanisms, also integrating the scientific bodies of MEAs and working in close collaboration with the World Bank.</p> <p>Create independent expert panels along the lines of those required under paragraph 6 of the Montreal Protocol. (Inspector's observation)<sup>1</sup></p> <p>Harmonise in close consultation with the governing bodies of relevant MEAs reporting systems and reporting standards among thematic groups of MEAs.<sup>27</sup></p>	<p>Create a permanent scientific mechanism along the lines of the proposed Environment Watch Strategy as a global information network system to monitor the world's environmental situation in collaboration with countries, scientific partners and financial institutions.<sup>2</sup></p>
	<p>Cross-sectoral data collection and research</p>	<p>Strengthen science and knowledge on the interface between environment and sustainable development.<sup>6</sup></p> <p>Encourage UNEP to establish partnerships between environmental science and social sciences.</p>	<p>Establish permanent scientific mechanisms examining linkages between environment and economics, labour, trade, finance, health, etc.</p>	

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
	Science-policy interface	<p>Encourage user-friendly presentations of environmental assessments and policy responses.<sup>2</sup></p> <p>Provide regularly integrated and clustered assessments, translated into strategic policy recommendations to the GC/GMEF.</p> <p>Any science-policy interface should reach the world beyond that of the environmental sphere, including those dealing with other portfolios, such as finance.<sup>23</sup></p>	<p>Further explore the development of IPBES as a science-policy interface.<sup>6</sup></p> <p>Explore mechanisms to improve the science-policy interface for biodiversity and ecosystem services for the conservation and sustainable use of biodiversity, long-term human well-being and sustainable development (GC Decision 25/10) – the proposed Intergovernmental science-policy platform on biodiversity and eco-system services (IPBES)</p>	<p>Establish a permanent, strategic science-policy interface between recognised science mechanisms and the GC/GMEF, based on the medium-to long-term needs of countries.</p>
<b>Developing a global authoritative and responsive voice for sustainability</b>	Global agenda setting and policy guidance	<p>Strengthen the GC/GMEF through better decision-making, e.g. by turning the President's Summary into a Declaration. Shorten the ministerial segment to allow greater participation of ministers.<sup>4</sup></p> <p>Recognise the GMEF as the body where global environmental strategy is decided and agenda setting on environmental sustainability takes place.<sup>4</sup></p> <p>The GMEF to have the potential to become a more effective forum for high level policy interaction amongst environment ministers and ministers from non-environmental sectors. The GMEF needs to clarify its primary mission, its relationship with the COPs</p>	<p>Ensure universal participation of Member States of the UN and members of its specialized agencies in the work of the GC/GMEF.<sup>3</sup></p>	<p>Establish a World Environment Organisation or a UN Environment Organisation with the mandate, defined coordination authority, resources and funding to set the global agenda.<sup>7,28</sup></p> <p>Upgrad[e] UNEP into a World Environment Organisation with a clear mandate, and financing mechanism to spearhead the management/protection of the environment<sup>28,29,30,31</sup></p>

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>of MEAs, whether it should have its own permanent secretariat.<sup>28</sup></p> <p>Strengthen the normative role of UNEP on environmental policy through progressively greater coordination of MEAs in respect of the decision making powers of the COPs.<sup>4,27</sup></p> <p>Explore the full potential of the GMEF as the cornerstone of the IEG system, as stipulated in the Cartagena Package.<sup>20</sup></p> <p>Address the inability of the GC/GMEF to give policy guidance or to provide strategic direction across the board of the UN, the GEF and the MEAs, including by considering a UNEP+, UNEO/WEO, or an umbrella organisation.<sup>25</sup></p> <p>To make IEG more effective it would be good to better use the GMEF meetings for collecting comments from governments in an interactive way and provide a strategic role.<sup>26,27</sup></p> <p>Further promote the participation by major groups to the GMEF.<sup>27</sup></p>		
	Rule making, standard setting and development of universal principles	Continue establishment of permanent thematic compliance monitoring systems through regular peer reviews and/or expert reviews in consultation with civil society.	Examine feasibility of comprehensive guidelines concerning rules, standards, principles across thematic areas (suggested instead of text in first column) <sup>27</sup>	Establish a World Environment Organisation or a UN Environment Organisation with the mandate and funding to set rules, standards and principles.

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
			<p>Develop comprehensive guidelines of rules, standards and principles across thematic areas.</p> <p>Clear mechanism for the implementation of rules and standards set with clear time lines and backed with the necessary financial resources.<sup>29</sup></p>	
	Compliance, monitoring and accountability	<p>The GA should provide the UNEP GC/GMEF with adequate support through activating its own regular review of the reports of MEAs to enhance GC/GMEF's capacity to fulfil its mandate to review and evaluate, on a regular basis, the implementation of all MEAs administered within the UN system, with a view to ensuring coordination and coherence between them in accordance with decision SS.VII/1 and keep the GA informed of progress made.(Recommendation 5)<sup>1</sup></p> <p>The GC/GMEF could engage in periodic stocktaking and, <i>inter alia</i>, review synergies and linkages undertaken between MEAs, as well as review reports of the EMG and progress in inter-agency collaboration. The GC/GMEF would give policy guidance and advice in the field of the environment by making recommendations, in accordance with</p>	<p>Develop a permanent Policy Review Mechanism for the continuous review of international commitments, including those of MEAs, based on a peer review or expert review system in consultation with civil society.</p> <p>Clear mechanisms for monitoring compliance should be set and reports of the same submitted to a relevant body to be agreed upon<sup>29</sup></p>	<p>Establish a World Environment Organisation or a UN Environment Organisation with the mandate and funding to maintain an effective permanent policy review system.</p> <p>Establish permanent thematic compliance monitoring systems through regular peer and/or expert reviews</p>

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>paragraphs 2 (a) and 2 (b) of GA resolution 2997 (XXVII).<sup>3</sup></p> <p>Ensure that implementation, monitoring and compliance mechanisms are in place.<sup>13</sup></p> <p>Ask UNEP to conduct a regular policy review based on thematic areas, such as the six priority areas under UNEP's Medium-Term Strategy for 2010-2013.</p>		
	Dispute settlement and avoidance			<p>Establish a dispute settlement mechanism with sanctions for non-compliance along the lines of the WTO system.</p> <p>Set up clear mechanisms to address non compliance on standards and this could involve a system of sanctions to be agreed upon.<sup>29</sup></p> <p>A dispute settlement system- a mechanism for settling environmental disputes should also be put in place.<sup>29</sup></p>
<b>Achieving coherence within the UN system</b>	Coordination of policies and programmes	Submit to the GA a clear understanding on the division of labour among development agencies, UNEP and the MEAs, outlining their respective areas and types of normative and operational capacity building activities for environmental protection and sustainable development.	<p>Establish the EMG as high-level committee on environmental issues of the UN system CEB with regular reporting obligations on the progress of policy and strategic coordination activities of the EMG to the CEB.<sup>2</sup></p> <p>Adopt through the GA a strategic system-</p>	Establish a World Environment Organisation or a UN Environment Organisation with a defined coordination authority, mandate and resources.

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>(Recommendation 1)<sup>1</sup></p> <p>Strengthen the position of UNEP in the on-going work for UN reform and system-wide coherence.<sup>4</sup></p> <p>Strengthen cooperation between UNEP and international economic, trade and financial organisations both within and outside the UN system.<sup>2</sup></p> <p>Strengthen the leading position of the EMG toward strengthening environmental integration in areas of UN work, such as development, industrial development, etc.<sup>4</sup></p> <p>Ensure better integration of environmental concerns into economic policy and strategic planning by setting up issue-management groups to deal with specific areas in the EMG.<sup>2</sup></p> <p>Task the EMG with keeping a consolidated UN environment calendar in order to reduce scheduling conflicts.<sup>2</sup></p> <p>Charge the EMG with reporting annually to the GA on its progress in improving cooperation and on the difficulties and obstacles encountered in this endeavour.<sup>2</sup></p> <p>Strengthen UNEP's role within UNDG by tasking UNEP with the chairing of</p>	<p>wide policy orientation for environmental protection and sustainable development of the UN system in the UN Strategic Framework for the biennium programme plan. (Recommendation 2)<sup>1,27</sup></p> <p>Authorise through the GA the GC/GMEF to adopt the Medium-Term Strategy of UNEP as a system-wide instrument constituting an integral part of the UN Strategic Framework. (Recommendation 3)<sup>1,27</sup></p> <p>Consider the development of a UN system-wide framework for environmental issues to improve coordination.<sup>9</sup></p> <p>Develop a joint system-wide planning framework for the management and coordination of environmental activities, drawing on the results-based management framework endorsed by GA resolution 60/257, and to this end, draw up an indicative planning document serving for joint programming of their activities in the environment sphere. (Recommendation 7)<sup>1</sup></p> <p>Subject the interventions of the IMF, the World Bank, development banks and UNDP to environmental and social conditionality.<sup>7</sup></p> <p>There is also a need to look at all the money that is being released to countries by the World Bank and the IMF so that</p>	

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>the environmental subgroup of undg.<sup>2</sup></p> <p>Coordinate activities in UNEP more closely with technical programmes through UN Regional Commissions.<sup>2</sup></p> <p>Use UNEP's regional offices to coordinate environment-related activities with UN Regional Commissions and other regional programmes.<sup>2</sup></p> <p>Review and integrate the CSD and the GEF.<sup>15</sup></p> <p>Make UNEP and the MEAs formal observers on all the relevant committees of the WTO and vice versa.<sup>2</sup></p>	<p>even if there are no new resources, those existing resources are 'green'.<sup>22</sup></p> <p>IEG needs common global environmental goals and a common system-wide environmental strategy for the UN- and Bretton Woods institutions.<sup>6</sup></p>	
	<p>Coordination and rationalisation of MEA secretariat activities</p>	<p>Propose modalities by which member states can better formulate and manage MEAs without creating an independent convention secretariat. (Recommendation 4)<sup>1</sup></p> <p>Enhance UNEP's mandate under the Cartagena Package to undertake a horizontal and periodic review of the effectiveness of MEAs in close consultation with the governing bodies and secretariats of the MEAs and act as a regular mechanism to rectify inconsistencies among them and develop synergies where common issues arise. (Inspector's</p>	<p>Call upon MEA governing bodies of each cluster to establish:</p> <ul style="list-style-type: none"> <li>i. joint institutional structures with joint secretariats;</li> <li>ii. joint administrative structures to create common legal, financial and conference services and joint reporting to the GA through UNEP;</li> <li>iii. joint scientific structures for research, assessment and monitoring, including strategic planning and resource allocation;</li> <li>iv. joint programmatic structures in the areas strategic guidelines and planning, implementation, capacity building, technology support and</li> </ul>	<p>Set up a process to gradually integrate MEA secretariats, with UNEP providing the functions of a secretariat for the MEAs and set a time frame for completion of this process.<sup>2</sup></p>

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>observation)<sup>1,27</sup></p> <p>Increase transparency in the use of the programme support cost resources on an actual cost basis and in the services delivered to MEAs administered by the UN and UNEP, and to this end ensure that programme support costs charged for such services are budgeted and applied against actual expenditures incurred. (Recommendation 12a)<sup>1</sup></p> <p>Undertake a review of UNEP and UNON practices concerning the recruitment of staff for MEA secretariats, and propose steps to improve the staffing situation and geographical distribution of staff. (Recommendation 11)<sup>1</sup></p> <p>Establish a process under the guidance of the GA, and with the assistance of UNEP, to initiate the thematic, programmatic and administrative clustering of MEAs in the following areas:</p> <ul style="list-style-type: none"> <li>• Conservation (Biodiversity [CBD; Migratory species; UNCCD]; Forests; in collaboration with Ramsar; CITES and the Whaling Commission)</li> <li>• Global Atmosphere</li> <li>• Hazardous substances (Chemicals [PIC, POPs, SAICM, Basel Convention])</li> </ul>	<p>evaluation.<sup>2</sup></p> <p>Develop and/or review the delegation of authority, division of roles and responsibilities of the entities providing administrative, financial and human resources management services to the Conferences of Parties, and; draw up a clear service level agreement defining the level and type of services to be delivered by the UN offices in Nairobi and Geneva to MEA secretariats. (Recommendation 10)<sup>1</sup></p> <p>Instruct the UN Controller to undertake consultations with UN entities that deliver administrative services to the COPs and on the basis thereof submit to the GA for its adoption proposals for setting up a common budget for administrative support services provided to MEAs and inform each COP on the administrative and budgetary implications arising from this arrangement. (Recommendation 12b)<sup>1</sup></p>	

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<ul style="list-style-type: none"> <li>• Marine and Oceans<sup>2</sup></li> </ul> <p>Start the clustering process of biodiversity-related MEAs based on the example of the chemical conventions.<sup>8,10,11,16</sup></p> <p>Foster the cooperation and clustering of the chemical MEAs.<sup>17</sup></p> <p>Advance the synergistic approach to the administration and implementation of the chemical MEAs.<sup>18</sup></p> <p>Apply the clustering approach to biodiversity related MEAs and investigate the potential for having one secretariat for each thematic cluster.<sup>19</sup></p> <p>Consider development of joint implementation mechanisms of MEAs, subject to COP approval, including shared administrative functions between UNEP-administered MEAs.<sup>9</sup></p> <p>Strengthen secretariats, including their right to perform independent monitoring of national implementation efforts.</p> <p>Ask the GA to set a timeframe for the implementation of the thematic clustering and subsequent set up of joint structures.<sup>2</sup></p>		

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>MEAs in each thematic cluster are called upon to coordinate and streamline their meeting schedules and hold the meetings back to back or, where appropriate, jointly or in parallel.<sup>2</sup></p> <p>MEAs are called upon to improve their participation at regional environmental meetings and interaction with UNEP regional offices as well as with regional organisations and relevant UN agencies that have activities at a regional level.<sup>2</sup></p>		
<p><b>Securing sufficient, predictable and coherent funding</b></p>	<p>Mobilising funds for the global environment</p>	<p>Being the principal international body dealing with environmental protection at the global level, UNEP's funding must be stabilised, increased and be made more predictable.<sup>15</sup></p> <p>Strengthen the financial basis of UNEP through:</p> <ul style="list-style-type: none"> <li>i. better balance between earmarked and non-earmarked resources</li> <li>ii. continued application of the indicative scale of assessment</li> <li>iii. systematic use of results-based budgeting.<sup>2</sup></li> </ul> <p>Undertake a review of the adequacy and effectiveness of funding environmental activities focusing on the concept of incremental costs and submit a report hereon to the GA through the relevant intergovernmental bodies. (Recommendation 8)<sup>1</sup></p>	<p>Better coordinate between the strategies, funding activities and funding implementation needed between UNEP, UNDP, GEF, World Bank, Regional Development Banks, other IFIs and the various MEAs.<sup>4,27</sup></p>	<p>Create an innovative Global Environment Funding Partnership that acts as a resource mobilisation fund along the lines of the Montreal Fund for the environment as a whole and catalyses funds into previously agreed objectives (e.g. global environmental goals).</p> <p>Establish one funding organisation for global environment and sustainable development work, located with UNEP, the GEF or the World Bank.<sup>4</sup></p>

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>The GA upon receipt of the report and the views on it of the intergovernmental bodies concerned, should redefine the concept of incremental cost funding applicable to the existing financial mechanisms. (Recommendation 9)<sup>1</sup></p> <p>The IEG system must be concretely financed to allow member states to address the environmental challenges.<sup>12</sup></p> <p>Develop a set of common guidelines for the provision and use of administrative, financial and technical support services.</p> <p>Member states to further develop consistent funding policies that are actively being pursued through their representation in the governing bodies of the various organisations, Funds, etc.<sup>27</sup></p> <p>Actions under the UNEP/GEF Action Plan on Complementarity and the UNEP/GEF Strategic Partnership (see § 25 Cartagena agreement)<sup>27</sup></p>		
	Development of innovative market-based financing mechanisms	<p>Fund the efforts of UNEP to pursue greater use of green economy investments at the level of countries and international institutions.<sup>4</sup></p> <p>We must welcome and make the best possible use of innovative financial</p>	<p>Develop a contribution system based on national energy use or national emissions of greenhouse gases.</p> <p>Establish a pilot fund that draws upon resources generated from market-based mechanisms.</p>	

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>mechanisms that can greatly increase funding for environment and sustainable development.<sup>6</sup></p> <p>Ask UNEP to provide a detailed analysis of the potential creation of funds based on market mechanisms, such as carbon trading, biodiversity credits or pricing of ecosystem services.</p>		
	<p>Influencing priorities for financing environmental initiatives</p>	<p>Strengthen UNEP's guiding role with regard to the allocation of GEF funding.<sup>5</sup></p> <p>Further pursue the partnership between UNEP and the GEF and also facilitate the mobilization of additional multilateral and bilateral financial resources for targeted activities consistent with the GEF mandate and global environmental priorities identified by the GC/GMEF.<sup>3</sup></p> <p>Develop a mechanism that will assist in determining overlaps or underfunding across subject areas.</p>		<p>Determine an authority to allocate resources according to environmental needs across the UN system.</p>
	<p>Linking the public and private sector</p>	<p>Promote greater mobilization of resources from the private sector and other major groups in accordance with applicable UN rules and procedures.<sup>3</sup></p> <p>Ask UNEP to identify and enhance public-private funding partnerships in core areas, such as research and development and disbursement of environmental technologies.</p>	<p>Establish permanent partnerships on financing research, technology development and disbursement.</p> <p>Promote public-private partnership in the areas of technology support and capacity building.<sup>2</sup></p>	
<p><b>Ensuring a responsive</b></p>	<p>Human and institutional capacity</p>	<p>Adopt the BSP as the overarching guiding framework for operational</p>		

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
<p><b>and cohesive approach to meeting country needs</b></p>	<p>building Technology transfer and financial support</p>	<p>activities of MEAs, UN agencies and IFIs at the country level.<sup>2</sup></p> <p>Ensure that the capacity building and technology support related to the implementation of the BSP becomes an integral part of national development frameworks.<sup>2</sup></p> <p>Provide financial resources and technical capacity to developing countries to enable them meet their obligations.<sup>14</sup></p>		
	<p>Linking the international with the local level</p>	<p>Accelerate the implementation of the Bali Strategic Plan (BSP) to provide more capacity building to developing countries through closer collaboration between UNEP and UNDP and other relevant agencies.<sup>4</sup></p> <p>Operationalise the UNEP-UNDP MoU and agree on common programmes that will seek common funding.<sup>4</sup></p> <p>Assess and expand ongoing pilot programmes jointly undertaken by UNEP and UNDP to address complex sub-regional environmental challenges.<sup>2</sup></p> <p>Strengthen the links between UNEP's regional offices and regional and sub-regional organisations.<sup>2</sup></p>	<p>Submit to the GA for its consideration and approval, guidelines on the establishment of national and, where appropriate, regional platforms on environmental protection and sustainable development policies which can integrate the implementation of MEAs into Common Country Assessments and UNDAF processes. (Recommendation 6)<sup>1</sup></p> <p>Ask the undg to approve policies and procedures related to environmental sustainability and to integrate them into the Guidelines for UN Country Teams on preparing Common Country Assessments and UNDAFs.<sup>2</sup></p> <p>Ensure that UNDAFs and Poverty Reduction Strategies adequately reflect the needs expressed by governments in regard to the implementation of the BSP.<sup>2</sup></p>	

Objectives	Functions	Incremental changes	Enhanced institutional changes	Broader institutional reform
		<p>Provide UNEP's regional offices with a mandate for capacity-building and technology support in regard to the implementation of the BSP.<sup>2</sup></p> <p>Ensure that all country-related activities of MEAs are coordinated among themselves, with the government of the host country as well as within the UN system.<sup>2</sup></p> <p>Ensure that any savings resulting from improved coordination and cooperation of MEAs are used to increase implementation activities.<sup>2</sup></p> <p>Ensure a country responsive international system.<sup>6</sup></p> <p>There is a need to mainstream the environment into development processes implemented by multilateral organisations at the country level.<sup>24</sup></p> <p>Implementation of MEAs must be part of national development plans and need to be better coordinated to yield more synergies among MEAs and other organisations, including UNDP, the World Bank and UNEP.<sup>24</sup></p>	<p>Integrate advisors of UNEP in UN country teams, where appropriate.<sup>2</sup></p>	

<sup>1</sup> Report of the Joint Inspection Unit on the management review of environmental governance within the United Nations system (E/2009/83)

<sup>2</sup> Co-Chairs' Options Paper, Informal Consultative Process on the Institutional Framework for the United Nations' Environment Activities, June 2007

<sup>3</sup> GCSS/VII Cartagena

<sup>4</sup> Memorandum of the European Commission, 2 July 2009

<sup>5</sup> Statement of the Chinese Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009

- <sup>6</sup> Statement of the Norwegian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>7</sup> Statement of the French President at the ILO Summit on the Global Job Crisis on 15 June 2009 and statement of the French Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>8</sup> Statement of the Finnish Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>9</sup> Memorandum of the US Delegation to the Secretariat, dated 8 August 2009
- <sup>10</sup> Statement of the Japanese Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>11</sup> Statement of the Indonesian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>12</sup> Statement of the Algerian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>13</sup> Statement of the Botswana Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>14</sup> Statement of the G77 and China to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>15</sup> Statement of the Kenyan Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>16</sup> Statement of the Pakistani Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>17</sup> Statement of the Syrian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>18</sup> Statement of the Tanzanian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>19</sup> Statement of the Argentinean Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>20</sup> Statement of the Belgian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>21</sup> Statement of the Spanish Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>22</sup> Statement of the Mexican Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>23</sup> Statement of the Canadian Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>24</sup> Statement of the Dutch Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>25</sup> Statement of the German Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>26</sup> Statement of the Japanese Delegation to the first meeting of the Consultative Group on IEG in Belgrade, 2009
- <sup>27</sup> Comments from the Government of Belgium on the Executive Director's Draft Paper, Developing a set of options for improving International Environmental Governance, Distributed on 14 August 2009
- <sup>28</sup> Comments from the Government of Costa Rica on the Executive Director's Draft Paper
- <sup>29</sup> Comments from the Government of Kenya on the Executive Director's Draft Paper
- <sup>30</sup> Comments from the Government of Armenia on the Executive Director's Draft Paper
- <sup>31</sup> Comments from the Government of Finland on the Executive Director's Draft Paper

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**Table 1: Three pillars of sustainable development - comparison of functions with selected international organisations**

	<b>Creating a strong, credible and coherent science base</b>	<b>Developing a global authoritative and responsive voice for sustainability</b>	<b>Achieving coherence within the UN system</b>	<b>Securing sufficient, predictable and coherent funding</b>	<b>Ensuring a responsive and cohesive approach to meeting country needs</b>	<b>Facilitating the transition towards a global green economy- Standards-Setting</b>
<b>Health (WHO)</b>	<p>Source of objective, evidence-based, ethically sound guidance and support on health.</p> <p>Relies heavily on regional and national offices to provide health information, monitoring and statistics and strong links with collaborating centres.</p> <p>Strong role in turning science findings into international health standards and health guidelines.</p>	<p>Unrivalled authority and mandate.</p> <p>Adequate financing and recognised authority.</p> <p>Balance between effectiveness and universality (World Health Assembly, 34-member Executive Board elected by assembly technically qualified in the field of health, 6 Regional Committees with large autonomy elect regional office director and set regional priorities).</p> <p>192 members</p>	<p>All agreements under the umbrella of the WHO (e.g. World Health Organisation Framework Convention on Tobacco Control).</p> <p>Clear mandate and authority in the international system.</p> <p>Cross-cutting issues dealt with through joint cooperation or even joint standards (CODEX Alimentarius - food code developed between FAO and WHO).</p>	<p>Assessed contribution similar to UN US\$ 959 million for 2008-2009.</p> <p>Voluntary contributions (e.g. UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases project \$3.3 billion 2008-2009).</p> <p>Total biennium budget \$4.2 Billion.</p>	<p>3500 staff on fixed-term or career service appointments.</p> <p>six regional offices and WHO offices in around 140 countries.</p> <p>Works through regional Committees and a plenary body of representatives (usually Ministers of Health).</p> <p>WHO country representatives bridge the gap between the regional offices and the national health ministry within member states.</p>	<p>Credibility setting of global health standards rests partly on its governance mechanism, with its near universal representation, and partly from its “convening power” its ability to bring together experts into committees to help determine best practice.</p> <p>Authoritative voice on interventions, and enhancing research to provide evidence of what works and what does not.</p> <p>Draws on the experience of individual countries to build a body of public health knowledge that can benefit all countries.</p> <p>Has a successful science-policy interface that results in standards that are followed.</p>

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<p><b>Labour (ILO)</b></p>	<p>Strong ability to combine international agenda with domestic interests and has provided the framework for national labour law and practice in virtually all countries.</p> <p>Tripartite structure held up as the current model among existing IOs for stakeholder involvement in governance processes.</p> <p>Consistently ties its goals on social dialogue into all policy products and programs it generates.</p>	<p>Unrivalled authority and mandate</p> <p>Adequate financing and recognised authority</p> <p>Balance between effectiveness and universality – Governing Body 28 governments, 14 worker group representatives.</p> <p>All 182 members meet once a year at ILO Conference.</p>	<p>All agreements under ILO umbrella (e.g. Maritime Labour Convention).</p> <p>Division of labour shared on certain issues (e.g. Human Rights Commission, Human Rights treaties and Indigenous Forum).</p> <p>Coordination of human rights bodies done through joint programme cooperation and ECOSOC, most human resources instruments are consistent with ILO principles.</p>	<p>Total budget for 2006-2007 US\$900 million.</p> <p>Assessed contribution of US\$594 million, plus US\$306 million in extra-budgetary funds associated with special technical cooperation projects.</p> <p>Total regular budget for 2009 US\$644 million.</p>	<p>3000 staff on fixed-term or career service appointments.</p> <p>Offices in 50 countries serve as an action centre and research, documentation and administrative body, and has offices in some 50 countries.</p> <p>Wide technical assistance 600 experts undertake missions in all regions of the world under the programme of technical cooperation per year.</p>	<p>Entire body of ILO Conventions and Recommendations is commonly known as the International Labour Code.</p> <p>ILO standards are minimum standards intended to establish a platform from which national law may evolve, and to promote the improvement of law and practice at the national level.</p> <p>Conventions are of a binding nature.</p> <p>Strong monitoring and reporting system.</p>
<p><b>Trade (WTO)</b></p>	<p>Trade policy reviews of the implementation, and commitments and provide latest trade statistics/information from each member state.</p>	<p>Unrivalled authority and mandate.</p> <p>Adequate financing and recognised authority.</p> <p>Effective balance between effectiveness and universality (Ministerial Meeting every two years, General Council).</p> <p>Binding Dispute Settlement System (sanctions for non-compliance) 152 members.</p>	<p>All agreements under WTO umbrella with committees of the General Council acting as secretariats to each agreement (60 agreements).</p> <p>Cross-cutting issues (trade-environment, development etc) handled by specialised committees.</p> <p>Hierarchy between regional agreements and WTO agreements.</p> <p>Direct reference and</p>	<p>152 members assessed contribution (share of trade in goods and services).</p> <p>\$340 Million 2008-2009 (Secretariat &amp; Appellate Body).</p> <p>Number of trust funds for technical assistance not included above.</p>		<p>Elaborate tariff schedule and code for product.</p> <p>Based on principles that require mutual recognition of tariffs and treatment (non discrimination, National treatment and Most-Favoured Nation).</p> <p>All country trade policy reviews are assessed by the committee of the General Council.</p>

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			hierarchies of certain agreements (e.g. SPS has direct reference to IPPC, and CODEX, TRIPs enforces Paris Agreement).			
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**Table 2: UNGA Informal Consultations: Comparison of Co-Chairs Options Paper and Draft Resolutions**

<b>Strengthening the Environmental Activities in the UN System - Centre for UN Reform Education</b>			
<b>Issue</b>	<b>Co-Chairs' Options Paper</b>	<b>May 2nd Draft Resolution</b>	<b>July 23rd Draft Resolution</b>
<b>Scientific assessment, monitoring and early warning capacity</b>	Create position of chief scientist at UNEP— <i>functions include management of scientific assessment, monitoring, and early warning work; provision of policy makers with authoritative scientific knowledge; interaction with scientific work of MEAs; and identification of emerging threats</i>	Create position of Chief Scientific Capacity (OP3)— <i>functions include convening leading scientists; facilitating independent knowledge and overseeing scientific assessment; monitoring and early warning work</i>	Unchanged, except specifies “within the Programme” (OP3)
	Encourage user-friendly presentations	Present scientific findings in a user-friendly way (OP2)	Present and diffuse findings in a user-friendly way (OP2)
	Encourage UNEP to partner systematically with scientific institutions	Interact with existing scientific bodies, including scientific institutions and NGOs (OP2)	Adds “promote research” and specifies “in all geographic regions” (OP2)
	Implement the Environment Watch Strategy Vision 2020	No mention	No mention
	Connect UNEP to the Global Earth Observation System of Systems	No mention	No mention
<b>Coordination and cooperation at the level of agencies</b>	Improve cooperation between UNEP and UNDP— <i>implement existing Memorandum of Understanding (MoU) between them and clarify respective roles in implementation of the Bali Strategic Plan (BSP)</i>	Cooperation between UNEP and UNDP in the implementation of the BSP (OP8)— <i>deepen at country level and consolidate interaction with IFIs and MEAs; amend existing MoU</i>	Unchanged, except specifies “in order to clarify their respective roles and tasks” (OP8)
	Task UNEP with chairing environmental subgroup of UNDG	No mention	No mention
	Involve UNEP in “one UN” pilot countries	No mention	No mention
	Improve the environment Management Group (EMG)— <i>establish as a</i>	Place EMG under the direct authority of the SG (OP6); set up issue based groups	Places EMG under the direct authority of the SG within the framework of the CEB (OP6);

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	<i>committee of the UN Chief Executive Board (CEB); report to the GA and CEB</i>	to coordinate with institutions from within and outside of the UN system (OP7)	cooperation of EMG with all parts of the UN system and relevant MEAs (OP5); structure work around key areas (OP7)
	Strengthen cooperation between UNEP and international economic, trade and financial organisations; make UNEP and MEAs formal observers in the WTO and vice versa	Recommends that UNEP and MEAs ask for formal inclusion as observers on all relevant committees of the WTO (OP10)	Unchanged (OP10)
<b>Multilateral Environmental Agreements</b>	Initiate thematic, programmatic and administrative clustering of MEAs— <i>categories should be: Conservation; Global Atmosphere; Hazardous Substances; and Marine and Oceans</i>	Urges MEAs to explore the potential for cluster-wise cooperation and invites the UNEP to identify clusters (OP13)	Changed “urges” to “emphasises the need for” (OP12)
	Gradually integrate MEA secretariats	Requests the Executive Director of UNEP to administer Secretariats of the Conventions under his authority and to enable synergies among the Convention Secretariats (OP17)	Unchanged (OP17)
	Ensure that any savings resulting from improved coordination and cooperation of MEAs are used to increase implementation activities	No mention	Ensure that any savings resulting from improved coordination and cooperation of MEAs will be used to increase implementation activities (OP17)
<b>Regional presence and activities at the regional level</b>	Strengthen links between UNEP’s regional offices and scientific networks, regional organisations, and UN Regional Commissions	Strengthen regional presence, cooperate with relevant regional actors, including UN Economic Commissions (OP20)	Changes “United Nations Economic Commissions” to “United Nations Regional Commissions” (OP20)
	Charge UNEP regional offices with capacity-building and technology support in regard to the implementation of the BSP	Calls upon UNEP to strengthen regional offices to facilitate support for implementation of BSP (OP19)	Removes “by ... providing them with the resources to fulfil their capacity building and technology support mandates” (OP19)
	Coordinate pilot programmes with UNDP	No mention	No mention
<b>Bali Strategic Plan, capacity-building, technology support</b>	BSP should serve as the overarching guiding framework for operational activities of MEAs, UN agencies and IFIs at country level	BSP should serve as the overarching guiding framework for operational activities of MEAs, UN agencies and IFIs at country level (OP22)	Urges the full implementation of the BSP as a component for strengthening the international environmental government (OP22)
<b>IT, partnerships and advocacy</b>	Establish a unified clearinghouse mechanism of best practices and lessons learned—	Urges SG to make available state-of-the-art IT in order to enhance cooperation, resource	Adds “in improving Information Technologies throughout the United Nations system” (OP27)

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	<i>supported through collaboration of MEAs and other partners</i>	management and knowledge sharing between different parts of the system (OP26)	
<b>Financing</b>	Strengthen the financial basis of UNEP— <i>better balance between earmarked and non-earmarked resources; result-based budgeting; continued application of indicative scale of assessment</i>	Underscores the urgency of improving financing for IEG through timely and adequate funding (OP27); doubles contributions of UN budget to UNEP (OP32)	Removes old OP27; OP32 unchanged; adds paragraph encouraging continued use of voluntary indicative scale of contributions (OP29)
	Assess financial needs— <i>financial tracking system; funding structure able to receive private donations</i>	Creates Global Environmental Tracking System (OP28)— <i>voluntary self-reporting by donors and recipients</i>	OP28 unchanged; adds paragraph asking SG to submit recommendations for ensuring new and additional resources, including innovative sources of financing (OP31)
	Make more efficient use of existing resources— <i>avoid duplications of efforts; more effective direction of resources into capacity building and technology support</i>	No specific mention	No specific mention
<b>The broader transformation of the IEG system</b>	Discusses options for strengthening a global environmental pillar, possibly by transforming GMEF into a UN Environment Organisation	Decides to continue examination of this issue (OP33) and to continue informal consultations on IEG (OP34)	Unchanged

Source: Centre for UN Reform Education at <http://www.centerforunreform.org/node/371>

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**Table 3: Major Decisions Concerning UNEP's Role and Mandates**

<b>Year</b>	<b>Event</b>	<b>Description</b>	<b>Resolution/Decision</b>
1972	Stockholm Conference and establishment of UNEP	UN General Assembly, in its resolution 2997 (XXVII) of 1972, establishes UNEP as the central UN node for global environmental cooperation and treaty making. UNEP's functions are to promote the development of environmental policy and measures, coordinate environmental activities in the United Nations system, keep emerging environmental problems under review and provide scientific assessment. The resolution establishes the Environment Fund, the UNEP Secretariat and Environment Coordination Board to execute these functions.	GA Res. 2997 (XXVII), 15 December 1972
1997	Nairobi Declaration on the Role and Mandate of UNEP	The Nairobi Declaration restates UNEP's role as the leading authority in the field of the environment and defines its role to promote development of international environmental law aiming at sustainable development, including the development of coherent interlinkages among existing international environmental conventions and implementation and compliance with agreed norms and rules, provide policy advice, act as an effective science-policy interface, and strengthen its role in coordination of environmental activities. The Declaration is adopted by the UNEP GC and endorsed by the UNGA to revive UNEP and re-establish its authority.	Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme, UNEP/GC.19/1
1999	Establishment of Global Ministerial Environment Forum and Environmental Management Group	The UN Task Force on Environment and Human Settlements' (appointed by S-G Kofi Annan in 1997) recommendations are adopted by the GA, leading to the creation of two new coordinating bodies: the Environmental Management Group (EMG) and the Global Ministerial Environment Forum (GMEF).	Report of the Secretary General on Environment and Human Settlements, GA Res. 53/242, 28 July 1999.
2000	The Malmö Declaration	The Malmö Ministerial Declaration is adopted by the GMEF at its first session and raises key areas of concern for the 2002 World Summit on Sustainable Development (WSSD) to address. It also agrees that the 2002 World Summit on Sustainable Development (WSSD) should review the requirements for a greatly strengthened institutional structure for IEG.	Adopted by the GMEF - Sixth Special Session of the Governing Council of the United Nations Environment Programme Fifth plenary meeting 31 May 2000

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2000-2002	Cartagena Package on IEG	<p>The Cartagena Process is initiated to assess options for reforming global environmental governance. The Twenty-first Session of the UNEP GC/GMEF convenes the Open-Ended Intergovernmental Group of Ministers or Their Representatives on International Environmental Governance (IGC/IEG) to assess the options for strengthening UNEP, improving the effectiveness of MEAs and improving international policymaking coherence. The outcome of the Cartagena Process builds on UNEP as the environment pillar of sustainable development and focuses on strengthening UNEP's role, authority and financial situation; addressing universal membership of the Governing Council; strengthening UNEP's science base; improving coordination and coherence between multilateral environmental agreements; supporting capacity building, technology transfer and country-level coordination; and enhancing coordination across the UN system, as well as the role of UNEP's Environment Management Group.</p> <p>The report from the process is transmitted to the CSD and to the WSSD and is incorporated into the Johannesburg Plan of Implementation. Since 2002 the GC/GMEF have taken several decisions to implement the priorities of the Cartagena package.</p>	<p>Report of the GC on the Work of Its Seventh Special Sessions/Global Ministerial Environment Forum, UNEP/GCSS.VII/6, 5 March 2002</p>
2005	The Bali Strategic Plan for Technological Support and Capacity Building	<p>The "Bali Strategic Plan" is adopted by the GC/GMEF, outlining proposals for improving the capacity of developing countries and economies in transition to implement their international obligations at the country level and achieve their environmental goals, targets and objectives.</p>	<p>GC decision 23/1 of 25 February 2005</p>

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**Table 4: Overview of recommendations of the JIU Report**

<p><b>Recommendation 1:</b> The Secretary-General should submit to the General Assembly for its consideration through the UNEP Governing Council/Global Ministerial Environmental, a clear understanding on the division of labour among development agencies, UNEP and the MEAs, outlining their respective areas and types of normative and operational capacity-building activities for environmental protection and sustainable development.</p>	<p><b>Recommendation 5:</b> The General Assembly should provide the UNEP Governing Council/Global Ministerial Environment Forum with adequate support through activating its own regular review of the reports of MEAs to enhance GC/GMEF's capacity to fulfil its mandate to review and evaluate, on a regular basis, the implementation of all MEAs administered within the United Nations system, with a view to ensuring coordination and coherence between them in accordance with decision SS.VII/1 and keep the Assembly informed of progress made.</p>	<p><b>Recommendation 9:</b> The General Assembly, upon receipt of the above Secretary-General's report and the views on it of the intergovernmental bodies concerned, should redefine the concept of incremental cost funding applicable to the existing financial mechanisms.</p>
<p><b>Recommendation 2:</b> The General Assembly should consider adding a system-wide policy orientation for environmental protection and sustainable development of the United Nations system in the United Nations Strategic Framework for the biennium programme plan; and in the event of this decision, should request the Secretary-General to prepare such a system-wide orientation for its approval through the Chief Executives Board.</p>	<p><b>Recommendation 6:</b> The Secretary-General - on the basis of a proposal of the Executive Director of UNEP and consultations with MEA secretariats - should submit to the General Assembly, for its consideration and approval, guidelines on the establishment of national and, where appropriate, regional platforms on environmental protection and sustainable development policies which can integrate the implementation of MEAs into the CCA and UNDAF processes.</p>	<p><b>Recommendation 10:</b> The Secretary-General, on the basis of a proposal of the Executive Director of UNEP and consultation with UNEP-administered MEA secretariats, should: (a) Develop and/or review the delegation of authority, division of roles and responsibilities of the entities providing administrative, financial and human resources management services to the Conferences of Parties, and; (b) Draw up a clear service level agreement defining the level and type of services to be delivered by the United Nations offices in Nairobi and Geneva to MEA secretariats.</p>
<p><b>Recommendation 3:</b> The General Assembly should also decide to authorize the UNEP Governing Council/Global Ministerial Environment Forum to adopt the Medium-Term Strategy of UNEP as a system-wide instrument constituting an integral part of the United Nations Strategic Framework.</p>	<p><b>Recommendation 7:</b> The Secretary-General as Chairman of the Chief Executive Board should encourage the executive heads of the organizations and the MEAs: (a) To develop a joint system-wide planning framework for the management and coordination of environmental activities, drawing on the results-based management framework endorsed by General Assembly resolution 60/257, and to this end, (b) To draw up an indicative-planning document serving for joint programming of their activities in the environment sphere.</p>	<p><b>Recommendation 11:</b> The Secretary-General, with the assistance of the Executive Director of UNEP and in consultation with the MEA secretariats, should undertake a review of UNEP and UNON practices concerning the recruitment of staff for MEA secretariats, and propose steps to improve the staffing situation and geographical distribution of staff.</p>

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<p><b>Recommendation 4:</b> The Secretary-General, with the assistance of the Executive Director of UNEP, should propose to the General Assembly – through UNEP Governing Council/Global Ministerial Environment Forum - modalities by which Member States can better formulate and manage MEAs without creating an independent convention secretariat.</p>	<p><b>Recommendation 8:</b> The Secretary-General should undertake, in consultation with the MEAs and relevant United Nations system organizations, a review of the adequacy and effectiveness of funding environmental activities focusing on the concept of incremental costs and submit a report thereon to the General Assembly through the relevant intergovernmental bodies.</p>	<p><b>Recommendation 12:</b> The Secretary-General should: (a) Increase transparency in the use of the programme-support cost resources on an actual cost basis and in the services delivered to MEAs administered by the United Nations and UNEP, and to this end ensure that programme-support costs charged for such services are budgeted and applied against actual expenditures incurred;  (b) Instruct the United Nations Controller to undertake consultations with United Nations entities that deliver administrative services to the Conferences of the Parties and on the basis thereof submit to the General Assembly for its adoption proposals for setting up a common budget for administrative support services provided to MEAs and inform each CoP on the administrative and budgetary implications arising from this arrangement.</p>
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