

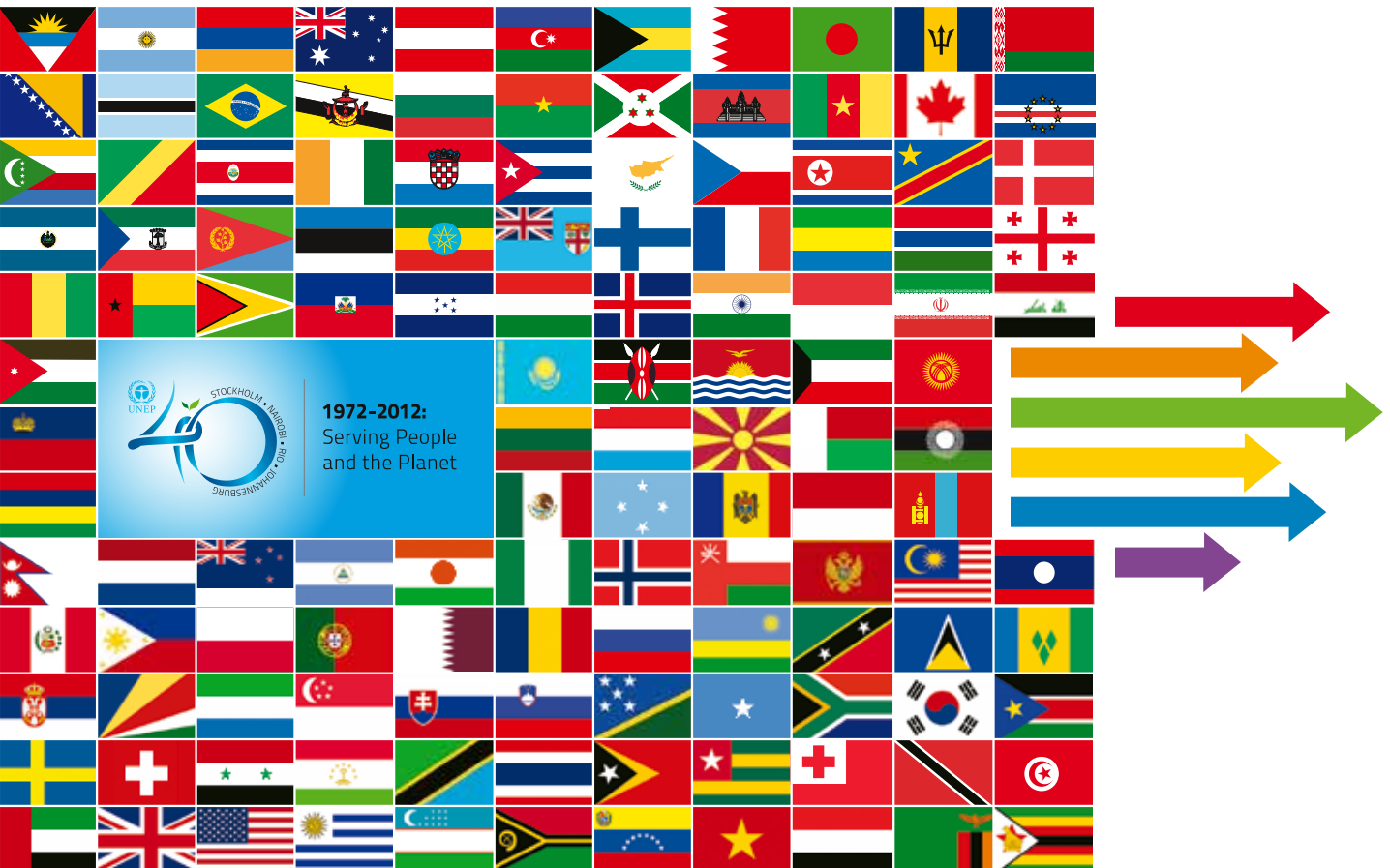


POLICY STATEMENT

BY ACHIM STEINER

UN UNDER-SECRETARY GENERAL AND UNEP EXECUTIVE DIRECTOR

AT THE OPENING OF THE FIRST UNIVERSAL SESSION
OF THE GOVERNING COUNCIL OF UNEP
NAIROBI, 18 FEBRUARY 2013



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KEY RESULTS AND ACCOMPLISHMENTS IN 2012

In 2012, the United Nations Environment Programme (UNEP) has confirmed its role as a convener, facilitator and provider of scientific assessments and analyses to catalyze international policy responses and action. It is also a service provider for major programmes at the national and regional levels. The growing confidence in UNEP's capacity to deliver quality services is reflected in the number of mandates awarded to UNEP by Member States and intergovernmental bodies in 2012.

- Within 10 months of its launch, the ***Climate and Clean Air Coalition***, a global partnership to address short-lived climate pollutants, registered 49 members, secured pledges of USD 16.5 million and designated UNEP to provide the Secretariat.
- The Rio+20 Conference agreed to strengthen and upgrade UNEP and establish ***universal membership*** for its Governing Council, successfully concluding the process led by the Governing Council on international environmental governance (IEG).
- The landmark UNEP Green Economy Report featured prominently in the Rio+20 Prep Com process, and ***green economy in the context of sustainable development and poverty eradication*** is formally recognized in the outcome document.
- UNEP completed a 2-year process for the preparation of the ***Fifth Global Environment Outlook*** (GEO-5) and released the report in advance of Rio+20; it generated record numbers in terms of media coverage and downloads of the report, and is cited in the Rio+20 outcome document.
- The ***10-Year Framework of Programmes on Sustainable Consumption and Production*** was adopted at Rio+20, and UNEP was chosen to provide the Secretariat for the 10 YFP process.
- Following the release of UNEP's landmark report on ***oil pollution in the Niger Delta***, Nigeria announced a national programme for remediation (HYPREP).
- UNEP was requested by the Government of the Russian Federation to be the Programme Coordination Agency for a GEF-funded ***programme for the Russian Arctic***. This USD 336 million programme involves a consortium of national and international executing agencies including the European Bank for Reconstruction and Development, the World Bank and UNDP.
- The Doha Climate COP selected the UNEP-led consortium of 14 partners to provide the ***Climate Technology Centre Network*** mandated by the UNFCCC.
- The Governing Council decision of 2009 mandating UNEP to facilitate the negotiation of a ***new legally-binding treaty for mercury*** culminated in agreement of the text by more than 140 countries at the Fifth session of the Intergovernmental Negotiating Committee (INC5) held in Geneva in January 2013.
- ***IPBES*** was formally established in 2012 following three years of UNEP-facilitated negotiations; the first session of IPBES, held in January 2013, successfully elected its first chair, established the Bureau and Expert Panel and designated UNEP to provide the IPBES secretariat, and agreed on the next steps required to operationalize the Platform's work programme.
- ***The World Congress on Justice, Governance, and Law for Environmental Sustainability*** held at Rio calls upon UNEP to lead the establishment of an international institutional network for Chief Justices, Attorneys-General and Auditors General. The Advisory Council was established in December 2012.



Honourable Ministers, Ladies and Gentlemen

Thinking about the future of UNEP also relates to the future of your Ministries and the environmental portfolio in your countries.

We have come a long way since the environmental agenda was frequently characterized as ‘the preoccupation of the few at expense of the many’ or “the luxury of the rich at the expense of the poor”. Rio+20 recognized unequivocally that

the growing volatility of our economies and markets is increasingly linked to environmental change and the depletion of our natural resources. That poverty is not only a product of history and inequity within and among nations but also ‘man-made’ and exacerbated by the development choices we make — which all too often impact on the livelihoods of the poor by diminishing their resource base and the natural capital on which they depend.

However, this at times costly and painful journey of learning also has significant implications for the “environmental agenda” of the future. Environmental policy, which is not rooted in and cognizant of the political economy of our societies and thus the economic policy and development discourse of our respective nations, will be at risk of being marginalized and ignored.

We cannot continue to “save the planet”, one species, one ecosystem, one policy, one issue, one law, one treaty at a time. Our challenge at the beginning of the 21st century has become a systemic one. Environment Ministers have a mandate to protect the environment but increasingly their success in doing so will be predicated on their capacity to offer environmental solutions which create jobs, expand access to energy, address food security, reduce poverty and enhance livelihoods.

Transition strategies towards a low carbon economy or more sustainable agriculture or fisheries sectors must speak to the complexity of economic policy choices, perceived trade-offs between short-term and long-term objectives and social equity considerations — both intra — and inter-generational. The challenge of achieving not just incremental progress but transformative changes that can deliver absolute reductions in CO₂, a halt to the loss of biodiversity, or a reversal of land degradation and the loss of arable land represents an unprecedented challenge – both to environment ministries and societies in general.

The magnitude of the challenge you face — as Ministers responsible for the Environment — and by extension UNEP and the global environmental agenda is daunting. It is for this reason that we must continuously review, rethink, and refocus the environmental agenda and narrative to reflect the realities we confront today, building on UNEP’s mandate and capacities.

THE FUTURE WE WANT: IMPLICATIONS OF RIO+20 FOR THE ENVIRONMENTAL AGENDA

Honourable Ministers, Ladies and Gentlemen,

At Rio+20, Heads of State and Governments agreed on a far-reaching and complex set of decisions, which provide new impetus to the environmental dimensions of sustainable development, to UNEP, its governance and programme of work (*see also page 9*).

Building on four decades of an evolving discourse on environmental sustainability, the summit has delivered several key directional shifts in the environmental agenda.

The Future We Want:

- places the environmental dimension on par with the economic and social, and recognizes their inherent integrated nature;
- calls for the formulation of sustainable development goals for focused and coherent action, integrated into the United Nations development agenda beyond 2015;
- recognizes the role of the green economy in the context of sustainable development and poverty eradication for achieving sustainable development;
- calls for the strengthening of international environmental governance within the context of the institutional framework for sustainable development, including the strengthening and upgrading of UNEP; as well as the establishment of the High Level Political Forum and
- acknowledges that democracy, good governance and the rule of law, at the national and international levels, are essential for sustainable development, including sustained and inclusive economic growth, social development, environmental protection and the eradication of poverty and hunger.

THE STRENGTHENING AND UPGRADING OF UNEP

Paragraph 88 of the outcome document of Rio+20 identified several avenues for strengthening and upgrading UNEP, notably:

- the establishment of universal membership in the Governing Council;
- having secure, stable, adequate and increased financial resources from the regular budget of the UN and voluntary contributions to fulfil its mandate;
- enhancing the voice of UNEP and its ability to fulfil its coordination mandate within the UN system;

- promoting a strong science-policy interface;
- disseminating and sharing evidence-based environmental information and raising public awareness on critical and emerging environmental issues;
- providing capacity-building to countries and supporting and facilitating access to technology;
- progressively consolidating headquarters functions in Nairobi and strengthening regional presence to assist countries in the implementation of national environmental policies; and
- ensuring the active participation of all relevant stakeholders.

Rio+20 has conferred a new level of authority upon you as the Governing Body of UNEP and given new impetus for environmental action. At the first session of the UNEP Governing Body under universal membership, we have been tasked with addressing some key questions.

How can a strengthened UNEP respond to the call for solutions, partnerships and new approaches? The decisions you take this week will define the strategic directions for how you wish UNEP to function in the future, what you wish it to focus on, how you choose to govern it, and how to use it to set a global agenda that enables collective international action while delivering effective support to your national efforts.

OUTCOMES AT RIO+20 OF SPECIAL SIGNIFICANCE FOR UNEP

In addition to the call for the strengthening and upgrading of UNEP contained in paragraph 88 of the outcome document, Governments at Rio made a number of key requests to UNEP, including to:

- *provide the secretariat for the 10-Year Framework of Programmes on Sustainable Consumption and Production;*
- *conduct a regular review of the state of the Earth's changing environment and its impact on human well-being;*
- *enhance coordination and cooperation among MEAs, including the Rio Conventions;*
- *support enhanced coordination and cooperation among chemical and waste conventions and with the Strategic Approach to International Chemicals Management;*
- *support an early start of work of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services;*

- *support implementation of green economy policies with toolboxes, best practices, methodologies and platforms;*
- *further support the private sector on corporate sustainability reporting;*
- *promote decent work, including green jobs initiatives and related skills;*
- *support the development of sustainable transport systems;*
- *support action to reduce the incidence and impacts of pollution on marine ecosystems, including through the effective implementation of relevant conventions; and*
- *support cooperative action among States on sustainable mountain development.*

KEY ISSUES RELATED TO DESIGN AND ARCHITECTURE

General Assembly resolution 67/213 explicitly requests you to decide on the future arrangements for the Governing Council and Global Ministerial Environment Forum. This raises the question of how best to make use of your presence, Ministers of Environment, and that of your officials, at future sessions – including for strengthening the role of UNEP as the leading global environmental authority that sets the global environmental agenda and provides corresponding implementation support through the secretariat.

It also raises the question of how to continue the high-level dialogue among you as the Ministers responsible for the environment as well as with the actors of the global environmental community that we have developed over the years. A number of options and ideas have been suggested by various delegations which are now before you for consideration.

The governance process and structure of the UNEP governing body will need to be reviewed with the transition to universal membership, including issues related to the Bureau and its size and composition, the need for specialized committees, the role of the CPR and details on intersessional arrangements.

Paragraph 88 (h) requests you to ensure the active participation of all relevant stakeholders drawing on best practices and models from relevant multilateral institutions and exploring new mechanisms to promote transparency and the effective engagement of civil society.

A strengthened UNEP will remain a focused player, but it must also be an effective leveraging organization, especially when equipped with the cutting-edge science and knowledge to inform economic and social policy choices.

UNEP'S DELIVERY OF THE PROGRAMME OF WORK IN 2012

But let me turn now to a review of some of the achievements in delivering the Programme of Work in 2012, through UNEP's six sub-programmes.

These examples showcase and range across cutting-edge science and assessments, capacity building and technology transfer to responding to country needs and catalyzing resource efficiency. They speak to the breadth and depth of UNEP's work and reflect the solid foundation upon which to build the next phase of the Medium Term Strategy 2014-2017.

The climate change sub-programme aims to strengthen the ability of countries, particularly developing nations, to integrate climate change responses into national development processes.

After more than ten years supporting the science of short-lived climate pollutants, through initiatives such as the Atmospheric Brown Cloud, UNEP and a group of governments ranging from the United States and Sweden to Bangladesh and Mexico launched the Climate and Clean Air Coalition (CCAC).

The coalition's aim is to leverage existing initiatives and launch new ones to fast track cuts in emissions of black carbon or soot, methane and a group of hydrofluorocarbons (HFCs) — it complements an opportunity to support the work of the UN Framework Convention on Climate Change (UNFCCC) while also saving over 2.5 million lives and more than 30 million tonnes of crops.

Since February 2012, the CCAC has grown to 49 government and non-governmental partners, with UNEP as the secretariat. The focus has been on developing and implementing priority action plans.

The En.Lighten initiative, backed by the Global Environment Facility (GEF), implemented by UNEP and supported by industry partners Philips and Osram, unveiled 150 country strategies to phase-in more energy efficient bulbs.

The assessment indicates that a total of five per cent of global electricity consumption could be saved every year through a transition to efficient lighting, resulting in annual worldwide savings of over USD 110 billion.

The yearly savings in electricity of the phase-out would be equivalent to avoiding the emissions from over 250 large coal-fired power plants, resulting in avoided investment costs of approximately USD 210 billion. Additionally, the 490 *megatonnes* (Mt) of CO₂ savings per year is equivalent to the emissions of more than 122 million mid-size cars.

A group of 14 pilot countries joined the Global Efficient Lighting Partnerships Programme — co-ordinated by UNEP and partners — that got underway in July 2012.

UNEP has helped to provide capacity building to countries, notably by expanding its work on ecosystem-based adaptation, and the support provided to access adaptation funds under for example the Global Environment Facility and the Least Developed Country Fund. In 2012, UNEP launched a project of more than USD 6 million to assist Afghanistan directly responding to that country's adaptation needs.

It is a measure of the growing confidence that member states have in UNEP that a consortium, led by UNEP was selected in 2012 to host the UNFCCC Climate Technology Centers and Networks, which will build on existing activities to facilitate access to technology.

In respect to cutting-edge science, UNEP's third Emission Gap Report has become a key reference for governments negotiating towards a new agreement by 2015 at the Doha UN climate meeting.

It showed that if the world does not scale up and accelerate action on climate change without delay, emissions could rise to 58 gigatonnes (Gt) by 2020 far above the level scientists say is in line with a likely chance of keeping global temperature rise below 2 degrees Celsius this century. It also pointed out policies and actions that can bridge the gap between ambitions and reality.

Indeed the 'gap report' — which convened 55 scientists from more than 50 institutions in 20 countries — estimates that there are potentially large emissions reductions possible in a mid-range of 17 Gt of CO₂ equivalents from sectors such as buildings, power generation and transport that can more than bridge the gap by 2020.

- Emissions Gap Report 2012
- A practical tool for planning Pro-development climate policy
- Feed-in tariffs as a policy instrument for promoting renewable energies and green economies in developing countries



The disasters and conflicts sub-programme aims to minimize environmental threats to human well-being from environmental causes and consequences of existing and potential natural and man-made disasters.

Building upon its expertise on post-conflict assessments, UNEP provided to the Government of Nigeria *The Environmental Assessment in Ogoniland in 2011* — in 2012 the government announced that it was establishing the Hydrocarbon Pollution Restoration Project to "fully implement the United Nations Environment Programme's Assessment Report on Ogoniland". A mission, aimed at taking stock of the restoration project has just been in Nigeria led by former Norwegian environment and development minister Erik Solheim who is now a special envoy for UNEP.

As part of its role to coordinate and mainstream environmental sustainability across the UN system, UNEP in 2012, along with the Department of Peacekeeping Operations and the Department of Field Support launched the report *Greening the Blue Helmets: Environment, Natural Resources and UN Peacekeeping Operations*:

- It notes that the 16 missions currently led by the Department of Peacekeeping Operations (DPKO) and supported by the Department of Field Support (DFS) constitute the largest environmental footprint in the UN system.
- Resource-efficient practices, as well as low-tech solutions such as the use of low energy lighting or solar water heating and behaviours, offer multiple benefits peacekeeping missions, including significant cost savings (an estimated USD 100 million per annum can be saved on fuel costs alone).

- Greening the Blue Helmets: Environment, Natural Resources and UN Peacekeeping Operations
- Managing post-disaster debris: the Japan experience
- République Démocratique du Congo: Évaluation Environnementale Post-Confit



The ecosystem management sub-programme aims to encourage countries to utilize the ecosystem approach to enhance human well-being.

In 2012 the Global Centre for Ecosystem Management, a joint venture between UNEP and the Government of China, was established — it will also support the new Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services and Biodiversity (IPBES).

UNEP assists countries at the national level in developing ecosystem management tools. The restoration of the Mau Forest Complex in Kenya has resulted in more than 21,000 hectares of forestland being repossessed, and 10,000 hectares rehabilitated.

A significant stride forward to strengthening the science-policy interface in the area of biodiversity was made with the establishment of the Intergovernmental Science–Policy Platform on Biodiversity and Ecosystem Services (IPBES).

The UN-Reduced Emissions from Deforestation and Forest Degradation (UN-REDD) also expanded its membership and pushed forward its programmes. The People’s Democratic Republic of Laos and Morocco became members in 2012, bringing the number of partner countries to 46 while Cambodia launched a national forestry inventory and Vietnam completed its REDD+ readiness programme.

- Green Economy in a Blue World
- Integrated Water Resource Management: Planning approach for small island developing states
- TEEB for Water and Wetlands



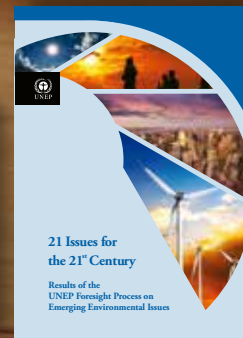
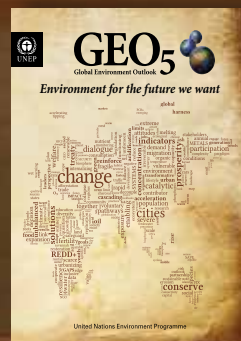
The environmental governance sub-programme aims to strengthen environmental governance at country, regional and global levels to address agreed environmental priorities.

As a key contribution to assessing environmental change and trends, the science and science-policy interface, the Fifth Global Environmental Assessment (GEO-5), launched on World Environment Day, has had a significant impact on the Rio+20 process and outcome, and is a reference on analysing policy performance against internationally agreed goals.

UNEP's governance sub-programme also brings together a diverse range of stakeholders to strengthen overall environmental governance. In addition to the usual range of activities to support the major groups and stakeholders, the "World Congress on Justice, Governance and Law for Environmental Sustainability" organized at Rio+20 brought together Chief Justices, Attorneys General and Auditors General to strengthen their commitment to build the capacities of judiciary systems and stakeholders towards implementation of environmental law.

Working with the UN system organizations at the field level to mainstream environment, UNEP's work and cooperation with UN Country Teams, in 2012, resulted in environmental sustainability and climate change being designated as a stand-alone outcome or output statement in 14 UNDAFs. The UNDP-UNEP Poverty and Environment Initiative remains a key effort, with a continued track record of successes.

- GEO 5 report
- Green Carbon, Black Trade
- 21 Issues for the 21st Century



The harmful substances and hazardous waste sub-programme aims to minimize the impact of harmful substances and hazardous waste on the environment and human beings.

With just eight years to go to meet the World Summit on Sustainable Development's target of soundly managing chemicals by 2020, UNEP under the Strategic Approach to International Chemicals Management (SAICM) hosted the third Session of the International Conference on Chemicals Management (ICCM3) in 2012.

It not only brought governments together, but also an increasing number of industries, industry associations and civil society organizations.

In order to catalyse action, UNEP launched in advance the Global Chemicals Outlook which included green economy-style cost-benefit analysis of chemicals in economies.

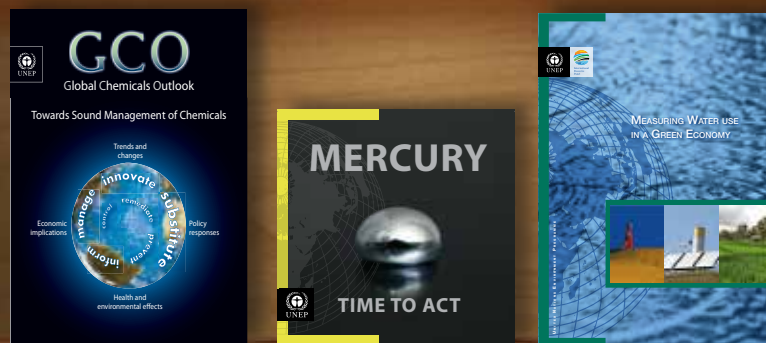
- The estimated costs of poisonings from pesticides in sub-Saharan Africa now exceeds the total annual overseas development aid given to the region for basic health services, excluding HIV/AIDS
- Between 2005 and 2020, the accumulated cost of illness and injury linked to pesticides in small scale farming in sub-Saharan Africa could reach USD 90 billion
- Of the estimated 140,000+ chemicals on the market today, only a fraction has been thoroughly evaluated to determine their effects on human health and the environment

The Outlook also spotlighted positive action — in Ecuadorian potato farms, Integrated Pest Management was introduced to tackle high pesticide poisoning rates. These plantations yielded as many or more potatoes, but with over 20 per cent less production costs, than plots using chemical pesticides. Reported cases of pesticide-related neurological problems also fell.

The third Session of the International Conference on Chemicals Management (ICCM3) resulted in renewed commitment to emerging policy issues: lead in paint, chemicals in products, hazardous substances within the life cycle of electrical and electronic products, nanotechnology and manufactured nanomaterials; and perfluorinated chemicals, as well as actions on endocrine-disrupting chemicals. Governments also agreed to extend the Quick Start Programme Trust Fund until 2015

UNEP has continued to contribute to enhanced cooperation with the chemicals and waste MEAs, notably through the stewardship of the DDT Global Alliance and the PCB Elimination Network to boost coordination of work towards important obligations set out in the Stockholm Convention.

- Global Chemicals Outlook
- Mercury Time To Act
- Global Mercury Assessment 2013



The resource efficiency sub-programme aims at ensuring that natural resources are produced, processed and consumed in a more environmentally sustainable way.

UNEP continued to provide unrivalled science to inform policy makers through the UNEP-hosted International Resource Panel in reports such as: *Responsible Resource Management for a Sustainable World: Findings from the International Resource Panel*, as well the *IRP Assessment on Water Accounting* as part of its new work stream on water.

- Rio+20 also adopted to the green economy in the context of sustainable development and poverty eradication recognizing it as an important tool for achieving a sustainable century

At Rio+20 Governments also adopted to the 10 Year Framework of Programmes (10YFP) on sustainable consumption and production with UNEP to host the secretariat.

Various administrative functions have now been implemented including the establishment of a clearinghouse.

- In support of the agri-food stream of the 10YFP, UNEP also began developing with the Food and Agricultural Organization of the UN and other partners, the Think-Eat-Save global campaign to cut the over one third of food that is wasted and lost around the globe

- UNEP has encouraged action at all levels — evidenced through its range of activities from support for countries taking forward corporate sustainability reporting and the Sustainable Public Procurement Initiative, through to the Global Initiative for Resource Efficient Cities and the Principles for Sustainable Insurance.

- Green Jobs: Towards decent work in a sustainable, low-carbon world
- Business case for the green economy: sustainable return on investment
- Measuring Water Use in a Green Economy



THE OIOS PROGRAMME EVALUATION OF UNEP

In 2012, the United Nations Office for Internal Oversight Services (OIOS) concluded an independent Programme Evaluation of UNEP, which will be submitted to the ECOSOC Committee for Programme and Coordination for consideration at its June 2013 session. The report was prepared over the course of a 12-month period, and drew upon field visits, interviews and surveys with officials of Member States, UNEP staff, stakeholders, and partners, both within and outside the UN system. The report's concluding section is reproduced in full below.

*“UNEP has performed strongly in the last four years. As evidenced by a 52 per cent increase in voluntary contributions since 2008 and the support it received for strengthened governance in the 2012 Conference on Sustainable Development, UNEP is clearly appreciated by Member States in its role as the principal United Nations body in the environment field. Despite its relatively small size, UNEP has successfully leveraged its expertise and strategic partnerships to spearhead important environmental efforts such as the **green economy** initiative, the **protection of biodiversity** and **chemicals management**. Additionally, through numerous smaller scale initiatives, it has delivered valued **policy advice** and **capacity development** to **governments in the south**.*

Given the current state of the global environment, which continues to be threatened by negative trends, UNEP's effectiveness is more critical than ever. The current framework of international environmental governance is characterized by institutional fragmentation and the lack of a holistic approach to environmental issues, although Member States are working to close the growing implementation gap in relation to environmental commitments and obligations under the MEAs. By leveraging its strengths and harnessing internal synergies, UNEP could do more to support national policy development, build capacity for implementing multi-lateral agreements and catalyze large-scale change at the global level.

Internal reform has placed UNEP on the right path towards becoming more results-based and collaborative in delivering its work programme.

Nevertheless, UNEP needs to further define its role to ensure that it is strategically placed to capitalize on its comparative advantage in a very crowded environmental arena. There is opportunity for UNEP to work further with its key stakeholders to concentrate on areas where it adds the most value. UNEP's normative and operational mandates should be undertaken in a complementary, mutually supportive and cohesive manner - at country, regional and global levels - to enhance the organization's effectiveness. It is at this unique intersection of normative with operational work that UNEP has the potential to make its greatest contribution.

The evaluation results show that UNEP has been effective and had a positive impact in the environmental field through its flagship reports, its facilitation of access to timely science-based information on the environment, its contributions to enacting national policy changes and its critical role in developing global norms and standards for the environment. UNEP has been an effective champion for bringing the environment to the forefront of global debate and a strong catalyst for international action. However, there are opportunities to achieve even greater results, through both programmatic and structural improvements and enhanced efficiencies. UNEP's senior leadership should continue its current positive path of reform."

A SYSTEM-WIDE APPROACH: UNEP'S ENGAGEMENT AND PARTNERSHIPS WITH THE UN SYSTEM

UNEP contributions to the Rio+20 preparatory process are a good example of how this institution can achieve system-wide impact. These include support to the formal negotiation process — regional preparatory meetings, informals and the Prep Coms — through new analysis, scoping studies, technical reports and assessments, carrying out capacity-building activities, and engaging with the array of stakeholders — including organizing awareness-raising and outreach events.

At the Rio+20 Conference itself, the UNEP Pavilion offered a diverse programme of events, policy-dialogues, report launches, and exhibitions, showcasing the many partnerships with institutions across the UN system.

The Rio+20 outcome itself called for UNEP to lead efforts to formulate United Nations system-wide strategies on the environment.

UNEP's delivery of the POW is enhanced, leveraged and amplified through a network of partnerships that have been built with the UN system as a whole, and hundreds of academic, policy-making, research, training, private sector, civil society and capacity-building institutions.

UNEP's potential to catalyze transformation grows exponentially through partnerships with sister institutions across the UN system. A core part of UNEP's value-added comes from the multiplier and amplifier function it brings to the analytical work, sectoral expertise and implementation capacity of partners in the UN system such as the FAO, ILO, UNDP, UNESCO, UNIDO, UNITAR, WHO, WMO and the Multilateral Environmental Agreements, to mention but some of our partners in the UN family with whom we have developed joint programmes and initiatives. The UNEP Annual Report for 2012 includes a diagram (page 101) illustrating the breadth and depth of UNEP's implementation partnerships with the UN family.

UNEP hosted the 15th Global Meeting of the Regional Seas Convention and Action Plans meeting in October 2012, which adopted a set of strategic directions for the coming four years. These directions are based on the outcomes agreed by Member States at the Rio+20 Conference, and range from World Oceans Assessment, ecosystem-based management of marine and coastal ecosystems, green economy for oceans, to strengthening partnerships with MEAs.

UNEP has also been coordinating the development of a common Internet-based information portal for multilateral environmental agreements, entitled "InforMEA", <http://www.informea.org>, in close collaboration with the secretariats of a number of MEAs. In addition, substantive legal services have been continuously provided for 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.

Recent highlights of such programmatic collaboration also include:

- facilitating the consultative processes on financing chemicals;
- support to developing countries to develop national legislation designed to enhance synergetic national implementation of conventions in the field of chemicals;
- capacity-building activities to promote the entry into force of the ban amendment to the Basel Convention;
- capacity-building assistance to developing countries and countries with economies in transition to promote compliance with and enforcement of the selected multilateral environmental agreements, including training workshops for prosecutors and customs officials;
- information exchange, at an international conference convened by the International Criminal Police Organization (INTERPOL) and UNEP, on experiences and initiatives to combat illegal traffic and environmental crime in contravention of the obligations under the relevant MEAs;
- regional training workshops to support negotiators from developing countries to prepare for meetings of the conferences of parties to the selected MEAs, such as the United Nations

Framework Convention on Climate Change and the United Nations Convention to Combat Desertification;

- and capacity-building workshops to promote the integration of the relevant elements of the programmes of work of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Convention on the Conservation of Migratory Species of Wild Animals into national biodiversity strategies and action plans under the Convention on Biological Diversity for enhancing synergies in national implementation of those conventions.

Coherence, streamlining, synergies and partnerships have remained a cornerstone for UNEP's delivery in 2012. Thus, in 2012, we have continued to invest in our engagement with strategic processes and system-wide platforms. For this, the United Nations' coordination bodies have been of critical importance, from the UN Chief Executives Board and its subsidiary committees such as the High level Committee on Programmes (HLCP) with its 29 members from across the UN, which I currently chair, through to the UNEP hosted Environment Management Group (EMG) with nearly 50 participating UN entities, the Executive Committee on Economic and Social Affairs (ECESA), the UN System Task Team on the UN Post-2015 Development Agenda and other mechanisms for coordinating Rio+20 follow-up across the UN.

THE PARTNERSHIP FOR ACTION ON GREEN ECONOMY - PAGE

In *The Future We Want*, countries identified the green economy in the context of sustainable development and poverty eradication as one of the key tools for achieving sustainability, opening new pathways to prosperity and human well-being. It invites the United Nations, relevant donors and international organizations to support countries in their transition to greener economies, including by providing toolboxes, methodologies, experiences, best practices and policy advice.

In response, UNEP, the International Labour Organization (ILO), United Nations Industrial Development Organization (UNIDO), United Nations Institute for Training and Research (UNITAR), along with other partners such as UNDP and UNECA who are currently being consulted as to their engagement, have established a "Partnership for Action on Green Economy" or PAGE. This initiative is a direct response to the Rio outcome document and seeks to scale up and expand existing initiatives on green economy through a demand-driven and targeted menu of tools and services to provide targeted capacity building and technology support upon request.



I would like to express my gratitude to the Committee of Permanent Representatives for the consultations with the UNEP secretariat. The guidance provided over the past year has been invaluable and instrumental to the results that UNEP has achieved, including the very positive outcome at Rio+20.

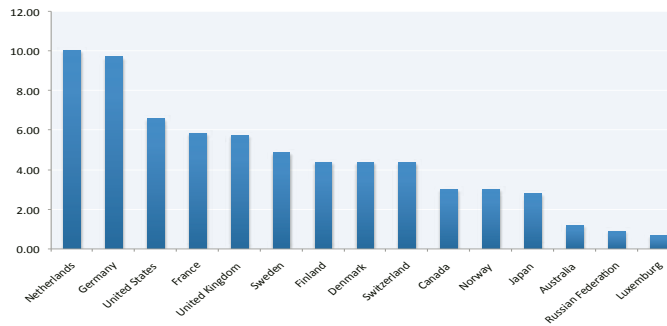
I would also like to take this opportunity to thank the Member States who have funded UNEP's Programme of Work. Despite the prevailing difficult financial situation, many Governments have maintained their contributions at the previous year's level. UNEP's top two contributors in 2012 were the EU and Norway, who contributed USD 40 million and USD 21.5 million respectively.

It is worth highlighting that some governments, such as the Netherlands, Germany and the U.S., have been shifting their financial contribution to the Environment Fund. The added degree of predictability and the reduced administrative burden make these resource shifts very valuable, indeed. I would like further to recognize governments such as those of Finland, Denmark, Kenya, The Netherlands, Sweden, Switzerland and Norway, which have contributed to the Environment Fund at levels many times greater than indicated by a UN assessed scale, and I would like to thank the Governments of Brazil and China for the generous pledges to UNEP's Programme of Work of USD 6 million each that they made at Rio+20.

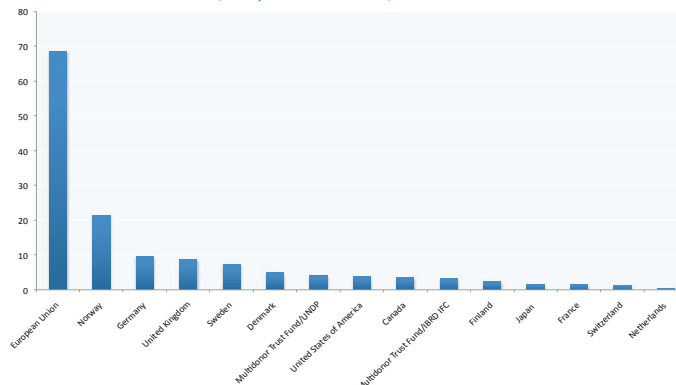
Finally, I would like to acknowledge the United Arab Emirates which is contributing to the Environment Fund for the first time, as well as Kyrgyzstan, Nicaragua, St Kitts and Nevis, the Seychelles, and Zimbabwe, who are contributing again after some years. UNEP is indeed fortunate to have such staunch support from its Member States. And this support seems likely to continue. Already, just a month and a half into 2013, UNEP has received indications of substantial increases in Environment Fund contributions from the Governments of Russia and Belgium for the year 2013.

DONOR TABLES FROM THE ANNUAL REPORT 2012

ENVIRONMENT FUND TOP 15 DONORS IN 2012 (US\$ MILLIONS)



EARMARKED CONTRIBUTIONS AND TRUST FUNDS TOP 15 DONORS IN 2012 (US\$ MILLIONS)



* UNDP and World Bank are not donors but act as a channel of multidonor trusts funds.

THE MEDIUM TERM STRATEGY 2014-2017 AND PROGRAMME OF WORK 2014-2015

Over the course of 2012, the new Medium-Term Strategy for 2014-2017 and the biennial Programme of Work and budget for 2014-2015 have been prepared in consultation with the Committee of Permanent Representatives and the UN Secretariat, drawing on the findings in key scientific and global environmental reports, as well as performance monitoring and evaluations

and guidance from the UN Committee on Programme Coordination. These documents also take account and reflect the new direction and mandates provided at Rio+20.

The Medium Term Strategy for 2014-2017 and the 2014-2015 Programme of Work have attempted to balance the immediate needs and priorities of today with the emerging demands and imperatives of tomorrow.

Let me cite a few examples to illustrate this approach.

- **Systemic approaches:** our focus on ecosystem based management approaches for agriculture, water, forestry and extractive industry sectors, the linkages between climate change mitigation and adaptation responses, the promotion of recycling and circular economy concepts to reduce waste but also to address the growing prospect of resource scarcities, the achievement of co-benefits for health, agriculture and global warming by reducing short lived climate pollutants, sustainable consumption and production to address resource efficiency through full supply chain and life cycle approaches — all of these programmes and initiatives are evidence of UNEP's efforts to incorporate systemic approaches in its Programme of Work;
- **The economic policy dimension:** our work on the green economy, the economics of ecosystems and biodiversity (TEEB), green jobs, trade and environment, the policies and measures for scaling up the use of renewable energy technologies, payment models for ecosystem services, the costs of pollution and inadequate management of chemicals, the economic benefits of phasing out lead, sulphur or mercury, the analysis of UNEP's International Resources Panel on 'Decoupling' and Minerals and Metals, our collaboration with the IMF on tax and subsidy regimes, with the World Bank on Wealth Accounting; and our engagement with the private sector on sustainable agriculture, buildings and the UNEP-Finance Initiative — all speak to UNEP's efforts to link environmental imperatives and solutions to the key elements of the economic agenda;
- **People and the Planet:** our work on demonstrating the link between a healthy planet and human well-being has become a central theme throughout of our work on health and the environment, including our assessments and programmes on air pollution, DDT, mercury, lead, sulphur and persistent organic pollutants, the Poverty and Environment Initiative jointly implemented with UNDP, initiatives in the environmental governance field on environmental law, justice, rights and access to information/Principle 10, mainstreaming gender and the environment, our partnership with ILO and labour on green jobs and employment, and UNEP's global youth programme TUNZA – all these elements illustrate the importance of the social and equity dimensions in the implementation of UNEP's Programme of Work.

The Medium Term Strategy 2014-2017 and Programme of Work have been designed with the dual rationale of addressing legacy issues while evolving an environmental agenda and services for the future that offer positive and practical steps to catalyze the transformational changes needed to support countries in their transition towards an inclusive green economy. They have also been designed to deliver on the dual objectives of UNEP's authoritative role as a scientific and

normative institution while delivering an enhanced capacity building and technology support programme (the Bali Strategic Plan) in response to country and regional needs.

The Medium Term Strategy 2014-2017 and Programme of Work 2014-2015 also reflect a greater emphasis on UNEP's capacity and engagement on UN system-wide strategies related to the environmental dimension of sustainable development. These and other directional shifts in response to Rio+20 and UNEP's Governing Council decisions have been described in detail in the documentation related to the Budget for 2014-2015.

SECURE, STABLE, ADEQUATE AND INCREASED FINANCIAL RESOURCES

The proposed UNEP budget for 2014-2015 attempts to give effect to the guidance contained in paragraph 88 of the Rio+20 outcome document.

Despite the prevailing difficult financial and economic situation, at Rio+20, Member States called for "secure, stable, adequate and increased financial resources from the regular budget of the UN and voluntary contributions" for UNEP.

The proposed budget for 2014-2015 provides a significant restructuring of UNEP's financing to reflect the strategic guidance of Rio+20. UNEP's total budget envelope (comprising the Regular Budget, Environment Fund and extrabudgetary resources) envisages an increase of 2.16 per cent in nominal terms for 2014-2015. The objectives of "secure, stable, adequate and increased financial resources" agreed at Rio+20 are reflected primarily in a shift from extrabudgetary funding to enhanced funding through the Regular Budget and the Environment Fund.

This restructured budget builds on a number of reforms and actions already taken or in the process of being implemented, to achieve greater efficiency and cost savings in the delivery of UNEP's mandate and operation, namely:

- a reduction of 58 posts for the current biennium;
- a reduction of the number of Divisions from eight to six;
- consolidation of global payroll in Nairobi to reduce costs;
- pioneering of paper-smart / paper-free meetings convened by UNEP;
- enhanced accountability through results-based budgeting and reporting with 184 staff trained in 2012;
- a reduction in overhead from 8.5% in 2006-2007 to 7.7%
- a reduction in travel costs through mandatory early booking policy, an increased use of video conferencing facilities, and smaller delegations at international meetings.

While the proposed budget framework for 2014-2015 envisages ambitious changes, it provides a strategic and focused rationale for enhancing UNEP's funding base in line with the guidance from Rio+20. It also reflects UNEP's continued efforts to enhance efficiency in the delivery of results-based programmes.

FACTS AND FIGURES ON THE CURRENT PROPOSAL FOR THE UNEP 2014-2015 BUDGET

- The total budget for 2014-2015 (USD 631 million) represents a 2.7% increase, in current dollars, as compared to 2012-2013.
- Total number of posts in UNEP for 2014-2015 would be 854 in comparison to 845 for 2012-2013 — or an overall increase of 9 positions.
- The amount of UN Regular Budget proposed for 2014/15 is USD 47.7 million (as compared to USD 14.2 in 2012-2013)
- The amount of Environment Fund proposed for 2014/15 is USD 245 million (as compared to USD 191 in 2012-2013).
- Trust fund and earmarked funds budgeted for 2014-2015 amount to USD 202 million (as compared to USD 242 in 2012-2013)
- For the Environment Fund, the percentage of funds dedicated to staff positions is reduced by nearly a third, to reach 49%. In the previous biennium it took an average of 2.4 staff to deliver 1 million dollars of Environment Fund; in 2014-2015, it would take an average of 1.8 staff. For the regular budget and the environment fund combined, this figure goes down from 2.5 to 2.
- The percentage of support costs for the UN regular budget shrinks from 8.5% in 2013-2014 to 5.3% in 2014-2015. On regular budget, environment fund and trust funds combined, the recurrent administrative and programme support costs shift from an average of 8.8 to 8.2%.

Honourable Ministers, Ladies and Gentlemen,

We are at an extraordinary moment in the history of the United Nations Environment Programme, and at a critical juncture in the broader journey towards sustainable development.

This week, honourable Ministers, the General Assembly has mandated this Governing Council to “expeditiously initiate the implementation of the provisions contained in paragraph 88 of the (Rio+20) outcome document in its entirety”. It is a call on you as Ministers responsible for the Environment to provide the design and architecture for the next chapter of the environment programme of the United Nations.

The decisions you take over the next few days, requested and mandated by Heads of State and Government at Rio+20, will define the future of this institution — your international forum and multilateral platform for international cooperation on environmental challenges and opportunities — for the coming years and decades.

Taking the past four decades as a time line, much has been achieved in laying the foundations for a more sustainable future. But the Global Environment Outlook 5 (GEO-5), our flagship report and score card for the planet, shows that we are not succeeding in catalyzing the pace of change that is needed to arrest environmental degradation and resource depletion. Sustainability and equity — the defining parameters of our age — all too often remain aspirational rather than transformational in guiding the economic and development choices we make.

GEO-5, launched on the eve of Rio+20, found that we are making significant progress in only four of the 90 most important, internationally agreed goals for the sustainable management of the environment and improvement of human well-being.

So what are the implications for the future global agenda, for multilateralism, and for UNEP within it? What is the future role of ministers responsible for the environment within the sustainable development agenda, in today’s geo-political reality of multiple challenges and transitions?

It is clear that environmental solutions of the 21st century must not only address the environmental change phenomena but also respond to the economic realities, challenges and needs, as well as the imperatives of the social agenda of equity, employment and human well-being.

In closing let me, on behalf of both Amina and I, thank you—our member states and partners—for the confidence and engagement in UNEP over the past year. Together with our staff, without whom much of what I have recounted in this statement would not have happened—we hope that we have served you well through these momentous and challenging times.

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