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Emerging policy issues: environment in the multilateral system

**Comments by the Executive Director on the management review
of environmental governance within the United Nations system
carried out by the Joint Inspection Unit**

Note by the Executive Director

1. By its decisions 25/1 I and 25/4 of 20 February 2009, the Governing Council took note of the Joint Inspection Unit report entitled “Management review of environmental governance within the United Nations system” (reproduced in document UNEP/GC.25/INF/33).
2. The Joint Inspection Unit addresses its reports to one or more organizations concerned, or to all organizations when the subject is of interest to the system as a whole, for consideration by the competent legislative organs of the organizations concerned. The report contains 12 recommendations related to coherent decision-making and objective-setting for international environmental policies among various environmental agreements and institutions; institutional architecture to implement and coordinate environmental policies and decisions; management and operationalization of the policies and decisions; and coordination of the effective implementation of international environmental governance decisions at the country level.
3. Chapter III of the annex to the present note sets out the Executive Director’s comments on the recommendations, highlighting the role that the secretariat could play in implementing them and providing possible options on how they could be followed up throughout the United Nations system. It should be noted, however, that, ultimately, the success of follow-up action depends not on the secretariat of the United Nations Environment Programme (UNEP) alone but on its governing bodies, the Member States and the entire United Nations system.
4. The present note complements that by the Secretary-General on the report of the Joint Inspection Unit (A/64/83/Add.1-E/2009/83/Add.1). The latter note consolidated the views of the United Nations system based on inputs provided by member organizations of the United Nations System Chief Executives Board for Coordination.
5. An earlier draft of the present note was circulated among members of the Committee of Permanent Representatives at its subcommittee meeting on 5 November 2009. Views expressed at the meeting were taken into account in finalizing the present note.

* UNEP/GCSS.XI/1.

Annex

Comments by the Executive Director on the Joint Inspection Unit management review of environmental governance within the United Nations system

I. Background

1. The Joint Inspection Unit was created by General Assembly resolution 31/192 of 22 December 1976 as a standing subsidiary organ and is responsible to the General Assembly and to the governing bodies of United Nations specialized agencies, funds and programmes. The Unit addresses its reports to one or more organizations concerned, or to all organizations when the subject is of interest to the system as a whole, for consideration by the competent legislative organs of the organizations concerned. In fulfilling its mandate, the Unit undertook a management review of environmental governance within the United Nations system (JIU/REP/2008/3).

2. The objective of that review was “to strengthen the governance of and programmatic and administrative support for multilateral environmental agreements (MEAs) by United Nations organizations by identifying measures to promote enhanced coordination, coherence and synergies between MEAs and the United Nations system, thus increasing United Nations system’s contribution towards a more integrated approach to international environmental governance and management at the national, regional and international levels”.¹

3. In its report, the Unit analysed key areas of environmental governance and management in the United Nations system by focusing on the system-wide provision of programmatic and administrative support for multilateral environmental agreements, particularly common support services. The report covers:²

(a) Applicable environmental governance principles, policies and framework to ensure synergies between multilateral environmental agreements and other organizations engaged in environment-related activities;

(b) Management framework for funding, resource management and inter-agency coordination of environmental activities;

(c) Mainstreaming environmental protection, including through the implementation of multilateral environmental agreements at the country level, particularly in the context of common country assessment and United Nations Development Assistance Framework processes.

4. The report builds upon continuing processes at various levels on strengthening international environmental governance. In follow-up to the 2005 World Summit Outcome document, contained in General Assembly resolution 60/1 of 16 September 2005, the General Assembly launched an informal consultative process on the institutional framework of the environmental activities of the United Nations. Through paragraph 169, Member States agreed “to explore the possibility of a more coherent institutional framework to address this need, including a more integrated structure, building on existing institutions and internationally agreed instruments, as well as the treaty bodies and the specialized agencies”.

5. In addition, in April 2007 the Secretary-General presented for consideration by the General Assembly and the relevant intergovernmental bodies of the United Nations system the report of his High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment, entitled “Delivering as one” (A/61/583).

6. As part of its recommendation to upgrade UNEP and give it genuine authority as the United Nations environment-policy pillar and to improve the effectiveness of environmental activities within the United Nations system, the High-level Panel recommended that the Secretary-General should commission an independent assessment of the current United Nations system of international environmental governance.

1 JIU/REP/2008/3, page iii.

2 Ibid., para. 5.

7. The President of the General Assembly appointed the ambassadors of Mexico and Switzerland at Headquarters to co-facilitate the process in the General Assembly. Having done so since 2006, in February 2009 they indicated that “while agreement on a consensual decision might be possible, a consensus document would likely fail to add value to existing decisions or could even risk to fall behind improvements decided in other intergovernmental fora, in particular in the context of UNEP’s Governing Council/GMEF”. They recommended to all interested parties “to make the best use of upcoming intergovernmental meetings to remain seized of the matter”.³

II. General comments

8. The Executive Director welcomes the comprehensive report produced by the Joint Inspection Unit and acknowledges the considerable research undertaken and the strategic nature of its contents and recommendations. The report provides an independent review and analysis of environmental governance arrangements throughout the United Nations system, which is of immense value to UNEP. Its findings and recommendations add to calls from Member States to improve international environmental governance, calls that have been given added momentum by the report.

9. The Executive Director made the report available to Governments, and provided presentations on its contents, through the Committee of Permanent Representatives and the UNEP Governing Council/Global Ministerial Environment Forum in January 2009 and from 16 to 20 February 2009, respectively. He also invited Mr. Tadanori Inomata, Inspector of the Joint Inspection Unit, to attend the session of the Governing Council/Global Ministerial Environment Forum in Nairobi to present the report and his findings.

10. By decision 25/1 I, the Council took note of the report. By decision 25/4, on international environmental governance, it established a regionally representative, consultative group of ministers or high-level representatives. The mandate of that group, as determined by that decision, is to “present a set of options for improving international environmental governance to the Governing Council/Global Ministerial Environment Forum at its eleventh special session, with a view to providing inputs to the United Nations General Assembly”.

11. The consultative group process and the subsequent conclusions reached by the Council/Forum at its eleventh special session “will provide input to, among other things, the General Assembly’s follow-up to the measures set out in paragraph 169 of the 2005 World Summit Outcome”.

12. In July 2009, the Economic and Social Council considered the Joint Inspection Unit report under agenda item 13 (e), on economic and environmental questions, during which Member States welcomed the findings and recommendations.

13. In November 2009, the Economic and Financial Committee (Second Committee) of the General Assembly considered the report under its agenda item 53, on sustainable development.

III. Specific comments on the recommendations of the Joint Inspection Unit

14. The following responses by the Executive Director should be considered in conjunction with the Secretary-General’s note (A/64/83/Add.1–E/2009/83/Add.1), which was prepared by the United Nations System Chief Executives Board for Coordination in consultation with its members. The responses complement that note and expand on the issues as they relate specifically to UNEP and its programme. The recommendations by the Joint Inspection Unit are being reproduced as formulated by the Unit and have not been formally edited.

Recommendation 1: The Secretary-General should submit to the General Assembly, for its consideration through the UNEP Governing Council/Global Ministerial Environment [Forum], a clear understanding of the division of labour among development agencies, UNEP and the MEAs, outlining their respective areas and types of normative and operational capacity-building activities for environmental protection and sustainable development.

15. The recommendation is consistent with current General Assembly efforts in the United Nations system to strengthen system-wide coherence, including international environmental governance. It should be noted that General Assembly resolution 63/311 of 14 September 2009, among other things, “reaffirms that the strengthening of the governance of operational activities for development of the

United Nations system should focus on enhancing existing intergovernmental bodies with the purpose of making the United Nations development system more efficient and effective in its support to developing countries for the achievement of the internationally agreed development goals”, and “underscores that the governance of operational activities for development should be transparent and inclusive and should support national ownership and national development strategies”. The recommendation is directed towards the existing mandates of the various entities and may not necessarily resolve some of the more structural challenges in the area of environmental governance.

16. While the international community has made considerable progress in terms of system-wide coherence regarding gender, governance of operational activities, improving funding of operational activities for development and delivering as one United Nations, work on strengthening international environmental governance continues. It is important, however, to note that synergies have been enhanced between the General Assembly processes and the continuing implementation of UNEP Governing Council decision 25/4, which established a consultative group of ministers or high-level representatives on international environmental governance. The group is scheduled to report back to the Council/Forum in February 2010, and the Council/Forum may in turn make recommendations on the way forward for the General Assembly’s consideration.

17. At the Secretariat level, structures such as the United Nations System Chief Executives Board for Coordination, the High-Level Committee on Programmes, the High-level Committee on Management, the United Nations Development Group and the Environment Management Group not only foster coherence and cooperation but also respect the division of labour within the system. For example, the United Nations System Chief Executives Board for Coordination coordinated the preparation of the Secretary-General’s response (A/64/83/Add.1-E/2009/83/Add.1) to the Joint Inspection Unit report.

18. In the context of the Environment Management Group, member organizations agreed at the fifteenth meeting of senior officials, in September 2009, to assess in the context of global environmental change how the United Nations system could more coherently support countries in making the transition to a green economy, and to work on joint and consistent messaging on measures needed to support such a transition. In the context of the United Nations System Chief Executives Board for Coordination and the High-level Committee on Programmes, UNEP coordinated the preparation of an inter-agency green economy initiative involving over 25 United Nations agencies, funds and programmes, the objectives of which are to demonstrate that investing in green sectors improves chances for recovery and sustainable growth while preserving the environment. The initiative also aims to identify the necessary policy and institutional framework to support green economic growth in all countries.

19. The Environment Management Group has also prepared a comprehensive draft note on environment in the United Nations system that outlines broadly how the system is engaged in performing the key functions of international environmental governance. The document highlights how key functional and thematic aspects of international environmental governance are deeply integrated and distributed in the system. The system collectively constitutes a unique compilation of institutional capacity for tackling environmental change. The international environment and sustainable development agenda has, however, grown to such proportions and in such an ad hoc manner that it weighs heavy on Member States, particularly developing countries and countries with economies in transition. The system is now responding to the need for a more effective deployment of resources to tackle unprecedented environmental change at all levels and its potentially negative implications for economic and social development, especially for the poor and vulnerable groups in society.

20. UNEP is active in United Nations country coherence efforts, thereby increasingly contributing to guidance and direct engagement with the United Nations system at the country level. UNEP has since 2007 been engaged in what is known as the “delivering as one” process, participating, for example, in United Nations regional directors’ teams and country teams in developing common country assessments and United Nations Development Assistance Frameworks in the eight pilot countries and in more than 30 countries that were either beginning or reviewing their Frameworks in 2008 and 2009.

21. UNEP has been involved in developing tools and resources to support country teams in mainstreaming the environment in cooperation with the United Nations System Staff College and other agencies in the United Nations Development Group. UNEP co-chairs the Group’s task team on environmental sustainability and climate change, which produced a guidance note on mainstreaming environmental sustainability in common country assessments and the United Nations Development Assistance Framework. The guidance note was endorsed by the Group in October 2009. Work on a guidance note on climate change for country teams is under way. Both documents incorporate the need to consider the multilateral environmental agreements in country programming. UNEP engagement in

common country assessments and United Nations Development Assistance Frameworks is strongly linked to its joint work with the United Nations Development Programme in the Poverty and Environment Initiative. Poverty reduction strategies are the major policy documents for country teams in the development of United Nations Development Assistance Frameworks.

22. For effective engagement at the country level, UNEP is also building internal capacity through training on country programming and strengthening UNEP regional offices' capacity.

23. These and other recent developments are testament to the commitment in the United Nations system to enhancing coherent processes and activities related to sustainable development and serve to emphasize that incremental changes and broader institutional reform are not mutually exclusive and can be considered in tandem. The UNEP secretariat believes that specific processes within the current system structures can inform broader institutional reform to articulate clearly the division of labour between development agencies, UNEP and the multilateral environmental agreements.

24. Member States may, however, wish to look more closely at broader reforms that will facilitate a strong environmental pillar that is able to tackle multiple challenges and to take advantage of emerging opportunities. In the context of capacity-building and technology support, this could include adoption of the Bali Strategic Plan for Technology Support and Capacity-building by the General Assembly as a system-wide plan. The UNEP secretariat is ready to coordinate the preparation of a comprehensive report on these issues on the Secretary-General's behalf for submission to the Governing Council/Global Ministerial Environment Forum and the General Assembly for consideration and resolution.

Recommendation 2: The General Assembly should consider adding a system-wide policy orientation for environmental protection and sustainable development of the United Nations system in the United Nations Strategic Framework for the biennium programme plan; and in the event of this decision, should request the Secretary-General to prepare such a system-wide orientation for its approval through the Chief Executives Board.

25. The Executive Director supports the concept of a system-wide policy orientation for the environmental protection element of sustainable development and is ready to explore the challenges and opportunities within the context of the United Nations System Chief Executives Board for Coordination mechanisms and the Environment Management Group. The secretariat can prepare the ground, but taking steps in this direction depends on Member States providing the necessary vision and policy for the United Nations system to implement. The General Assembly could provide this direction in the context of agencies, funds and programmes covered by the United Nations strategic framework, while conferences of the Parties to various conventions would need to adopt the relevant decisions for follow-up.

26. The recommendation is entirely consistent with resolution 2997 (XXVII) of 15 December 1972, by which the General Assembly established UNEP and provided for the UNEP Governing Council to, among others, "provide general policy guidance for the direction and coordination of environmental programmes within the United Nations system". The resolution also established an environment coordination board to "provide for the most efficient coordination of United Nations environmental programmes" under the chairmanship of the UNEP Executive Director. In particular, the board was tasked to "meet periodically for the purpose of ensuring cooperation and coordination among all bodies concerned in the implementation of environmental programmes" and to "report annually to the Governing Council of UNEP". The board was later to be merged into the Administrative Committee on Coordination⁴ under the Economic and Social Council in 1978.

27. Following that merger and the establishment and termination of a variety of coordinating divisions under the Administrative Committee on Coordination, the Environment Management Group was established by the General Assembly in 1999 "for the purpose of enhancing inter-agency coordination in the field of environment and human settlements".⁵ The Group is chaired by the UNEP Executive Director. It reports to the Governing Council rather than being directly embedded in the framework of the United Nations System Chief Executives Board for Coordination, which is chaired by the Secretary-General.

4 General Assembly resolution 32/197 of 20 December 1977.

5 General Assembly resolution 53/242 of 28 July 1999. See also document UNEP/GCSS.VIII/8, annex IV, for more information on the work of the Environment Management Group.

28. General Assembly resolution 63/311 of 14 September 2009 provides opportunities for such a system-wide policy orientation for environmental protection and sustainable development of the United Nations system in the United Nations strategic framework for the biennium programme plan. While the resolution does not specifically take up issues related to environmental protection, it “encourages continued and increased cooperation, coordination and coherence and exchanges between the United Nations and the Bretton Woods institutions, and requests the Secretary-General, in consultation with the United Nations System Chief Executives Board for Coordination, to regularly apprise the General Assembly of progress made in this regard as part of the triennial and quadrennial comprehensive policy review reporting process”.

Recommendation 3: The General Assembly should also decide to authorize the UNEP Governing Council/Global Ministerial Environment Forum to adopt the Medium-Term Strategy of UNEP as a system-wide instrument constituting an integral part of the United Nations Strategic Framework.

29. The Executive Director strongly supports the need for a system-wide medium-term strategy on the environment, and the role of the Governing Council/Global Ministerial Environment Forum in its adoption. The UNEP medium-term strategy 2010–2013 was prepared as a tool to implement its environment programme and could be revised to take on a system-wide role. To expand its reach as a system-wide strategy, UNEP would use, or establish, an inter-agency consultative mechanism.

30. A recommendation to the General Assembly by the Council/Forum on the need for such a system-wide strategy could facilitate the adoption of a relevant resolution which, among other provisions, would request the relevant United Nations specialized agencies, funds and programmes to incorporate the revised system-wide medium-term strategy on the environment into their own programmes of work.

31. It should be noted that the General Assembly has already, through resolution 62/208 of 19 December 2007, underscored “the importance of ensuring that the strategic plans of funds and programmes are consistent with and guided by the comprehensive policy review, which establishes the main intergovernmentally agreed parameters of the operational activities for development of the United Nations system” and requested the Secretary-General “to report to the General Assembly on the implications of aligning the strategic planning cycles of the United Nations funds and programmes with the comprehensive policy review and to provide recommendations on changing the comprehensive policy review from a three-year to a four-year cycle”.

32. Following up on that resolution is an opportunity to revise, in consultation with relevant United Nations agencies, funds and programmes, the UNEP medium-term strategy as a system-wide instrument constituting an integral part of the United Nations strategic framework. The UNEP secretariat can submit a report to the Governing Council/Global Ministerial Environment Forum on how the medium-term strategy could be considered by governing bodies of relevant United Nations agencies, funds and programmes before adoption as a United Nations system-wide framework to tackle environmental challenges. It is also imperative for the High-level Committee on Management to consider this recommendation and its ramifications.

Recommendation 4: The Secretary-General, with the assistance of the Executive Director of UNEP, should propose to the General Assembly – through UNEP Governing Council/Global Ministerial Environment Forum – modalities by which Member States can better formulate and manage MEAs without creating an independent convention secretariat.

33. The Executive Director supports this recommendation as it applies to future multilateral environmental agreements and how they would be constituted and operationalized. It is important to note that UNEP continues to facilitate close cooperation and coordination between multilateral environmental agreements, and in particular in relation to UNEP multilateral environmental agreements.

34. The number of such agreements has, however, increased steadily over the years, with each having its own secretariat, and overall administrative costs have grown disproportionately to implementation activities. Keeping pace with the activities and requirements of numerous multilateral environmental agreements and their processes is placing a significant burden on countries’ human and financial resources, thereby weakening their ability to implement their commitments.

35. A recent study showed that, between 1992 and 2007, the Parties to 18 major multilateral environmental agreements held 540 meetings, at which 5,084 decisions were taken.⁶ Incoherence and complexity in the international environmental governance system can lead to high transaction costs and in some instances could discourage developing countries from participating in the system, giving rise to questions as to whether the system provides coherent support to countries and better enables them to meet their environment and development objectives, particularly developing countries.⁷

36. A global environmental governance body or structure that aims to improve the coordination, coherence and integration of policies and activities between agencies, treaties and Governments could reduce redundancy and contradictions such as those highlighted above.

37. The UNEP secretariat acknowledges the autonomy of the multilateral environmental agreements, but the rationalization of their administrative mechanisms would free resources to increase implementation activities, an idea currently being developed through the chemicals and wastes conventions synergies process. Future negotiations on a possible instrument for mercury could be informed, as appropriate, by this process. Lessons learned could also be drawn upon when considering synergies between the biodiversity-related conventions. This is an area that would benefit from the international community's full attention.

38. Precedents have already been set in terms of adopting multilateral environmental agreements with no independent secretariats. These include the chemicals conventions, which are managed by UNEP, and some conventions managed by, for example, the International Labour Organization, the World Health Organization and the International Maritime Organization.

39. Member States are key to ensuring that future multilateral environmental agreements are nested within current environmental governance structures, with UNEP playing a strategic role, including facilitating the negotiation of such new conventions. The negotiations on a possible instrument for mercury present an opportunity to look directly at this recommendation.

40. It is also important to note that UNEP has previously played such roles in the negotiations of multilateral environmental agreements, such as those on climate change, biodiversity, desertification, persistent organic pollutants and regional seas.

41. The Governing Council could, following consultations with other United Nations entities (drawing on the Environment Management Group as appropriate), recommend guiding principles for the General Assembly's consideration that could be applied in future during negotiations related to new multilateral environmental agreements.

Recommendation 5: The General Assembly should provide the UNEP Governing Council/Global Ministerial Environment Forum with adequate support through activating its own regular review of the reports of MEAs to enhance GC/GMEF's capacity to fulfil its mandate to review and evaluate, on a regular basis, the implementation of all MEAs administered within the United Nations system, with a view to ensuring coordination and coherence between them in accordance with decision SS.VII/1 and keep the Assembly informed of progress made.

42. While this matter already falls within the purview of UNEP based on existing mandates, the strengthening of the role and status of the Governing Council/Global Ministerial Environment Forum as the global authority for the environment is central to UNEP playing such a role. There are opportunities to enhance the Council/Forum's role in fulfilling its mandate through increasingly working on such issues between sessions.

43. Key to making progress in this regard, however, rests, among other factors, on the General Assembly tackling the important issue of expanding the composition of the Governing Council from the current 58 members to universal membership.⁸ The issue of universal membership has been on the agenda for over 10 years and the Secretary-General has submitted two reports on this complex issue⁹ to the General Assembly for its consideration.¹⁰

6 UNEP/GC.25/16/Add.1, table 1.

7 UNEP/GC.25/16/Add.1, para. 23.

8 See decision SS.VII/1 of 15 February 2002 and General Assembly resolution 58/209 of 23 December 2003, which request comments on universal membership by Member States, the Governing Council and relevant bodies to be made to the General Assembly at its sixtieth session for its consideration.

9 A/59/262.

10 A/59/262, in August 2004, and A/61/322, in August 2006.

44. The General Assembly is expected to take up this issue at its sixty-fourth session and any decision in that regard would help to direct the UNEP secretariat accordingly.
45. Another important step is for the General Assembly to have, under its Second Committee agenda on sustainable development, an environment sub-item under which all items with direct relevance to environmental sustainability in the context of Millennium Development Goal No. 7 are discussed comprehensively. The UNEP secretariat believes that such a comprehensive treatment of the environmental dimensions of sustainable development would facilitate enhanced input throughout the United Nations system. The Executive Director is ready to explore such an arrangement in the context of the United Nations System Chief Executives Board for Coordination.
46. It is important to note that, while the need to ensure the effective implementation of the multilateral environmental agreements cannot be overemphasized, the principle of subsidiarity should apply, and the mandates and roles of various structures, particularly the conferences of the Parties to the agreements, should be recognized. The General Assembly could, through the Second Committee, support the work of the UNEP Governing Council/Global Ministerial Environment Forum and the conferences of the Parties by introducing a standing agenda item to discuss strategic issues related to implementation. The role of the General Assembly would need to be informed by the status of its members as Parties to various multilateral environmental agreements since not all Member States are Parties to all multilateral environmental agreements.
47. United Nations conferences on sustainable development could also play a strategic role in this regard with the relevant outcomes being considered and adopted by the General Assembly, and implementation followed up as appropriate by United Nations agencies, funds and programmes. The UNEP secretariat is ready to support Member States in any process to facilitate the preparation of a possible high-level event on sustainable development to review and evaluate the implementation of multilateral environmental agreements administered within the United Nations system in the context of sustainable development since the adoption of the Rio Declaration and Agenda 21 in 1992 and the Johannesburg Plan of Implementation in 2002.

Recommendation 6: The Secretary-General – on the basis of a proposal of the Executive Director of UNEP and consultations with MEA secretariats – should submit to the General Assembly, for its consideration and approval, guidelines on the establishment of national and, where appropriate, regional platforms on environmental protection and sustainable development policies which can integrate the implementation of MEAs into the CCA and UNDAF processes.

48. The Executive Director supports this recommendation, which would facilitate the coherence and cohesion of environmental governance at the national and international levels. UNEP has over the years played a strategic role in supporting regional ministerial environment forums, for example, in Africa and Latin America and the Caribbean, facilitating regional platforms on environmental protection and sustainable development policies. The UNEP secretariat is strengthening its regional presence with a view to institutionalizing responsive action at both the national and regional levels to serve Member States better.
49. National and regional platforms on environmental protection and sustainable development policies are important building blocks in the effective implementation of environmental programmes in general and multilateral environmental agreements in particular. Such platforms are better placed to meet specific national and regional needs that may not be adequately provided for in multilateral environmental agreements at the global level. Governments and their respective regional bodies are key to the development of such platforms, and should play their roles in the context of the General Assembly, the UNEP Governing Council and governing bodies of other United Nations agencies, funds and programmes in providing guidance in this regard.
50. The national and regional platforms that have been recommended should not only be limited to common country assessment and United Nations Development Assistance Framework processes but also include other relevant processes in both developed and developing countries. The availability of adequate funding resources for the development and sustainability of such platforms and the provision of the requisite capacity-building and technology support cannot be overemphasized. They are key to such platforms' success.
51. It should be noted that the UNEP secretariat is working with the United Nations Development Group and the United Nations System Staff College in relation to its continuing work on the integration of environmental sustainability into the United Nations Development Assistance Framework processes, including the work of multilateral environmental agreements. Furthermore, UNEP is ready to engage

with multilateral environmental agreement secretariats and wider United Nations system organizations in taking up this recommendation, since it cannot be effectively implemented by UNEP alone.

Recommendation 7: The Secretary-General as Chairman of the Chief Executive Board should encourage the executive heads of the organizations and the MEAs:

- (a) **To develop a joint system-wide planning framework for the management and coordination of environmental activities, drawing on the results-based management framework endorsed by General Assembly resolution 60/257, and to this end,**
- (b) **To draw up an indicative-planning document serving for joint programming of their activities in the environment sphere.**

52. This recommendation is closely linked to recommendation 3, which deals with the need to consider the UNEP medium-term strategy in terms of United Nations system-wide application. The Executive Director supports the intent of recommendations 2, 3 and 7 in promoting better system-wide strategies and planning.

53. The Executive Director welcomes this recommendation, as it would revitalize such a role, which had been provided for in General Assembly resolutions. For example, the UNEP Governing Council has facilitated the debate and adoption in the General Assembly of a number of resolutions, such as on setting the environmental agenda to the year 2000 and beyond (resolution 37/219 of 20 December 1982).¹¹ The role of other United Nations entities in relation to UNEP was also explicitly articulated from the beginning with, for example, resolution 3437 (XXX) of 9 December 1975, requesting “the specialized agencies, the International Atomic Energy Agency and other organizations of the United Nations system to continue their active co-operation in carrying out the activities of the United Nations Environment Programme, allocating the necessary priorities and resources for the maximum success of those activities”.

54. A number of General Assembly resolutions requested the governing bodies of other United Nations organs regularly to submit reports on their environmental activities to the UNEP Governing Council to facilitate its reporting to the General Assembly on the global environmental situation. For example, in resolution 37/217 of 20 December 1982, the Assembly “welcomes decision 10/13 of 31 May 1982, by which the Governing Council approved the structure and objectives of the system-wide medium-term environment programme and took note of its general content, appeals to Governments to continue to give support to the development and implementation of the programme and to take the necessary decisions in that regard in the appropriate governing bodies of the organizations of the United Nations system, and urges other organizations of the United Nations system to continue their close co-operation with the United Nations Environment Programme in the further refinement and implementation of the system-wide programme”.¹²

55. These and other relevant General Assembly resolutions provide the foundation required to develop a joint system-wide planning framework for the management and coordination of environmental activities, and draw up an indicative planning document for joint programming of their activities in the environment sphere. A review of standing General Assembly resolutions and decisions of other United Nations system organizations could help to explore the modalities of implementing this recommendation. The UNEP secretariat sees previous legislative decisions, which were aimed at coherence and cooperation in environmental governance, as relevant tools in meeting today’s governing challenges.

Recommendation 8: The Secretary-General should undertake, in consultation with the MEAs and relevant United Nations system organizations, a review of the adequacy and effectiveness of funding environmental activities focusing on the concept of incremental costs and submit a report thereon to the General Assembly through the relevant intergovernmental bodies.

56. Increased funding for implementation is required throughout the international environmental governance system. In comparison with other regimes, the mobilization of funds and related governance arrangements in the environmental field is extremely scattered, with bodies continuously competing for funds, implying, at the aggregate level, inefficient transactions and high overhead costs. Consequently, there is also an increased risk of duplication and oversight of funding gaps. Coherence is needed to

11 Paras. 6 and 7.

12 Para. 2.

ensure that adequate resources are allocated equitably to priority needs and in a manner responsive to country needs.

57. The UNEP secretariat notes that the General Assembly has, through its resolutions such as 63/311 of 14 September 2009 and 62/208 of 19 December 2007, focused on system-wide funding issues and that these provide a basis upon which focus is needed on the concept of incremental costs in terms of the adequacy and effectiveness of funding environmental activities.

58. In the former resolution, the General Assembly noted with concern “the continuing imbalance between core and non-core resources received by the operational activities for development of the United Nations system and the potential negative impact of non-core funding on the coordination and effectiveness of United Nations operational activities for development at the country level, while recognizing that thematic trust funds, multi-donor trust funds and other voluntary non-earmarked funding mechanisms linked to organization-specific funding frameworks and strategies, as established by the respective governing bodies, constitute some of the funding modalities that are complementary to regular budgets”. In the latter resolution, the General Assembly noted that “unearmarked contributions are vital for the coherence and harmonization of the operational activities for development”. It stressed that “the mobilization and management of extrabudgetary resources should not adversely impact the quality of the delivery of the programme of work of the funds, programmes and specialized agencies of the United Nations development system”.

59. The Global Environment Facility (GEF), established to provide new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits, has reported that the funding needs for global environmental issues in the GEF mandate are increasing dramatically. Given the growth in the extent, complexity and magnitude of environmental challenges today, public funding is vital, because these problems can only be solved through partnerships among Governments, the private sector, and local communities.¹³

60. GEF has recommended that funding levels for global environmental issues should be raised substantially to tackle increasingly urgent problems. Acknowledging the argument that “solutions are expensive and go against ingrained economic interests”, it however warns that “not solving the problems is more expensive in the long run and endangers (hu)mankind’s future livelihood on the planet, posing particular dangers to the poor and to underdeveloped countries”.¹⁴

61. In the light of the increasing funding needs of developing countries to tackle global environmental obligations, the Executive Director considers that a United Nations system-wide review of the adequacy and effectiveness of the funding of environmental activities is critical to understanding gaps and thus meet these challenges. It would, however, be too narrow to focus only on the concept of incremental costs. The UNEP secretariat is ready to support any initiative that would look broadly at the funding challenges of international environmental governance.

62. UNEP, which administers the Environment Fund, a number of trust funds and other funding mechanisms for the implementation of various multilateral environmental agreements, such as the Multilateral Fund for the Implementation of the Montreal Protocol, participates as an implementing agency in GEF, has considerable experience in funding for environmental activities more generally and could play a strategic role in such a review process if it were to be undertaken. Reviewing the concept of incremental costs on its own may, however, not be strategic if not considered in the wider aspects of international environmental governance.

Recommendation 9: The General Assembly, upon receipt of the above Secretary-General’s report and the views on it of the intergovernmental bodies concerned, should redefine the concept of incremental cost funding applicable to the existing financial mechanisms.

63. As observed above, the concept of incremental costs, which provides for funding to be allocated to developing countries to meet the additional costs of implementing their global environmental obligations, is an accepted United Nations policy principle. A study on incremental cost funding highlighted in recommendation 8, and the need to redefine it as stated in recommendation 9, however, may not necessarily be a productive exercise, since the means of implementation is a standing issue in United Nations processes, such as the General Assembly Second Committee and the Commission on

13 GEF (2009). “Main conclusions and recommendations of the fourth overall performance study of the GEF: progress toward impact”. GEF, Washington, D.C.

[http://www.thegef.org/uploadedFiles/GEFME-C36-Inf1-OPS4-Section1-10909\(2\).pdf](http://www.thegef.org/uploadedFiles/GEFME-C36-Inf1-OPS4-Section1-10909(2).pdf)

14 Ibid.

Sustainable Development. The Executive Director is concerned about funding gaps to meet global environmental challenges.

64. For example, the United Nations regular budget for UNEP does not cover the secretariat's costs¹⁵ and the resources of the Environment Fund are insufficient to fund effectively environmental initiatives to tackle the unprecedented environmental changes at all levels highlighted in the fourth report in the Global Environment Outlook series: *Global Environment Outlook: Environment for Development*, changes at which the General Assembly has expressed deep concern. Funding resources are also inadequate for system-wide implementation of, for example, the Bali Strategic Plan.

65. The Executive Director therefore supports in principle the recommendation in so far as it relates to a review of existing financial mechanisms, noting that the General Assembly has, through its resolution 62/208 of 19 December 2007, emphasized that "increasing financial contributions to the United Nations development system is key to achieving the internationally agreed development goals, including the Millennium Development Goals, and in this regard recognizes the mutually reinforcing links between the increased effectiveness, efficiency and coherence of the United Nations development system, achieving concrete results in assisting developing countries to eradicate poverty and achieve sustained economic growth and sustainable development through operational activities for development and the overall resourcing of the United Nations development system".

66. The UNEP secretariat believes that, following a thorough analysis of various funding mechanisms and discussions and decisions of relevant governing bodies of United Nations organizations, the General Assembly provides an opportunity to fill funding gaps for international environmental governance and to bring coherence and cohesion related to funding mechanisms.

Recommendation 10: The Secretary-General, on the basis of a proposal of the Executive Director of UNEP and consultation with UNEP-administered MEA secretariats, should:

- (a) **Develop and/or review the delegation of authority, division of roles and responsibilities of the entities providing administrative, financial and human resources management services to the Conferences of Parties, and**
- (b) **Draw up a clear service-level agreement defining the level and type of services to be delivered by the United Nations offices in Nairobi and Geneva to MEA secretariats.**

67. The Executive Director supports this recommendation and is reviewing the existing administrative arrangements between UNEP and the multilateral environmental agreement secretariats. Based on this review, the relevant decisions of the conferences of the Parties and lessons learned from the delegation of authority in UNEP, delegations of authority are being developed for the UNEP multilateral environmental agreement secretariats. The delegation will cover human resources, procurement, hospitality and the approval of legal instruments and project documents. These delegations will be consistent throughout the secretariats while taking each secretariat's specific needs and capabilities into consideration. The overall purpose is to facilitate decision-making by streamlining administrative procedures and arrangements. The executive secretaries of the multilateral environmental agreements will be accountable to the Executive Director for the exercise of delegated authority.

68. The UNEP secretariat Corporate Services Section is currently reviewing administrative arrangements, taking into consideration Human Resource Management Service requirements in all UNEP offices, including multilateral environmental agreement secretariats. This exercise is expected to establish a clear division of the roles and responsibilities of entities providing administrative, financial and human resources services to UNEP multilateral environmental agreements.

69. The UNEP secretariat provides administrative support to multilateral environmental agreement secretariats. This support function is outsourced to the United Nations Office at Nairobi and the United Nations Office at Geneva and service-level agreements have been drawn up for each group of services. UNEP is, however, reviewing those agreements with a view to improving administrative support to UNEP and defining the same for multilateral environmental agreements.

15 This is some 4 per cent of the UNEP budget.

Recommendation 11: The Secretary-General, with the assistance of the Executive Director of UNEP and in consultation with the MEA secretariats, should undertake a review of UNEP and UNON practices concerning the recruitment of staff for MEA secretariats, and propose steps to improve the staffing situation and geographical distribution of staff.

70. The staffing of multilateral environmental agreement secretariats is approved by their respective conferences of the Parties and the selection process is handled through the United Nations recruitment and talent management system. A focal point for multilateral environmental agreement coordination has been appointed by the Executive Director for increased coordination with multilateral environmental agreement staffing and administration. This has led to a more efficient recruitment process.

71. The staffing situation and geographical distribution is being further improved on a number of fronts, including executive controls for timely recruitment in line with targets established by the human resources action plan and those set in the Executive Director's compact with the Secretary-General.

72. As part of UNEP secretariat efforts to delegate human resource responsibilities to the multilateral environmental agreement executive secretaries, UNEP is further streamlining current recruitment practices and procedures with the aim of decreasing the time that it takes to fill a vacant position and improving gender and geographical distribution. Similar work and efforts are being undertaken for UNEP.

Recommendation 12: The Secretary-General should:

- (a) **Increase transparency in the use of the programme-support cost resources on an actual cost basis and in the services delivered to MEAs administered by the United Nations and UNEP, and to this end ensure that programme-support costs charged for such services are budgeted and applied against actual expenditures incurred;**
- (b) **Instruct the United Nations Controller to undertake consultations with United Nations entities that deliver administrative services to the Conferences of the Parties and on the basis thereof submit to the General Assembly for its adoption proposals for setting up a common budget for administrative support services provided to MEAs and inform each CoP on the administrative and budgetary implications arising from this arrangement.**

73. The Executive Director supports recommendation 12 (a) in principle and is currently completing an internal study on programme support costs. Implementation of this recommendation will take into consideration the United Nations System Chief Executives Board for Coordination agreements on the definition and use of programme support costs, particularly those costs defined as "indirect": costs that cannot be "traced unequivocally to specific activities, projects or programmes".¹⁶ It will also take appropriate account of administrative instruction ST/AI/286 of 3 March 1982: the United Nations policy governing the use of revenue from programme support costs. This instruction requires that income from programme support costs must be used in areas where a demonstrable relationship exists between the supporting activity concerned and the activities that generated the programme support revenue and directs that such income must be distributed equitably between project management, programme management and central administrative functions.

74. The Executive Director does not, however, support recommendation 12 (b) as it is written. Controlling the number and proliferation of independent secretariats needs to be considered before settling for a fall-back strategy: determining how best this past and future proliferation is managed. This point is made in recommendation 4. Recommendation 12 (b) also needs to recognize the assignment of responsibility to the Executive Director of UNEP, the Governing Council/Global Ministerial Environment Forum and the conferences of the Parties.

16 CEB/2005/HLCM/R.22, page 2.