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Emerging policy issues: environment in the multilateral system

**President's summary of the discussions by ministers and heads of
delegation at the twenty-fifth session of the Governing
Council/Global Ministerial Environment Forum of the
United Nations Environment Programme**

Note by Executive Director

The annex to the present note conveys the President's summary of the discussions by ministers and heads of delegation at the twenty-fifth session of the Governing Council/Global Ministerial Environment Forum of the United Nations Environment Programme. The summary has been reproduced as originally issued in document UNEP/GC.25/17.

* UNEP/GCSS.XI/1.

President's summary of the discussions by ministers and heads of delegation at the twenty-fifth session of the Governing Council/Global Ministerial Environment Forum of the United Nations Environment Programme

1. The United Nations Environment Programme (UNEP) Governing Council/Global Ministerial Environment Forum is the high-level environment policy forum of the United Nations. The Council/Forum brings the world's environment ministers together to "review important and emerging policy issues in the field of the environment".
2. The Council/Forum provides broad policy advice and guidance with the aim, among others, of promoting international cooperation in the field of the environment.
3. The twenty-fifth session of the Council/Forum was convened from 16 to 20 February 2009 in Nairobi. During the high-level segment of the session delegates from 147 countries, including 110 ministers and deputy ministers and 192 representatives of major groups and stakeholders, discussed two separate but related themes:
 - (a) "Globalization and the environment – global crises: national chaos?";
 - (b) "International environmental governance (IEG) and United Nations reform – IEG: help or hindrance? – IEG from a country perspective".
4. The discussions were informed by two succinct and thought-provoking background papers prepared as pre-discussion briefings for the participants and by the outcomes of two pre-session events, the high-level Gender Forum and the Civil Society Forum.
5. The high-level segment also looked ahead to forthcoming events where multiple challenges and opportunities would be addressed, such as the seventeenth session of the United Nations Commission on Sustainable Development and the World Ocean Conference, the latter to be held in May 2009 in Manado, Indonesia.
6. Ministers reflected too on the preceding 12 months, during which time the world had witnessed the emergence of multiple global crises related to food, energy, freshwater and finance and rapidly rising and falling energy and food prices, global food shortages and increasing water scarcity.
7. Ministers also discussed the additional complexity resulting from climate change, which they observed was exacerbating the impact of the other global crises, including through a significant impact on the world's oceans. The effects, they noted, were felt across the globe and could have implications for the achievement of the Millennium Development Goals.
8. Much of the attention of Governments and the international community had recently been directed towards addressing the financial crisis, and ministers noted that responses to the financial crisis would have a direct bearing on the resolution or mitigation of other challenges.
9. In line with the desire of ministers, the present President's summary identifies some of the main challenges and opportunities that were highlighted by ministers with respect to each of the main themes discussed, together with clear messages for suggested action to the world's Governments, the United Nations' system, civil society and the private sector.
10. As in previous years, the President's summary is a reflection of the interactive dialogue that occurred among the ministers and other heads of delegation attending the twenty-fifth session of the Council/Forum. It reflects the ideas presented and discussed rather than a consensus view of all points raised by participants.

Challenges, opportunities and messages

Theme I: Global crises: national chaos? – *Towards a green economy and coping with multiple challenges and capturing the opportunities*

Challenges

“Ministers of environment must be ministers for sustained economic success.”

Creating a green economy goes hand-in-hand with sustainable development and the achievement of the Millennium Development Goals.

Government alone cannot manage and fund the transition to a green economy; the private sector and civil society play a fundamental role but require incentives and an appropriate investment environment.

The green economy is about consumption as well as production. Sustainable production and consumption strategies are required for greening the economy.

There is a rich range of promising examples of green projects and initiatives from across all regions: in many instances, these efforts require significant additional investment and further incentives for scaling up. In this context, there is a need for financial assistance to developing countries and countries with economies in transition, adapted to each country’s particular circumstances, and capacity-building.

Governance

“We need to tilt the policy playing field toward the green economy.”

(a) Policies for the green economy should contribute to poverty eradication, which requires good governance at national and international levels;

(b) Effective global and national environmental architecture requires coherent and timely responses to multiple environmental, social and economic challenges in order to achieve the transition to a green economy;

(c) Governance at the national level should effect intersectoral approaches and recognize that ecosystem services are an essential foundation of national capital;

(d) The green economy needs to be integrated into existing sustainable development processes, including through the creation of new and decent green jobs;

(e) The process of moving toward a green economy should involve labour, farmers, women, non-governmental organizations, indigenous peoples, youth, science, business and regional and local governments, all of whom have a large role to play in a green economy.

Technology

(a) Development and transfer of green technologies is a main component for making the transformation to green growth. Transfer of technology should be facilitated and made affordable.

Trade and finance

“Environmental standards should not be an impediment to market access but should promote trade and market access, especially for developing countries and countries with economies in transition.”

(a) Green economy measures must not create trade distortions and must get the incentives for investment and trade right;

(b) Pricing policies to promote sustainable consumer behaviour are appropriate, but pro-poor safeguards are required;

(c) Governments alone have insufficient capital to fund and leverage the transformational change required to make the transition to a green economy. The role of the private sector is critical;

- (d) Financial mechanisms should be streamlined and not impose unnecessary requirements on developing countries or countries with economies in transition;
- (e) Who will pay for the transition to the green economy? Funding will be derived from national budgets, official development assistance, foreign direct investment, the private sector, or a combination of all;
- (f) Developed countries should honour their commitments.

Creating jobs and building capacity

- (a) Building the capacity (both human and institutional) of developing countries and countries with economies in transition to take advantage of existing technological solutions and financial support for moving toward a green economy is a challenge;
- (b) Awareness raising and communication should be targeted to the public for the purpose of driving political change.

Opportunities

“The financial and climate crises are one and the same.

The green economy is the way out.”

The current economic crisis, in the context of climate change and the energy, water and food crises, provides a unique opportunity for a fundamental restructuring of economies so that they encourage and sustain green energy, green growth and green jobs.

While some countries view the green economy as an opportunity to invest in natural capital as a means to get out of the current financial crisis, others view the green economy as an opportunity to reinvigorate international efforts to achieve sustainable development and poverty alleviation.

The move toward a green economy provides a crucial window of opportunity to draw women into the formal economy and capture previously untapped resources.

Environment and economic policies are complementary: we need to use regulated market mechanisms to promote new and innovative investments in green technology; solutions and incentives should be attuned to each country’s potential and limitations in terms of energy availability, wealth and natural resources.

Governance

- (a) The economic crisis puts the State in a position where it is imperative to develop regulation that will cause markets to promote the transition to a green economy. This will require a strong leadership role for Governments;
- (b) The move toward a green economy raises the possibility of strengthening the current international environmental architecture or transforming it to respond to multiple challenges and opportunities.

Technology

- (a) Many economic recovery and stimulus packages are already addressing a shift to a green economy. Such packages should contain viable components to promote North-North, North-South and South-South cooperation on technological innovation and technology transfer;
- (b) Investment in ecological infrastructure is a win-win move;
- (c) Technological solutions for business in the area of energy and efficient use of natural resources should be supported through incentives and broader deployment of technologies;
- (d) Rapid urbanization forces a renewed look at green transport, recycling and waste management.

Trade and finance

“We need to learn to count carbon and value biodiversity”

- (a) Turn “carbon” subsidies into “green” incentives. Incentives to join in the green economy must be created and promoted, in particular with respect to the poor. The green economy must be open to all;
- (b) Enormous economic, social and environmental benefits are likely to arise from combating climate change and investing in green economic sectors. Benefits range from payment for sound ecosystem management to new green jobs in clean technology, energy, sustainable agriculture and conservation-based enterprises;
- (c) New financial mechanisms, such as an expanded and more accessible Clean Development Mechanism, may motivate developing countries and countries with economies in transition to green their economies;
- (d) “REDD¹ is GREEN!”;
- (e) Clean energies offer income generation and clean development opportunities. For example, microfinance for household solar panels enables surplus household energy to be sold for income generation.

Creating jobs and building capacity

- (a) Greening the economy can provide a new engine for economic growth through the creation of decent green jobs. Such a shift would help raise the skills and value of the labour force through investment in education systems, knowledge and skills development and the creation of national green networks;
- (b) South-south dialogue on successful green programmes and projects opens a wealth of knowledge transfer possibilities;
- (c) Common awareness and communication packages on the green economy can be used to build national capacities. Women, as custodians of natural resources, must be recognized in capacity-building initiatives.

Messages

“This is the biggest crisis for many generations, but no generation has been so well suited to face it.”

Moving toward a green economy is overwhelmingly recognized as a means of delivering multiple benefits for the international community and all nations in addressing food, energy, water security and climate change. It is seen as an effective response to the financial crisis that can ultimately result in the achievement of the Millennium Development Goals.

At the same time, there is a need to continue to study further the concept of the green economy, in particular as it relates to developing countries and countries with economies in transition.

Governments

- (a) The possible political risks of a green new deal would be reduced if people were convinced of their long-term security in a green economy, which promotes work, health and wealth;
- (b) Governments must establish the right frameworks and incentives that will facilitate the transition to a green economy;
- (c) A society well informed of the benefits of a green economy would exert the necessary public pressure on policy makers for the success of a green economy. Considerable efforts must be deployed to reach out to the public;
- (d) Financial stimulus packages should include investment in the transition to a green economy, creating new jobs and technologies and promoting sustainable development;

1 REDD stands for reducing emissions from deforestation and forest degradation.

(e) There is a need to integrate the transition to a green economy into development processes and programmes, stimulating over time a transformative overhaul of the economy to a low-carbon one;

(f) Ministers of environment should increasingly be involved in economic decision-making, influencing policy decisions along with ministers of finance, development, trade, planning, agriculture and tourism;

(g) Women and children should benefit from the transition to a green economy and must not suffer from any negative aspects of such a transition.

United Nations system

(a) The United Nations system should work with the Bretton Woods institutions and development banks to coordinate efforts at the international and national levels to help countries effectively to tackle the challenges of food, energy and water security and climate change in a holistic fashion through the transition to a green economy;

(b) The Commission on Sustainable Development at its seventeenth session should promote the global green economy by, among other things, recommending relevant policies to enhance the transition to such an economy in terms of land use, agriculture and rural development through efforts that address drought and desertification, in particular in Africa;

(c) Capacity-building and technology support -- through the implementation of the Bali Strategic Plan for Technology Support and Capacity-building -- should be provided by the United Nations system, including UNEP, to enable developing countries and countries with economies in transition to participate fully in the green economy;

(d) UNEP should formulate a set of targeted green economy choices for immediate consideration by Governments and other stakeholders and should assist with their implementation;

(e) The time is right. The move toward a green new deal and a green economy provides an opportunity to better integrate existing economic and environmental regimes;

(f) UNEP should assist developing countries and countries with economies in transition to move toward a green economy and to exploit synergies among multilateral environmental agreements in their implementation of such agreements;

(g) UNEP should facilitate debate in different forums, including the United Nations General Assembly, the United Nations Economic and Social Council and regional economic groups, on the transition to a global green economy;

(h) UNEP should facilitate interaction and cooperation of ministers of environment with ministers of finance, development, trade, agriculture and tourism to enhance the transition to a green economy.

Group of Eight, Group of Twenty and other key international forums

(a) The transition to a green economy is a means of responding to various global challenges, including the financial crisis, in a manner that will produce wealth, create new decent green jobs and provide multiple other environmental and development benefits;

(b) Decisions must be made that contribute to the creation of the right conditions for stimulating private sector investment in the green economy in developed and developing countries and countries with economies in transition;

(c) Policies are needed that will encourage the financial sector and markets to invest in the green economy;

Civil society, including the private sector

(a) Civil society and the private sector can effectively promote the right environment and incentives required to encourage investment in the transition to a green economy;

(b) Civil society can take an active part in raising the awareness of the general public on the benefits of a green economy through education and developing and providing targeted information to raise public awareness in various sectors;

(c) Civil society and the private sector can promote the expansion of access to financing in order to create opportunities for the transition to a green economy, in particular in developing countries and countries with economies in transition;

(d) There are emerging opportunities for the private sector to invest significantly in the green economy, in particular in the transport sector and clean technologies.

“If everybody takes the risk then there is no risk. We should simultaneously launch our efforts to establish a green economy.”

Theme II: International environmental governance: help or hindrance? – international environmental governance from a country perspective

Challenges

“The proposed Rio+20 summit provides an opportunity to put a full package on international environmental governance reform on the table for finalization by 2012.”

Over the past decades Governments have seen many rounds of debate and many starts and stops in the effort to strengthen international environmental governance. Inconclusive results so far are a source of frustration and concern. A reformed or enhanced environmental governance system that is better able to respond to an ever-changing world situation faces many challenges.

(a) What would be needed to reach agreement on a political statement on the goals and objectives of international environmental governance by 2012? How can we reach agreement on a full package on international environmental governance reform by that time?;

(b) How should the next three years, leading up to a possible conference in 2012, timed to commemorate the twentieth anniversary of the United Nations Conference on Environment and Development (“Rio+20”), be used to define a new paradigm for collective action and to ask questions about the desired future and ways of achieving the principles and objectives of international environmental governance?;

(c) Can the current regime of international environmental governance be reformed or do we need a new regime? There may be a need for a stronger or improved regime, for example a world environment organization, with carrots and sticks to help steer sustainable development. Alternatively, will strengthening the current system suffice?;

(d) The way financial resources flow through the system is an important part of any reform of international environmental governance. Any new regime would need incentives to ensure coordination. Funding may be the key;

(e) The lack of coherence in current international environmental governance is felt strongly at the national level and affects the coherence of countries’ own national governance. A reformed system of international environmental governance should be more responsive to, and better assist in improving, national environmental governance;

(f) Lack of trust between developed and developing countries and countries with economies in transition is an impediment to international environmental governance;

(g) Incoherence and complexity in the international environmental governance system can lead to high transaction costs, discouraging in some cases participation in the system by developing countries and countries with economies in transition;

(h) The challenges today are greater than they were thought to be 17 years ago at the United Nations Conference on Environment and Development, but today we also have greater expectations;

(i) The process of strengthening international environmental governance should be multi-thematic (encompassing, for example, environment, agriculture, and development) and based on fairness, equity and the full participation of stakeholders and rights holders, including women and indigenous peoples’ groups;

(j) How do we develop an international environmental governance system that encourages developed countries to honour their commitments regarding official development assistance?;

(k) Adequate and predictable funding is a very important part of strengthening international environmental governance;

(l) It is important to define the role of UNEP in a reformed international environmental governance structure, including the balance between its normative and operational functions. It is likewise important to define the role of the UNEP Governing Council versus the role of the General Assembly in the international environmental governance debate itself. Should UNEP have a role in reviewing the multilateral environmental agreement system to identify what is and is not working?;

(m) We need a governance system that matches the issues that are emerging and that takes into account the interconnected nature of environmental challenges from ecosystem services to climate change and the inter-connectedness of environment and development.

Opportunities

“We must rethink the whole international environmental governance process and have a shared vision of international environmental governance: we must think big, we must make a difference.”

Governments and other members of the international community recognize that the current system of international environmental governance is fragmented and requires coherence. That recognition gives stakeholders an opportunity to break the current impasse on the way forward and to build a common vision for reform in the context of processes on international environmental governance reform that are taking place in both Nairobi and New York, recognizing that decisions will be taken by the General Assembly. There is a need to review and rethink international environmental governance, taking into account the principle of common but differentiated responsibilities.

Grounding the reform process in a context of sustainable development provides opportunities to develop an environmental governance system that incorporates the three pillars of sustainable development: economic growth, social development and environmental protection.

(a) The time is right. The move toward a green new deal and green economy provides an opportunity to integrate better the existing regimes;

(b) Strengthening international environmental governance should take into account paragraph 169 of the 2005 Millennium Summit outcomes;

(c) For the first time in many years there is a chance to make headway on international environmental governance through climate change negotiations. There is an opportunity to build trust in Copenhagen that can be taken forward to a proposed Rio+20 conference;

(d) The collaboration between the chemicals and hazardous waste conventions² provides an excellent example of how to achieve greater synergies between multilateral environmental agreements;

(e) Making use of existing institutions and ensuring their effectiveness and efficiency should be part of the enhancement of international environmental governance and may result in significant gains;

(f) UNEP, as the leading global environmental authority, should set and spearhead the global agenda for sustainable development and promote coherent implementation of the environment dimensions of sustainable development;

(g) There is support for strengthening the international environmental governance system within the framework of the United Nations and recognition that there is a need to upgrade UNEP, particularly in terms of its ability to assist countries in the implementation of multilateral environmental agreements;

(h) There are excellent opportunities for south-south cooperation in addressing governance at the national level;

(i) Reinforcing UNEP regional offices is important in order for UNEP to strengthen further its support to member States;

² The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants.

(j) We need strategies that focus not only on the green economy but also on social and health strategies. We need a strengthened role of all major groups in the new green economy. We need strategies that can reach the grass-roots level.

Messages for international environment governance

There is a strongly held view that meaningful progress on reforming international environmental governance should be based on an understanding that “form must follow function”. Sustainable development should underpin efforts to reform international environmental governance. Reform should take into account both the strengths and weakness of the existing system.

“IEG is neither a help nor a hindrance – it is an imperative.”

Governments

“The time has come to explore more ambitious steps.”

(a) The status quo is not acceptable and there is a necessity to demonstrate boldness and to think big on the issue of international environmental governance reform;

(b) Countries have become more united in the desire to move forward, noting the deficit in implementation;

(c) It is important to bring high-level political guidance back into the international environmental governance discussion and to set clear milestones in the next three years leading up to the proposed Rio+20. It is emphasized 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;

(d) We need to use the next three years before a possible Rio+20 to define a new paradigm for collective action and to ask questions about the desired future and ways of achieving the principles and objectives of international environmental governance;

(e) The current international environmental governance system either cannot meet – or has problems in meeting – the development challenges that we face today. Reform should be built on broadening the mandate of international environmental governance to include sustainable development at its core; reforms should strengthen the integration of environment into the broader development agenda and the ability of countries to meet both their environment and development objectives;

(f) Strengthening the current system offers many opportunities to improve international environmental governance and should be part of the discussion;

(g) Ministers of environment, foreign affairs and finance and heads of Governments must work together if there is to be effective progress on international environmental governance.

United Nations system

“The engine of change will come from the national level.”

(a) The conclusions of the co-chairs of the informal consultations of the General Assembly on the institutional framework for the United Nations environment work were noted. There is support for the Council/Forum to play a constructive role and to provide input to the General Assembly on moving forward to improve international environmental governance;

(b) There is a strongly held view that the Bali Strategic Plan for Technology Support and Capacity-building should be fully implemented;

(c) There is wide support for the need to strengthen UNEP, including through strengthening its regional presence. UNEP, as the leading global environmental authority in the United Nations system, should be strengthened and given the necessary resources to fulfil its role;

(d) There is an opportunity to strengthen the role of the Global Ministerial Environment Forum and build on the high level of participation in its sessions by ministers as a means of influencing the United Nations General Assembly on environmental issues;

(e) While there is a need for ambitious approaches we should seize immediate opportunities to reform international environmental governance;

(f) There is scope for change and improvement of the existing system. There is a need for greater coordination and coherence, especially in the implementation of decisions. Many aspects of the current system, however, are working and serving countries well;

(g) Agreed international principles and goals can concentrate efforts for effective implementation. An integrated overview of these can be a foundation for the strengthening of the international environmental governance system.

Civil society, including the private sector

(a) All major stakeholders have a role to play and can actively contribute to efforts to strengthen international environmental governance.

“The world is changing and international environmental governance reform must keep up with this changing context.”
