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The Reform of International Environmental Governance: An Agenda for the Commonwealth

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Summary

International environmental governance (IEG) has evolved into a complex web of organisations, treaties, funds and liaison mechanisms. The urgency and scale of today's environmental issues have outgrown the current system. There is a divergence between the global environmental challenges we face and the ability of existing institutions to address them.

IEG reform is imperative if there are to be adequate and effective responses to global pollution and natural resource management challenges. The problem is not just environmental. It is closely linked to development, particularly for poor countries that rely heavily on their natural resource base for their livelihoods. Though poor countries contribute the least to global environmental change, they are disproportionately affected by environmental degradation. Small developing nations face the highest entry and transactions costs to operate within the system, but have the least resources. This puts them at very high risk of becoming disempowered and disenfranchised.¹

Several issues are at the core of current IEG problems. The random development of more than 500 multilateral environmental agreements (MEAs) has created complexity and fragmentation in the system; this results in inefficient use of financial resources, inconsistency in the international legal system, and failure to capture functional synergies and address critical issues that cut across the narrower jurisdictions of the agreements. In addition, the United Nations Environment Programme, the central agency dealing with the environment, is weak and ineffectual. It lacks the authority or political power to serve as the anchor for international environmental efforts and exerts little influence over the MEAs. It is deficient in providing coherent and authoritative scientific advice to decision-makers and conducting policy reviews. It is constrained by a narrow mandate that does not sufficiently address development issues that are affected by the environment and it has a limited and unpredictable budget.

Several options for IEG reform were proposed in preparation for the 63rd session of the UN General Assembly. These fall into two main categories: upgrading the functions of UNEP into a UN environment organisation or establishing a new centralised, more authoritative and better-endowed international environmental organisation. In negotiations on this question, the uniqueness of the Commonwealth's membership may enable it to address key reforms that could create a more effective system for its members and the global community at large.

Seven key components form the basis of an IEG reform agenda for the Commonwealth:

1. The creation of a new UN organisation for the environment, based on UNEP. The organisation would address the coherence of environmental development policies and provide an effective means for responding to sustainable development concerns.
2. At the heart of the new organisation would be finance mechanisms and funds that would provide means of implementation, operationalise the link between development and environment and reduce procedural and administrative funding burdens.
3. The new organisation should be based on agreed core principles to ensure consistency of international environmental law between separate regimes and processes, and greater compliance with and enforcement of international law.
4. A permanent science-policy interface would provide a substantive basis for decision-making and provide the cross-cutting science to address multiple MEAs and science for policy needs.
5. The organisation could have a subsidiary body or 'co-ordination council' that would be organised according to MEA cluster areas and key environmental/development issues to ensure that the actions of the organisation remain development friendly. The council could be both a subsidiary of the new organisation and be linked to the UN General Assembly, thus giving it a political authority, hierarchy and legal clarity that would enable it to co-ordinate MEAs and policy in other domains when required.
6. The operational principles of the organisation would cater especially for the developing states whose environments are most severely threatened, with special provision for fragile small and island states.
7. The organisation would be empowered to operate or oversee mechanisms for the transfer of environmental technologies or systems to developing countries on acceptable terms to ensure rapid capacity building. The global priority should be accelerated reduction in environmentally harmful practices through access to the means to address them, rather than a debate on obligations divorced from access to the instrumentalities for achieving them.

One of the main reasons why some MEAs have been so successful is that governments have been willing to endow their Conferences of the Parties with essential powers. The question remains whether governments would be as willing to grant as much authority to a UN environment organisation as they have to specialised MEAs. The legitimacy of the suggested options will depend on how well the development concerns of developing countries are incorporated into proposals for IEG reform.

Introduction

The current calls for IEG reform may seem at first sight to be a pedantic debate over hierarchies, assigning blame and reflecting a general misunderstanding. However, a closer look at the nature of global environmental problems and the inherent shortcomings of the existing structure in responding to global pollution and natural resource management challenges reveals strong arguments for a restructuring of the international environmental regime. The problem is not just environmental, but is closely linked to development. Without adequate environmental conditions, social and economic development achievements will ultimately be undermined.

Global governance is the only means through which we can respond to the scale and complexity of environmental challenges and the evolving context within which they have to be addressed. Though some issues can be solved at the national level, many environmental problems, like pollution and overexploitation of shared resources, have international implications and require collective action. No state is immune to the effects of global environmental change and all states require effective governance to mitigate and adapt to it.

Many problems have been recognised with the current IEG system: it is too large and too complex; it is chronically underfunded, but uses its resources inefficiently; it has expanded in an *ad hoc* fashion; it lacks co-ordination and policy coherence. There is often duplication within the system and it ignores interlinkages. Sometimes different organisations within the system work at cross purposes to each other. Options do exist, however, that could effectively address these problems, but they entail major reform. This paper presents some reform options for Commonwealth member states to take up as a potential agenda for negotiations at the 63rd session of the UN General Assembly.

Challenges in international environmental governance

The current limitations of international environmental governance are centred on four main issues:

1. Lack of co-ordination among the multilateral environmental agreements;
2. The weaknesses of the United Nations Environment Programme, the premier institution dealing with environmental issues;
3. Lack of financial co-ordination;
4. An operational division between environmental and developmental issues.

Complexity and fragmentation among MEAs

The MEAs provide the main policy guidance on global environmental issues. They have been integral to establishing standards, policies and guidelines for the stewardship of the global environment. However, the increasing number of treaties (500 plus) has led to a

proliferation of MEA secretariats, and related entities and institutions responsible for their administration and co-ordination. This has resulted in overlapping efforts and fragmentation, with different forums dealing with different pieces of the global environmental agenda.² The proliferation and incoherence of MEAs has certain advantages (e.g. division of labour and specialisation), but in general the situation leads to inefficiencies that result in the following shortcomings.

Inefficient use of financial resources: From a fundraising perspective, the decentralised system for MEAs may be effective in generating impressive levels of funding, but from a cost priority point of view it makes less sense. For example, combined MEA funding (including secretariats and implementation funds) amounts to approximately US\$445 million – much more than the central budget of the World Trade Organization (\$180 million) or the International Labour Organization (\$255 million). The money spent on hosting multiple secretariats, meetings, procurements and administrations could be better used for environmental activities on the ground, implementing the agreements, capacity building and adapting to the challenges of ecosystem change.

Inconsistency in the international legal system: Multiple MEA processes and decision-making bodies have increased the discrepancies between international rules and interpretations. Principles such as common but differentiated responsibility and the precautionary principle are referred to in many MEAs, but are defined in different ways. The principles are therefore open to varying interpretations; this ultimately weakens their application in international and national law.

Functional inefficiencies: The burden of participation in the IEG process, and particularly in the MEAs, is enormous. A simpler integrated system would better serve the needs of many small developing countries, and allow them to participate in and benefit from the system more fully.

Failure to address interlinkages: The most important factor in this proliferation is the way in which the compartmentalisation of MEAs has left major grey zones between the conventions, which are not addressed effectively. The ‘interlinkages’ problem is considered a no-man’s land that lies between the treaties, an area where there is less money and no legally binding obligation to create co-operation.

Weakness of UNEP

The current IEG system is centred on UNEP. It is generally agreed that the agency is fragmented, weak and ineffective in setting the agenda for global environmental governance. Moreover, the landscape and context of environmental governance has changed considerably since 1972, when UNEP was created. Some of its shortcomings can be attributed to managerial issues and bureaucracy, but other aspects are deeper and more structural.

Political authority is perhaps the most significant of UNEP’s challenges. For a variety

of reasons, member states lack the political will to endow UNEP with the legal authority, status and political power necessary to co-ordinate and set policy and standards on international environmental issues.

This has also led to a lack of authority over the MEAs. Since the inception of UNEP, several hundred MEAs have been negotiated and in effect they have become the policy leaders and implementers in their respective areas. This leaves very little space for UNEP, as the MEAs have remained autonomous and outside UNEP's domain in terms of co-ordination and control. UNEP has no legal or political authority over the MEAs and whenever a reform is considered that would improve coherence and co-ordination with the MEAs, a caveat is attached to the effect that 'attention should be paid to the autonomy of MEAs and their respective treaty-based governing bodies such as the Conferences or Meetings of Parties.'³

Other major areas of UNEP deficiency include its lack of ability to provide coherent and authoritative scientific advice to decision-makers and those conducting policy reviews. It is constrained by a narrow mandate, small budgets and limited support.

Financial co-ordination

The dispersion of the existing financial mechanisms – spread across the Global Environmental Facility (GEF), UNDP, World Bank and separate funds such as the Montreal Protocol Finance Mechanism – is one of the major weaknesses of the current IEG system. Lack of financial co-ordination, geographic fragmentation and duplication of activities result in higher operational costs and inefficient use of resources. As mentioned above, the current IEG system is extremely costly, as each MEA has its own secretariat and Conference of the Parties, which often leads to the establishment of sub-working groups and high travel costs, increased reporting burdens and the financing of experts to draft reports.

With greater coherence in the system of governance and financing, a great deal more could be achieved with the existing resources. For the IEG system as a whole to be effective, it needs to find ways to create better links to other global policy areas and to mainstream environmental considerations into decisions on economic and security issues.

Operational division between environmental and development issues

Though UNEP has sustainable development in its remit, it does not co-ordinate its activities with other international organisations, such as the World Bank, IMF and WTO. At present, many of the important decisions affecting environmental governance are taken outside the complex system of international treaties and organisations that make up the IEG system and are made instead in areas such as trade, investment and international development. Institutions such as the WTO, UNDP and World Bank have begun to pay much more attention to the environment and sustainable development than in the past. For example, in 2000 the World Bank had an active portfolio of more than US\$5 billion in environmental projects and the UNDP's portfolio was over \$1.2 billion.

These organisations play an important role in global environmental governance. The World Bank in particular has a significant impact through its development activities and through its own environmental strategy. The Bank has attempted to integrate or mainstream environmental concerns into all its development work. However, the Bank's own analysis of its attempts to mainstream environmental considerations states that the environment 'is too often viewed as a luxury that can wait rather than a central part of the development objectives'.⁴

The IMF has made even less progress toward opening its lending process to outside review and environmental considerations, and the WTO is more or less closed. Decisions that govern production, trade and investment often pay inadequate attention to protecting the environment and human needs. Most development is not yet sustainable and the environment is seen as an add-on rather than the essential foundation of all human well-being and economic production.⁵

The UK Prime Minister, Gordon Brown, argued in a recent speech:

... [t]here is an urgent need for financing of environmentally sustainable development. So while we strengthen the World Bank's focus on poverty reduction, its capacity and global reach should make it also a bank for the environment.

He went on to suggest that the IMF should focus on 'surveillance' of the global financial system in order to avert crises and not just resolve them.⁶

Current reform processes and country positions

Over the last decade, a number of calls have been made for reform of the international environmental governance system (see Annex 3.1). A heated debate has emerged on the need for and potential direction of IEG reform so that it can keep pace with its own rapid evolution.⁷ The major divergence in views is whether effective reforms can take place within the present institutional framework, by upgrading the functions of UNEP, or whether the establishment of a more authoritative and better endowed international environmental organisation is needed. Within these two camps, several options have emerged, including:

1. Upgrading UNEP into a United Nations environment organisation;
2. Creating a new organisation equal to others such as the World Health Organization, ILO and WTO;
3. Creating an 'institutional roof' covering different environmental institutions, with a legal personality that covers all UN institutions and MEAs with environmental functions (this includes a proposal to cluster MEAs);
4. Promoting public policy networks and further developing a network of environmental actors.

Country positions on IEG reform⁸

In response to the report of the High-level Panel on System-wide Coherence,⁹ *Delivering as One*,¹⁰ the UN General Assembly presented an options paper in June 2007 based on informal contributions from member states. It included an overview of the Assembly's consultation process, beginning with the September 2005 world summit, and a description of the current IEG system as it is viewed by delegations together with their assessments of its current weaknesses, including the view – reportedly shared by all delegations – that the system lacks the capacity to meet current challenges. It also included seven 'building blocks' for a strengthened UN framework and set out the aims of some delegations for broader institutional transformation, including the creation of a UN environment organisation.

A number of states responded to the options paper, including Pakistan (on behalf of the G77, which now has 130 members), USA, Australia, Japan, Russian Federation, New Zealand, Mexico, China, Republic of Korea, Iran, Portugal (on behalf of the EU and several other countries), Indonesia, Egypt, Malaysia, India and France. There are four main positions, listed in ascending order of support:

Preserve the status quo: Countries that see no need for significant overhaul of the IEG system and do not support the creation of a new 'supranational' environmental organisation or the restructuring of UNEP into such an agency. The USA, in particular, appears to prefer an issues-based approach to environmental governance, which is facilitated by the current system of MEAs, focusing on key issues such as ozone or biodiversity. Many MEAs do not set specific targets or timetables, nor do they contain strong measures with regards to implementation and compliance.

A 'stepwise' approach: Countries that believe that some of the challenges can be met with small steps, but also support formal negotiations on the broader transformation of IEG. This position is supported by Japan.

Upgrade UNEP: Countries that would like to see broader transformation of UNEP. This position is generally supported by the G77 and China (though these countries have yet to reach a consensus). They are still seeking clarification on the form that the restructuring will take and how it relates to the seven 'building blocks' outlined in the options paper. China also favours strengthening the role of the Global Ministerial Empowerment Fellowship (GMEF) in guiding policy development and enhancing the role of the GEF. China, India and Nigeria also advocate integrating IEG into the broader sustainable development framework and making capacity building in developing countries an IEG priority. Small island developing states are particularly concerned about the impact of climate change and have expressed support for a wider and stronger mandate for UNEP in order to help countries fight climate change and achieve sustainable development.

A new UN environment organisation (UNEO): Countries that support more ambitious reform efforts, including upgrading UNEP into a UN environment organisation, which would be a UN specialised agency. This main proponent of this position is France,

supported by 27 EU countries and 23 others.¹¹ The EU fully endorses the IEG process, supporting negotiations on the ‘building blocks’, which describe specific and short-term possibilities to strengthen IEG, as well as on the broader transformation of the IEG system. Brazil supports the creation of an ‘umbrella body’ on IEG but has not yet consolidated its position.

Options for a Commonwealth agenda on IEG reform

There have been enough reviews of international environmental governance. The problems are well known – it is the solutions that will take deep political commitment. Tinkering with the current IEG model will only lead to more layers of bureaucracy and fragmentation, and with it to diminishing returns on the system’s ability to protect the environment and deliver on the development agenda. At the same time, embarking on reform too quickly could cause irreparable damage to the innovations and progress that have been made over the last three and a half decades. Among the positions on the table there is scope for brokering compromise while not racing to a ‘consensus product’, which would mean the weakest possible governance.

The Commonwealth is a good testing ground for working out a compromise, as its members are also members of negotiating coalitions where positions have already been agreed or are currently being developed. The Commonwealth has a key EU member (the UK), as well as developing nation and small island state members which make up a significant proportion of the countries in the G77. It also includes influential G77 countries, such as India, Nigeria and South Africa. Emerging economies such as Malaysia and Singapore have played very influential roles in other negotiating forums, for example the WTO. Canada, New Zealand and Australia are often viewed as brokers in relation to OECD countries and the USA. Many of the possible compromises are in the interests of Commonwealth members, so the Commonwealth may be in a strategic position to forge a compromise between the developing countries and the EU. The need to bring in the USA could be a ‘show stopper’, but a dialogue among the USA, Canada, Australia and the UK might lead to US agreement either to endorse the reforms described below or at least not to block them.

Compromise: A UNEO with development at its core

Rationale: There is a need to establish an authoritative organisation with a strong political base and a clear status vis-à-vis other organisations, which will bring salience to and operationalise environmental-development imperatives.

Benefits: Coherence on environmental problems as they relate to development and an effective means for responding to them.

Proposal: The starting point is that there is broad general support for the creation of a new environmental organisation. As stated above, more than 30 countries support the creation of a UNEO and the G77, led by China, India, Nigeria and Brazil, have either

supported the idea or are not directly opposed to it, as long as a development agenda is placed at the centre of the organisation. In the past one of the major stumbling blocks to the proposal to set up a UNEO has been the developing countries' suspicion that there was a hidden agenda to move UNEP from Nairobi to Paris, Bonn or Geneva. The EU has firmly quashed this idea and has clearly stated that any UNEO would be built upon the existing UNEP secretariat and that the headquarters of the new organisation would be in Nairobi.

The second concern of many developing countries is that they would like to see the development and environment agendas more closely linked. They have expressed support and confidence in the GMEF as a body that subscribes to this view. Their principal concern, however, is that the IEG debate does not detract from this issue.

The position of the G77, including China, seems to offer an avenue for reaching a compromise under which the UNEP would be upgraded to an organisation, but would not necessarily become a UNEO. It might be possible to agree on an organisation built around the need to protect the environment and foster development (or sustainability), instead of one that is just concerned with environmental protection. This could be the key point of compromise for the creation of a new organisation – one with sustainability at its centre and with the GMEF as its principal governing body. Such a solution would have implications for existing institutions such as the Commission on Sustainable Development (CSD), which could be dissolved and the mandate for sustainable development given to the new organisation.

Political difficulty: High to medium – the need to turn UNEP into an organisation is readily recognised by developing and developed countries alike. The political difficulty lies mainly in overcoming entrenched support for redundant institutions like the CSD and developing a new structure that addresses the problems of the environment and development without disturbing innovations and mechanisms that have worked. If the establishment of a new organisation can be agreed, the following options for reform will become less difficult.

Finance mechanism as a key to the new organisation

Rationale: It is important to ensure that there is not an unstable funding base, low levels of funding for the development side of environmental issues, and fragmented and burdensome funding procedures.

Benefits: An adequate finance mechanism will provide the means of implementation, operationalise the link between development and environment, reduce procedural and administrative burdens for funding, mobilise private sector funding, create markets for reducing environment externalities and improve the value of ecosystem services.

Proposal: A key entry point to bring in the developing countries and reinforce the perception that the new organisation is committed to both the environment and development would be to ensure that the UNEO is armed with financial and market mecha-

nisms for promoting development through capacity building and access to technologies. Such an organisation could be founded on the successes that have come from promoting technology and development through mechanisms such as carbon markets and the clean development mechanism (CDM). These instruments have become key implementation mechanisms for the Climate Change Convention and their success has far outweighed the older instruments used to enforce MEAs prior to the Kyoto Protocol.

A further move to integrate the GEF into the new organisation and create a strong partnership with the World Bank and UNDP (which currently outspend all the environment activities combined) would offer an added incentive. Historically, developing countries have had much greater confidence in organisations such as UNEP and the GMEF than in the GEF, which has had a long battle to access funding, or the World Bank, which has imposed high levels of conditionality.

Political difficulty: Medium – the main challenge is to define the rules, standards and institutions for the market mechanisms and ensure that there are fewer procedural barriers to entry by developing nations. The focus on market mechanisms may require specific targets (e.g. the MDGs) and this could require a second look at international goals and objectives. Funding will require a strong financial commitment from developed nations.

Principles-based organisation

Rationale: There is a need to codify and strengthen international environmental law.

Benefits: Consistency of international environmental law between separate regimes and processes, greater compliance, and enforcement and effectiveness of the law.

Proposal: A selling point to influential developing countries outside the Commonwealth such as Brazil would be to base the new organisation upon a set of core principles. In the same way that the principles of non-discrimination, most-favoured-nation and national treatment guide the work of the WTO, or the elimination of discrimination in the workplace and freedom of association guide the work of the ILO, core environmental principles would guide the new organisation. Principles that have been built up over the last three and half decades of environmental development, such as common but differentiated responsibility, ‘polluter pays’, the precautionary approach and sustainable development could be at the core of the new organisation.

Political difficulty: Medium to low – most of the main principles of international environmental law are well known and many are enshrined in customary law. Providing an umbrella just reinforces them. This option could be a major incentive for Brazil, which has proposed an umbrella organisation based on principles, to enter into a deal involving some of the other options presented here. The main barrier would be the difficulty of agreeing on a hierarchy of principles. For example, ‘common but differentiated responsibility’ has been a major source of disagreement between developing and developed countries.

Permanent base for a science-policy interface

Rationale: There is a need for sound science for policymaking, for a holistic approach to scientific advice, including development and environment interlinkages, and for a policy and MEA implementation review, as well as a need to address the proliferation of multiple science assessments and to identify emerging issues and threats.

Benefits:

- Cross-cutting science to address multiple MEAs;
- Science oriented to policy needs;
- Independent science base with a permanent authorising environment;
- Increase in the influence and authority of a new organisation on environmental and developmental issues.

Proposal: This proposal has not been adequately reinforced in the formalisation of country positions and would be new ground for which Commonwealth members would have to argue in the negotiations. Environmental policymaking has been likened to the art of making the right decisions based on an insufficient understanding of the underlying problems. Given the tremendous complexities of the environmental challenges, effective IEG must rely on scientific information both about the problems we face and options for coping with them. However, if it is to be credible and legitimate, the new organisation cannot control the science. Science must remain separate from political persuasion but linked to policy. While the new organisation would not provide scientific assessments itself, its governing body would be the ‘authorising environment’ that would ensure that these assessments are salient and linked to the policy questions asked by its members.

Political difficulty: Medium to low – many lessons have already been learned from scientific bodies such as the Intergovernmental Panel on Climate Change (IPCC) and integrated assessments such as the Millennium (Ecosystem) Assessment. The main challenge is to set up an authorising environment for multiple MEAs and ensure the independence of science, while keeping it relevant to questions of policy. Processes such as the Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services (IPBES), formerly the International Mechanism of Scientific Expertise on Biodiversity (IMOSEB), have already created fertile ground for furthering this reform. The key now is to link it with the current IEG reform agenda.

Creation of a co-ordination council

Rationale: The current hierarchy of IEG decision-making is incoherent, leading to fragmentation, inefficiencies and overlap. There is a need for better co-ordination with MEAs and development organisations such as the UNDP and World Bank.

Benefits:

- Clear foundation for co-ordination, providing legal clarity, political authority and leadership;
- Reduction of costs;
- Addresses interlinkages between MEAs;
- Improved implementation.

Proposal: Piecemeal reform of the IEG system has resulted in compromises and sticking plaster solutions developed in the absence of a political consensus on major IEG restructuring that has accompanied institutional proliferation. Such institutions include the Environmental Management Group, the Liaison Group for Biodiversity Related Conventions and the Liaison Group for the Rio Conventions. These are toothless information-sharing mechanisms and their function could be better served by co-ordination at more strategic levels of decision-making. Furthermore, they only partially cover the areas where co-ordination is required.

In place of these mechanisms a co-ordination council could be created under the new sustainability organisation, with a membership composed of a representative group of countries, rather than secretariats. The council would be both a member-driven body of the new organisation and a subsidiary organ of the UN General Assembly, and would report directly to the Assembly. This would ensure that it has legal authority and status, and a solid power base from which to promote co-operation among the MEAs. In order to address the diverse issues covered by the MEAs, the council could have committees based on MEA clusters such as marine issues, land, biodiversity, atmosphere and chemicals. The idea would be to create broad categories in which co-ordination committees could maximise the benefit of working together.

Clustering MEA secretariats has been an issue that has gained some political traction in past rounds of discussions on IEG reform. On face value, it continues to attract support, but the devil is in the detail. There are many small MEAs and conventions that have not been implemented or that have been superseded by newer MEAs; integration makes a great deal of sense from the point of view of financial savings and coherence. For example, the conventions on chemicals and hazardous wastes, and some of the biodiversity-related and conservation conventions are often cited. On the other hand, there are important conventions such the United Nations Framework Convention on Climate Change (UNFCCC) that are already working well and would be very hard to cluster. However, instigating real co-ordination among conventions such as the UNFCCC and others has been very difficult; the UNFCCC currently has no legal responsibility to co-operate with UNEP and it very much views itself as independent. The clarity of the co-ordinating role described above would ensure both that conventions such as the UNFCCC continue to have a role and that critical areas where climate change interacts with other major MEAs and conventions are properly addressed.

Political difficulty: High to low – membership of the MEAs roughly overlaps, but there may be instances where it is not totally congruent and this may cause technical problems and resistance. It will be argued that co-ordination mechanisms already exist in the current IEG system and replacing bodies such as the EMG and liaison groups may be difficult. Meeting the argument that ECOSOC has never delivered effective co-ordination among the current IEG institutions will be key to this reform, and thus to the proposal for the creation of a co-ordination council that has direct access to the UN General Assembly.

Conclusion

There are many forms that IEG reform could take. This paper has set out the principal challenges and suggested some areas for potential agreement and how to move the debate forward. In the past, Commonwealth countries have been major leaders in putting forward IEG initiatives. In 1992, on the eve of the Rio Summit, Sir Geoffrey Palmer, the former Prime Minister of New Zealand, called for the establishment of a specialised UN agency for the environment called the International Environmental Organisation.¹² In 1997, on the eve of the Rio+5 Special Session of the UN General Assembly, South Africa's then Deputy President, Thabo Mbeki, and Singapore's Prime Minister, Goh Chok Tong, collaborated on a Declaration for a Global Initiative on Sustainable Development that included the creation of an new umbrella organisation with UNEP as a major pillar.¹³ In 2000, Canada's Environment Minister, David Anderson, chaired the UNEP IEG discussions that led to the Cartagena Package. In 2006, in a speech at Georgetown University, UK Prime Minister Tony Blair declared there was a need for a UNEO 'commensurate with the importance the issue [environment] now has on the international agenda'.¹⁴ Commonwealth members are not strangers to this issue and have in the past taken the initiative on driving reform, but reform takes political will and vision. A step-by-step process will work only if the steps are planned carefully, without conditionality. They must be bold steps towards real change.

One of the main reasons why some MEAs have succeeded is that governments have wanted them to and have therefore been willing to endow their Conferences of the Parties with essential powers. However, the question remains as to whether governments would be as willing to grant as much authority to UNEP as they have to specific and specialised MEAs. The practicality of the suggested options will depend on how well the development concerns of developing countries are incorporated into proposals for IEG reform. The Commonwealth is a unique partnership and could become a major catalyst for brokering or leading an agreement on IEG. Its biggest challenge is to avoid a political consensus around the lowest common denominator in the search for a way forward that serves the diversity of its membership.

The Commonwealth must also remain true to its time-honoured commitment to the interests of small and vulnerable states (particularly small island states in the context of environment) in terms of the priorities it sets. The data that are now becoming avail-

able demonstrate the urgency of this issue. More generally, the core pragmatic outcome will have to ensure mechanisms through which environment-related technologies and systems can be speedily and competitively accessed by developing countries, apart from the burden of responsibility shouldered by the developed countries. Political commitment must go hand in hand with practical commitments to contain the projected threat. These improvements need not wait for the outcome of the debate on organisation. The Commonwealth could take the lead in consulting on, and proposing initiatives for, wider global consideration in this pivotal area of current deficit.

Annex 3.1

Recent Developments in International Environmental Governance Reform

Over the last decade, a number of calls have been made for reform of the international environmental governance system.¹⁵ The main current initiatives are:

- Informal consultations in the UN General Assembly, co-chaired by Mexican Ambassador Enrique Berruga and Swiss Ambassador Peter Maurer, to capture the views of member states on the major questions of the UN's environmental governance infrastructure;
- The High-level Panel on System-wide Coherence established by the former UN Secretary-General Kofi Annan, which made recommendations on environmental governance in its report, *Delivering as One*;
- A third parallel process taking place outside the UN system, involving approximately 50 governments known as the 'group of friends of UNEO', who are canvassing support for a UN environment organisation.
- Discussions in UNEP's Governing Council Global Ministerial Environment Forum (GC/GMEF). A key issue on the table at the 10th special session of the GC/GMEF, held in Monaco, 20–22 February 2008 was approval of UNEP's new medium-term strategy for 2010–2013.¹⁶

Evolution of the IEG reform process

Year	Reform
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1997	UN Secretary-General Kofi Annan launched a UN-wide reform initiative. The Nairobi Declaration on the Role and Mandate of UNEP restated UNEP's role as the leading authority in the field of the environment. The Declaration was adopted by the UNEP Governing Council and endorsed by the UN General Assembly in an attempt to revive UNEP and re-establish its authority.
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The UN Task Force on Environment and Human Settlements was appointed by Kofi Annan to focus on inter-agency linkages and the revitalisation of UNEP. The Task Force's recommendations were adopted by the General Assembly, leading to the creation of two new co-ordinating bodies: the Environmental Management Group and the Global Ministerial Environment Forum.

1999	The Inter-agency Environment Management Group was established as a mechanism for providing UNEP with an effective and strong co-ordinating role within the UN system.
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2000	The Malmo Declaration was adopted by the GMEF. It requested that the World Summit on Sustainable Development review the requirements for an enhanced institutional structure for global economic governance, including how to
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strengthen UNEP and broaden its financial base and how to better incorporate non-state actors into the global environment governance system.

2000–2002 The Cartagena Process was initiated to assess options for reforming global environmental governance. The 21st session of the UNEP GC/GMEF convened the open-ended intergovernmental group of ministers or their representatives on international environmental governance to assess the options for strengthening UNEP, improving the effectiveness of MEAs and improving international policymaking coherence. The report from the process was transmitted to the CSD and the World Summit on Sustainable Development.

2002 The Johannesburg Plan of Implementation, adopted by the World Summit on Sustainable Development, called for the full implementation of the Cartagena decision.

The eighth special session of the UNEP GC/GMEF met in Jeju, Republic of Korea to discuss progress on the Cartagena decision.

2003 French President Jacques Chirac called for the creation of a United Nations Environmental Organisation (UNEO) at the UN General Assembly. In response, an informal working group was set up to facilitate dialogue among governments on the reform of UNEP.

2004 The Bali Strategic Plan for Technical Support and Capacity-building was adopted by the UNEP GC/GMEF, outlining proposals for improving the capacity of developing countries and economies in transition to implement MEAs.

2005 The UN world summit called for the strengthening of co-ordination within the IEG framework and for the integration of environmental activities at an operational level into the broader sustainable development framework. Informal consultations began in the UN General Assembly.

2006 The High-level Panel on System-wide Coherence in the Areas of Humanitarian Assistance, the Environment and Development was created after the 2005 world summit. The Panel delivered its report, *Delivering as One*, in November 2006. Two co-chairs (the ambassadors of Mexico and Switzerland) were appointed to conduct an informal consultative process on institutional frameworks for environmental activities.

2007 The co-chairs delivered an options paper based, but were requested by the UN Secretary-General to continue their consultations

The UNEP GC/GMEF met in Monaco, and there was frank and open discussion of key country positions on IEG reform. The chair of the UNEP GC observed that there was a growing convergence of ideas about reform. Countries began refining their positions in preparation for negotiations at the 63rd session of

the UN Assembly. In May 2008 a closed-door meeting on IEG was hosted by Costa Rica in New York, attended by representatives of 30 countries. The issue of linking the environment and development more strongly in one organisation was discussed. A draft General Assembly resolution on IEG proposed by the co-chairs is currently circulating informally among governments.

Notes

- 1 Summary Record of the Seventh Meeting of the Commonwealth Consultative Group on Environment, 7 February 2001, United Nations, Nairobi, http://www.thecommonwealth.org/shared_asp_files/uploaded_files/%7BFF741F64-7220-4EA2-AE17-5CA65C5AB659%7D_7%20summary%20record.pdf, 15
- 2 According to the United Nations Joint Inspection Unit report, *Management of Environmental Governance within the United Nations System*, Geneva, 2007, JIU/REP/2007/XX, there are more than 500 international treaties and other environment-related agreements. It is estimated that 70 per cent of these are regional in scope and that 60 per cent were agreed since the formation of UNEP in 1972.
- 3 See, for example, the EU's first reaction to the co-chairs' options paper, 'United Nations Informal Consultative Process on the Institutional Framework for the UN's Environmental Activities', 4 October 2007, New York, http://www.europa-eu-un.org/articles/en/article_7452_en.htm
- 4 World Bank, 2001. 'OED Review of the Bank's Performance on the Environment', Sector and Thematic Evaluation Group Operations Evaluation Department, Washington DC, 5 July 2001, p. 23. Available at [http://wbln0018.worldbank.org/oed/oedevent.nsf/077e5ad90ef06cf3c85256a7d006fb06f/\\$FILE/OED_environment_review.pdf](http://wbln0018.worldbank.org/oed/oedevent.nsf/077e5ad90ef06cf3c85256a7d006fb06f/$FILE/OED_environment_review.pdf). Accessed on 9 May 2008.
- 5 UNDP, UNEP, World Bank and World Resources Institute, 2003. *The World Resources Report 2002–2004: Decisions for the Earth: Balance, Voice, and Power*. Available at <http://www.energyandenvironment.undp.org/undp/index.cfm?module=Library&page=Document&DocumentID=5066>. Accessed on 9 May 2008.
- 6 See statement issued by UK Prime Minister's office, 'PM calls for world institutions shake-up', 21 January 2008. <http://www.number-10.gov.uk/output/Page14319.asp>
- 7 Ibid.
- 8 Compiled from the Centre for UN Reform Education website, 'Additional Views from Member States on Options Paper to Strengthen International Environmental Governance', <http://www.centerforunreform.org/node/289>; Lydia Swart, 2007. 'Consultations at UNGA on Environmental Activities Reach Critical Stage', 30 January 2007, <http://www.centerforunreform.org/node/236>
- 9 The UN High-level Panel on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance and the Environment, co-chaired by Luisa Dias Diogo, Prime Minister of Mozambique, Jens Stoltenberg, Prime Minister of Norway and Shaukat Aziz, Prime Minister of Pakistan, which reported in November 2006.
- 10 United Nations, 2006. *Delivering as One*, report of the High-level Panel on United Nations System-wide Coherence, <http://www.un.org/events/panel/resources/pdfs/HLP-SWC-FinalReport.pdf>. Also available as document number A/61/583 at <http://documents.un.org/>
- 11 As of April 2007.
- 12 G Palmer, 1992. 'New Ways to Make International Environmental Law', *American Journal of International Law* 96: 259.
- 13 Maurice Strong, in an interview with Geoffrey Lean, 1997, 'Remaking Industrial Civilization', *Our Planet* 9(1): 9.
- 14 Speech by UK Prime Minister Tony Blair, 26 May 2006. Available at <http://www.number10.gov.uk/output/Page9549.asp>
- 15 A Najam, P Mihaela and T Nadaa (lead authors), International Institute for Sustainable Development (content partner), Cutler J Cleveland (topic editor), 2007. 'Global Environmental Governance: A Primer on the GEG Reform Debate', in *Encyclopedia of Earth*, Environmental Information Coalition, National Council for Science and the Environment, Washington DC. First published in the *Encyclopedia of Earth*, 5 April 2007; last revised 14 May 2007; accessed 25 April 2008.
- 16 IISD, 2008. 'Summary of the tenth special session of the UNEP Governing Council/Global Ministerial Environment Forum', *Earth Negotiations Bulletin* 16 (66), Monday, 25 February 2008. <http://www.iisd.ca/vol16/enb1666e.html>