



DISCUSSION PAPER Draft No. 4

UN REFORM

Integrating Environment and Development by 2015

UN reform must be about strengthening multilateralism and improving both the quality of UN policy/norm making and its implementation so that real results can be achieved on the ground. It must seek to make a real difference for the world's poorest and most vulnerable peoples. It must be about making the UN more effective in reaching its Charter aim of being 'a centre for harmonizing the actions of nations' in the attainment of 'international co-operation in solving international problems of an economic, social, cultural, or humanitarian character'. Anything less would lack legitimacy and effect.

The Millennium Development Goals (MDG) put the UN on track with clear benchmarks for making progress on the world's greatest social and economic problems. However, today in 2006, the MDG process is faltering and the current reform initiatives have done little to address the underlying problems that are restraining effective action to reach the Goals.

The reason why progress on meeting the MDGs is faltering is because the underlying roots of the problems that the Goals aim to address have, by and large, been neglected. Environmental sustainability is the one interconnecting requirement for achieving each of the other MDGs and affects all 'international problems of an economic, social, cultural, or humanitarian character'. Its neglect diminishes the likelihood that the other Goals will be reached as a deteriorating environment affects all human activity and causes new and emerging barriers to improving the human condition. None of the MDGs can be achieved unless new and significant efforts are made to improve global environmental conditions.

This paper aims to provide government representatives, UN professionals and other stakeholders with key information on how to address the challenges faced in UN reform, and in particular the UN General Assembly's informal consultations on international environmental governance and the Secretary-General's High Level Panel on System Wide Coherence. This paper examines three areas of UN reform that relate to the environment:

1. Integrating environment in development decision making: this requires the UN to facilitate the operationalization of sustainable development by strengthening the environmental pillar dimension to the level of political weight that is given to the other key issues. The Secretary-General's High Level Panel must take on sustainable development as its primary focus.
2. Strengthening the institutional architecture of the UN's environment-related activities: this requires the creation of an independent monitoring and review mechanism, and the provision of a feedback system to UN policy and norm making bodies. It also requires greater environmental expertise in the UN's operational activities.
3. Improving coherence within the UN's environmental work: this requires the clustering of the functions and operations of the secretariats of multilateral environmental agreements (MEAs) so that synergies are generated, joint work plans are created and implemented, and resources are allocated so that they are put to their most effective uses. UN member states must create incentives for increasing cooperation among MEAs and the scheduling of MEA meetings back-to-back on related issues. The UN environment body also must act as a facilitator by bringing together focal points and expertise in MEAs at the national level.

The UN needs to transform its general practice of using belated and generally ineffective reactive tools to using compelling evidence of damage to anticipate and prevent problems, as well as to integrate solutions into development action. There must be monitoring of progress made in operational activities and the review of progress in the UN's norm and policy making body for the environment to examine results on the ground and provide swift, direct and effective responses to emerging challenges. Such a monitoring and review mechanism should retain decision making power in countries and create an international system that is responsive to country needs and global problems. The information generated through this independent process would be used to set international policies, incentives, standards, and benchmarks and to facilitate capacity-building efforts. It would ensure that countries and donors assess development proposals for social and ecosystem impacts, using the monitoring and review mechanism as a starting point.

With the current reform efforts, we are witnessing a make or break opportunity for the UN. The world's poor and the vulnerable are the most directly affected by the degradation of the environment. Reforms that result in solely incremental change will not do. The severity of the environmental crisis requires firm and resolute action now that will avoid the threat of economic and social collapse caused by environmental devastation and avoid augmenting international problems of an economic, social, cultural, or humanitarian character.

The present reform must ensure that the Rio Principles are kept intact and that the precautionary principle is given a central role in policy, research and implementation.

Civil society stakeholders

NGOs are and will always be important to the work the UN is doing on the environment and on sustainable development. Ever since the inception of UNEP, NGOs have played a significant role in researching and implementing sustainable development. In the suggested Programme of Work for UNEP for the period 2006 - 2007, there are almost 70 references to NGOs and Civil Society with respect to programme implementation.

Decision GC/SS/VII.5, adopted in 2002, states that civil society should “provide clear direction to the secretariat to ensure that all programmes take into account opportunities for multi-stakeholder participation in design, implementation, monitoring, and dissemination.”

Wider input into the reform process should be sought from civil society including NGOs and scientists from various regions, both to ensure a wider ownership from “we, the peoples” as well as bringing the reform process in tune with the demands of the peoples living in this century. Sufficient time should be allotted to the reform process, even if this means extending the mandate of the panel.

A proper, functional and permanent position for civil society, including NGOs must be found within a reformed system, and consideration of the special concerns of civil society must be ensured, including accountability, participation and transparency. Moreover, concerns expressed by particular sectors of society, such as Indigenous Peoples, women, youth, workers, should be given special attention.

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Recommendations

Integrating Environment into Development Decision Making

By 2008, UN Member States must fully finance and effectively implement UNEP's Bali Strategic Plan for Technology Support and Capacity-building (making sure UNEP is allowed to develop and strengthen a sound scientific basis). Institutions such as UNEP, UNDP and UNCTAD must provide technical assistance to developing countries in meeting their 2005 World Summit commitment to produce new, MDG-consistent national development strategies.

By 2010, Member States must create direct and effective channels of communication between environment-related norm and policy setting and operational activities to monitor environment and development trends and to facilitate implementation of norms and policies on the ground and establish sufficient regulatory incentives, both nationally and internationally, to correct market shortcomings and to recognize and account for environmental services in development policy.

By 2015, there must be full integration of sustainable development principles in all UN development policy-making and operational activities. Standards, benchmarks and models that include environmental considerations must ensure implementation throughout UN and IFI policies and implementation.

The Institutional Framework for the UN System's Environment Activities

By 2008, UN Member States must establish a sustainable funding mechanism providing increased, stable and predictable long-term funding to UN bodies dealing with the environment, and expand the work of UN regional offices in facilitating capacity building, technology transfer, information exchange, assessment and monitoring.

By 2010, UN Member States and UN country offices must have the capacity to access sufficient expertise from MEAs, and those with environment and development specialisation. UN Member States should create direct channels of communication with minimal layers between the UN environmental norm and policy setting body and operational activities to facilitate implementation, and establish a swift, direct and effective reporting mechanism to review progress in implementation of environmental policies through operational activities

By 2015, UN Member States must have in place a UN system for integrating environment and development that is responsive to country needs for achieving sustainable development and includes a function of a monitoring and review mechanism to assist, monitor, review, follow-up and report on progress of the implementation and renewal of UN environmental norms, agreements and policies on sustainable development.

Coherence in the Normative Work in the field of Environment

By 2008, UN Member States could create incentives for increasing cooperation among MEAs and the scheduling of back-to-back MEA meetings on related issues. Any new UN sustainable development system must act as a facilitator by bringing together focal points and expertise in MEAs at the national level.

By 2010, UN Member States should ensure: the clustering of MEA Secretariats where there is considerable overlap in expertise and mandate which in turn has hindered implementation; increased coherence among UN entities on cross-cutting issues concerning, among others, trade, and transnational environment-related crime; and the adoption of MEAs in areas where there are presently no international agreements, such as on protecting important biomes including the deep sea and the global commons.

By 2015, UN Member States must ensure the creation of a strong norm and policy setting UN body for the environment, which can effectively coordinate the full spectrum of UN environmental normative and policy work and direct its implementation.

The Challenge

Humanity's ecological footprint exceeds the Earth's biological capacity by about 20 per cent. Trends in populations of terrestrial, freshwater and marine species world wide, show a decline by about 40 per cent from 1970 to 2000. This will get markedly worse under the most recent climate change predictions. The Millennium Ecosystem Assessment stated that 60% of the ecosystem services that support life on Earth are being degraded or used unsustainably and underlined that any progress achieved in addressing the goals of poverty and hunger eradication, improved health, and environmental protection is unlikely to be sustained, if most of the ecosystem services on which humanity relies continue to be degraded. If people do not have clean water, they must forego education, work, family, security and other needs in order to get some and risk suffering from disease and malnutrition if they do not. If people do not have clean air, they risk having crops contaminated with toxins, respiratory ailments and climate change, which again may impede their abilities to obtain financial self-sufficiency, education, and health. If they do not have good soils, they risk having failed crops, desertification and diminished water source protection; and consequently the links to the other MDGs arise again.

Global public goods, such as a stable climate and biodiversity, underpin all life on Earth and require collective action. Without this, poor countries will bear a disproportionate burden of environmental problems in terms of human suffering and societal instability, and rich countries will bear the larger financial burden in terms of lost production and damaged infrastructure. Everyone will suffer if global public goods are threatened.

Our international institutions are in a poor state to cope with such challenges. Bugged down national and international systems fiddle around the edges of sustainable development, while 'business as usual' development in response to short term and often highly inequitable imperatives continues to damage the prospects for the environment, for the poor and for future generations.

The environmental crisis that the world now faces is both the most pressing and least understood and recognized barrier to development. The failure to recognize the severity and the underlying roots of this degradation as a significant cause of poverty and an obstacle to development is reflected in the neglect of environmental considerations in both international and national development policy and norm setting.

1. Integrating Environment into Development Decision Making

There must be an immediate shift in emphasis in UN development work from 'development' to 'sustainable development' and to protecting the delivery of environmental services. This goes beyond a focus on national policy making and implementation. The policies of UN bodies, international financial institutions (IFIs), international trade organs and others must undergo significant appraisals as to whether they address the environmental challenges that the Earth faces today and will face in the near future. Many of these institutions currently contribute to the problems, and this situation cannot continue.

Efforts must be made to encourage full cost accounting of impacts of development on the environment, to develop approaches to adequately measure the sustainability of economic development and to put in place mechanisms that sustain our environment and social and economic security. There should be incentive structures established for institutional personnel to integrate environmental, social, human rights and gender equity aspects into policies and programmes. Existing incentive structures must be changed to reward sustainable development programming, integrate environment strongly into projects and consider the impacts on the poor and on the environment from development assistance. Efforts with a strong emphasis on public education regarding the principles of sustainable development and on public participation are necessary elements for the integration of environment in development decision making. UN policies on public participation, environmental accounting and social equity must be made mandatory and integration of such policies in country can be reported internationally in order to assess uptake.

International Financial Institutions (IFIs)

UN environmental norm and policy making must not be separated from implementation activities that are coordinated through the IFIs. Some IFIs have mechanisms for considering the environmental, social, human rights and gender equity aspects of their policies and programmes, but most of these are largely confined to the periphery of decision-making and programme evaluation and have few impacts on programme implementation. IFIs must explore mechanisms with the essential elements of identifying the social and environmental consequences of current policies and practice, and adopting necessary remedies and amending policy and practice in the light of these experiences. IFIs should integrate sustainable development criteria into core economic models by strengthening upstream social and environmental impact assessments of both policy-based and project lending and incorporating the findings in programme implementation. They must also put in place incentive structures for institutional staff to integrate environmental, social, human rights and gender equity aspects into policies and programmes. The performance of IFIs on these measures must be subject to UN scrutiny.

Trade

In terms of international trade, the World Trade Organization (WTO) is increasingly acting as a global governance organisation, and has extended its work programme to new areas of competence, thereby frustrating bodies that possess more appropriate expertise, including some MEAs. The development and enforcement of existing and new environmental legislation relating to MEAs should not be hindered by subordinating these policies to free trade and competition rules. It is critical that legislation to ensure sustainable development is not overruled by trade experts or international trade panels working in isolation from other concerns. Governments must grant the UN environment body and MEAs with trade-related provisions, objectives, or obligations, observer status and must make it clear that the WTO does not have a mandate to set rules or criteria that might in any way define or restrict the use or national implementation of any trade measures agreed to in MEAs. Ultimately, it should fall to an independent forum outside the WTO to examine the WTO-MEA relationship, as part of a coherent approach to addressing global challenges. The WTO agreements contain review clauses that should be used to analyse whether existing rules support and promote the development of sustainable societies, and conform with existing international law and obligations. National independent sustainability impact assessments are crucial in this regard.

The Secretary-General's High Level Panel on System Wide Coherence must not only address sustainable development; it must make it the overarching focus of the Panel's report. In turn, the General Assembly in its consultations on international environmental governance must agree to mechanisms that will greatly strengthen UN environment-related policy and norm setting and implementation so that it can address the depth of the crisis that we face and level out the political strengths of the three pillars of sustainable development.

By 2008, UN member states must achieve full and effective financing and implementation of UNEP's Bali Strategic Plan for Technology Support and Capacity-building, and institutions such as UNEP, UNDP and UNCTAD must provide technical assistance to developing countries in meeting the 2005 World Summit commitment for developing countries to produce new, MDG-consistent national development strategies.

By 2010, Member States must create direct and effective channels of communication between environment-related norm and policy setting and operational activities to monitor environment and development trends and to facilitate implementation of norms and policies on the ground and establish sufficient regulatory incentives, both nationally and internationally, to correct market shortcomings and to recognize and account for environmental services in development policy.

By 2015, there must be full integration of sustainable development principles in all UN development policymaking and operational activities by instituting standards, benchmarks, and models that include environment considerations throughout UN and IFI policies and implementation.

2. The Institutional Framework for the UN System's Environment Activities

Institutional change is immensely difficult and is not to be undertaken lightly - but it is essential. UNEP has made commendable efforts in integrating environment and development; however, a stronger, better financed, and more operationally focused UN system for integrating environment and development and ensuring environmental sustainability is needed. Whether such a body is a specialized agency or a UN sustainable development programme or other system, a key requirement is that it has stable, predictable and sustainable funding at a considerably greater level than UNEP currently receives. It must also be sufficiently linked to and integrated with development work so that while the importance of addressing environmental problems is raised, the links between environment, economic development and social development are not lost.

The UN Secretary General's 'In Larger Freedom' report states that 'environmental activities at the country level should benefit from improved synergies, on both normative and operational aspects, between United Nations agencies, making optimal use of their comparative advantages'. In other words, the institutional architecture must include strong links between normative and operational activities in the environment and development fields.

Operational activities must be coordinated and efficient at the country level; but, they must also be able to make effective use of necessary expertise, including direct inputs and technical advice from a norm and policy focused UN environment body. At the country level there should be strong environment expertise within UN country offices to assist in the identification, assessment,

mainstreaming and implementation of environment issues in development and poverty reduction activities. These activities should be financed through innovative financing mechanisms, including international levies on international activities, such as high-seas fishing or airplane flights that harm the global commons. Moreover, the challenges of globalization require a network of UN institutions that provides such responses through coordinated decision-making hierarchies and processes that have the fewest number of decision-making layers in order for them to provide fast, targeted and effective assistance. As noted above, a structure at the country level with immediate and direct links to expertise on environment issues is mandatory.

The UN needs to transform its general practice of using belated and generally ineffective reactive tools to using compelling evidence of damage to anticipate and prevent problems and integrate solutions into development action. There must be monitoring of progress made in operational activities and the review of progress in the UN's norm and policy making body for the environment to examine results on the ground and provide swift, direct and effective responses to emerging challenges. Such a monitoring and review mechanism would retain decision making power in countries and create an international system that is responsive to country needs and global problems. The information generated through this independent process would be used to set international policies, incentives, standards, and benchmarks and to facilitate capacity-building efforts. It would ensure that countries and donors assess development proposals for social and ecosystem impacts, using the monitoring and review mechanism as a starting point.

Any UN system responsible for integrating environment and development should review, assess and monitor progress in achieving environment and development goals at the national level, regional level and within international bodies including the IFIs and UN institutions. It would inform the international community of any role that a particular body is playing in worsening social and environmental conditions. It would use a monitoring and review mechanism and provide feedback to the bodies involved as well as to the lead UN development and environment bodies and the UN Secretary-General, each of which would then be required to publicly report on why benchmarks were not met and describe efforts (such as capacity building, information giving, funding or resource assistance) that are being taken to address deficiencies. Information from the Millennium Ecosystem Assessment could be used as a basis for setting benchmarks for development from an ecoregion perspective in order to ensure new development proposals were sustainable.

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By 2010, UN member states and UN country offices must be able to access the presence of experts from MEAs, and those with environment and development capacity expertise, when required. UN member states and the UN system should create direct channels of communication with minimal layers between the UN environmental norm and policy setting body and operational activities to facilitate implementation, and establish a swift, direct and effective reporting mechanism to review progress in implementation of environmental policies through the operational activities

By 2015, UN member states must create an independent monitoring and review mechanism to monitor, review and follow-up on the implementation and renewal of UN environmental norms and policies.

3. Coherence in the Normative Work in the field of Environment

In a large part, the basis for doing what has to be done already exists. There are hundreds of MEAs agreeing on frameworks, language, targets, timetables and benchmarks; however, coherence among the bodies that run these instruments is seriously lacking. Duplicative processes and actions that detract resources away from solving environmental problems must be avoided, while substantive work must not be simplified to the degree that it is made ineffective. Some coherence building activities have started, for example MoUs between UNEP and UNDP, the adoption of the Strategic Approach to International Chemicals Management (SAICM) and the creation of a single head of the Rotterdam Convention on Prior Informed Consent and the Stockholm Convention on Persistent Organic Pollutants. This latter example of the clustering of MEAs by combining the work of bodies according to their comparative advantages is an important means to produce stronger results than those achieved through small, fragmented and competing bodies.

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By 2010, UN member states should ensure: the clustering of MEA Secretariats where there is considerable overlap in expertise and mandate which in turn has hindered implementation; increased coherence among UN entities on cross-cutting issues concerning, among others, trade, and transnational environment-related crime; and the adoption of MEAs in areas where there are presently no international agreements, such as on protecting important biomes, including the deep sea and the global commons.

By 2015, UN member states must ensure the creation of a strong norm and policy setting UN system for the environment and development, which can effectively coordinate the full spectrum of UN environmental normative and policy work and direct its implementation.

Conclusions

If the MDGs are to be met, sustainable development must be made the main focus of the UN's work and of the work of the Secretary-General's High Level Panel on System Wide Coherence. The time for UN reform is now. Without it, attempts at achieving the MDGs and attempts at diverting environmental collapse in the future may be futile. As the underlying root cause of the growing failures in many regions to achieve the MDGs, environmental degradation must be arrested. Greater inputs must be sought from civil society both to ensure wider ownership and to bring the UN reform process in line with the demands of the peoples who will be affected by and will implement the changes. If the aim is to improve the conditions of the people on the ground, one must engage the people on the ground. A proper, functional and permanent position for civil

society within a reformed UN system is needed to ensure the legitimacy and the proper implementation of the UN's work.

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