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UNITED NATIONS  
ENVIRONMENT  
PROGRAMME

## Programme Performance Report



Climate change



Disasters  
and conflicts



Ecosystem  
management



Environmental  
governance



Chemicals and  
Waste



Resource efficiency



Environment  
under review

# CONTENTS

vi

UNEP

ix

EXECUTIVE SUMMARY

01

OVERVIEW

11

RESULTS

12

Climate Change

24

Disasters and Conflicts

32

Ecosystem Management

40

Environmental Governance

48

Chemicals and Waste

56

Resource Efficiency and Sustainable Consumption and Production

66

Environment under Review

BUDGET PERFORMANCE

76

Income Analysis

76

Expenditure Analysis

81

IMPROVING PROSPECTS FOR RESULTS

85

## List of Boxes

- Box 1. The United Nations Environment Assembly of UNEP – UNEA
- Box 2. Bali Strategic Plan for Technology Support and Capacity Building
- Box 3. Support to countries to access adaptation financing
- Box 4. The 2014 UNEP global adaptation report
- Box 5. Highlight of results in 2014 on energy efficiency financing
- Box 6. The Climate and Clean Air Coalition
- Box 7. The Climate Technology Centre and Network
- Box 8. A highlight of progress on REDD+
- Box 9. Highlights of UNEP support to countries in 2014 to reduce the risk of disasters
- Box 10. Illustrative policy influence on crisis reduction in 2014
- Box 11. Highlights of UNEP emergency response to crisis situations in 2014
- Box 12. Highlights of results of UNEP support to countries in 2014 to use an ecosystem approach
- Box 13. Highlights of results of UNEP support to countries in 2014 to use an ecosystem approach in the marine environment
- Box 14. UNEP support to countries to exchange information on biosafety
- Box 15. Strengthening laws and institutions in 2014
- Box 16. Integration of environmental sustainability principles in policies and plans of regional forums in 2014
- Box 17. The global mercury partnership—a vehicle to support rapid implementation of the Minamata Convention on Mercury
- Box 18. The Strategic Approach to International Chemicals Management (SAICM)
- Box 19. The PCB Elimination Network—a mechanism to address some persistent organic pollutants
- Box 20. The Global Alliance to Eliminate Lead Paint (GAELP)—a vehicle to address lead paint
- Box 21. Turning agricultural waste into biomass for energy
- Box 22. Illustrative results in countries and cities on policy change
- Box 23. Changes in practices resulting from UNEP support in 2014
- Box 24. Illustration of results emerging in 2014 from UNEP’s support on lifestyles and consumption
- Box 25. Stakeholders uptake of emerging issues identified by UNEP

## List of Figures

- Figure 1. Overall Performance

- Figure 2. Status of Achievement of Expected Accomplishments in the Programme of Work
- Figure 3. Overall Budget Performance
- Figure 4. Global consumption of ozone depleting substances (ODS) – 1990
- Figure 5. Global consumption of ozone depleting substances (ODS) – 2010
- Figure 6. Trends in audit recommendations
- Figure 7. Evaluation findings showing project relevance by year
- Figure 8. Evaluation findings showing attainment of objectives and planned results
- Figure 9. Evaluation findings showing project performance
- Figure 10. 2014 Budget performance by funding source
- Figure 11. Analysis of 2014 budget, allocations and expenditures
- Figure 12. UNEP's Results Framework
- Figure 13. Countries with climate change adaptation interventions supported by UNEP
- Figure 14. Countries supported by UNEP through climate change mitigation projects
- Figure 15. Countries supported by UNEP on NAMA and technology planning
- Figure 16. En.lighten partner countries as of December 2014
- Figure 17. UNEP supported countries with regards to fuel efficiency as of December 2014
- Figure 18. UN REDD countries with UNEP support
- Figure 19. Changes in REDD+ readiness assessment
- Figure 20. Budget performance—Climate Change
- Figure 21. UNEP work on disasters and conflicts in 2014
- Figure 22. Country capacity framework
- Figure 23. Budget performance—Disasters and Conflicts
- Figure 24. Demonstrated application of the ecosystem approach in sector-based natural resource management
- Figure 25. Increasing demand for ecosystem services and goods by 2030
- Figure 26. Ecosystem services integrated into national accounting or budgeting processes
- Figure 27. Budget performance—Ecosystem Management
- Figure 28. Countries strengthening environmental laws and institutions with UNEP support
- Figure 29. UNEP supported environmental sustainability mainstreaming in UNDAFs and UN country programmes
- Figure 30. Budget performance—Environmental Governance
- Figure 31. Minamata Convention on mercury—Global Status December 2014
- Figure 32. Countries with legally-binding controls over lead in decorative paint
- Figure 33. Budget performance—Chemicals and Waste
- Figure 34. UNEP work on resource efficiency 2010-2014
- Figure 35. UNEP work on green economy pathways 2011
- Figure 36. UNEP work on green economy pathways 2013
- Figure 37. UNEP work on green economy pathways 2014
- Figure 38. Countries and local governments that have development and/or are implementing green economy pathways
- Figure 39. References to UNEP assessments and reports on sustainable consumption and production and green economy
- Figure 40. Budget performance—Resource Efficiency and Sustainable Consumption and Production.
- Figure 41. Country data flows available in UNEPLive as at December 2014
- Figure 42. Budget performance—Environment under Review
- Figure 43. 2014 Member States and other donors funding of UNEP by fund type and donor type
- Figure 44. Contributions in 2014 by funding source and by top 15 donors for the Environment Fund and earmarked funding.
- Figure 45. Payments received in 2014 by quarter
- Figure 46. Budget and income by source of funding
- Figure 47. Budget and income by subprogramme
- Figure 48. Actual contributions to the Environment Fund
- Figure 49. The use of the Environment Fund: staff and activity costs
- Figure 50. Overview of post and non-post costs
- Figure 51. Staffing in comparison to funding source
- Figure 52. Roll-out of results-based management training across UNEP

#### List of Tables

- Table 1. Climate Change—Results achieved against expected accomplishments
- Table 2. Disasters and Conflicts—Results achieved against expected accomplishments
- Table 3. Ecosystem Management—Results achieved against expected accomplishments
- Table 4. Environmental Governance—Results achieved against expected accomplishments
- Table 5. Chemicals and Waste—Results achieved against expected accomplishments
- Table 6. Resource efficiency—Results achieved against expected accomplishments
- Table 7. Environment under Review—Results achieved against expected accomplishments



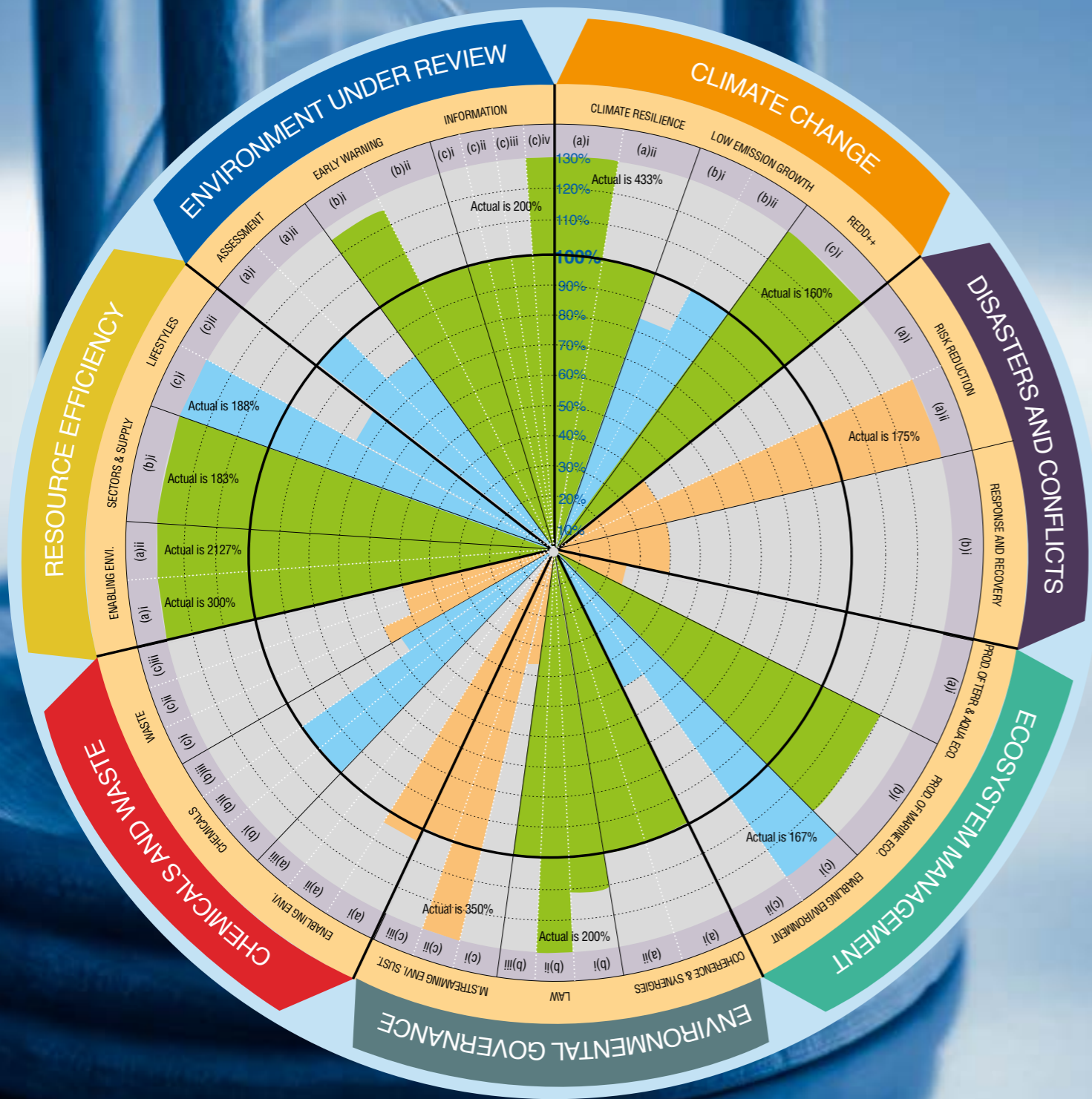
*We partner with United Nations sister agencies, secretariats of multilateral environmental agreements and other strategically placed institutions, driven by the potential impact leveraged from each opportunity.*

UNEP is the lead organization to coordinate environmental matters within the United Nations system. We produce environmental assessments and analyses, norms, guidelines and methods for use by stakeholders looking for guidance on how to effectively manage the environment for their sustainable development and economic growth. With a global remit, 851 staff and an annual expenditure of USD 334 million, our ability to achieve significant impact is based on partnerships—integral to the organization’s strategy to place environment and sustainable development, at the heart of everything we do.

*Our products and services give us a broad array of tools to catalyse change in response to demand.*

*We are committed to strengthening our operations to enforce results-based management.*

Status of Achievement of Expected Accomplishments in the Programme of Work



## EXECUTIVE SUMMARY

2014 marked the evolution of UNEP's governing body from a 58-member Council to the United Nations Environment Assembly (UNEA) with universal membership (193 countries), demonstrating that the environment is a global concern. This new political platform provided a broader overarching context for the work of UNEP in 2014, with a challenge to provide added value to a growing community of stakeholders with high expectations. In addition to meeting the strategic objectives in the Medium-Term Strategy (MTS) and the expected accomplishments in the Programme of Work, the enhanced universal setting for the environment in the United Nations system required the organisation to a) demonstrate responsiveness to the entire membership of the UNEP community; b) address emerging global issues emanating from UNEA while concurrently delivering on the results planned in the MTS; and c) continue to improve business processes to ensure the overall efficiency and impact of UNEP's work.

This report provides UNEP's programme performance and financial information for 2014 against this changing political landscape. 2014 was the first year of the implementation of the Medium-Term Strategy 2014-2017 and the Programme of Work 2014-2015. UNEP's performance review shows that as of December 2014, **70 percent of expected accomplishments** (i.e. planned outcomes) in the Programme of Work for the biennium 2014-2015 **have either achieved – or are very close to achieving – the milestones** and there is

good indication of continued progress in 2015 (see Figures 1 and 2).

The major conclusions from the performance report are that:

- UNEP is **predominantly on track for 2014** to meet the strategic objectives and milestones set out in the Medium-Term Strategy 2014-2017 and Programme of Work 2014-2015.
- Where results are partially on track and in continuing to improve the results-based approach, UNEP needs to work on **refining the indicators and means of measurement** in order to establish clearer causal pathways between UNEP's actions and achieving the outcomes that contribute to the higher objectives of each subprogramme.
- Considerable progress was made in laying a foundation for an integrated approach to sustainable development with the integration of environment in the **post-2015 development framework**.
- UNEP is increasingly **delivering services** for Member States through a growing network of partners. With a **global remit, 851 core staff and an annual budget targeted at USD 297 million**, UNEP's strategy has been to utilize **partnerships** to strengthen countries' capacities in response to the **Bali Strategic Plan for Technology Support and Capacity Building**.
- There has been continued emphasis on improving business processes to ensure **efficiency and impact** of UNEP's work.

70 percent of expected accomplishments have either achieved the milestones targeted at December 2014 or are very close to being achieved.

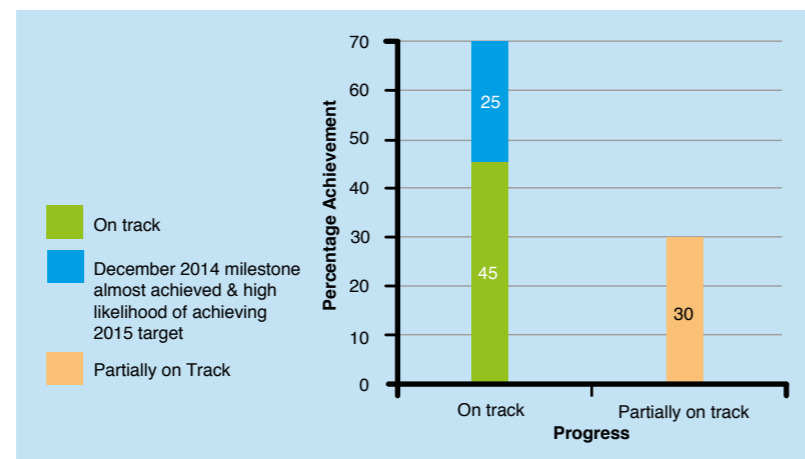
Adaptive measures for areas where performance is partially on track are discussed in the chapters on the subprogrammes.

**UNEP's progress towards results is based on an expenditure of USD 334 million** for the year ending December 2014 (see Figure 3). Income as of 31 December 2014 was USD 419 million, exceeding the planned 2014 budget of USD 297 million. The difference in received income primarily reflects the disbursement of funding that was earmarked in previous years for activities over the life cycle of designated projects.

UNEP's performance shows that the organization is contributing to transformational change in some key areas—such as the phase out globally of ozone-depleting substances and the subsequent recovery of the ozone layer—where UNEP has been able to leverage the strengths of partners and sustain attention on the issues over a longer-term.

A key **lesson learnt** in achieving this type of long-term environmental objective is the need to envisage the kind of change that the organization should target over the long-term at the beginning of the strategic planning period, which extends beyond the four-year Medium-Term Strategy and two-year cycles of the Programme of Work. This means the performance indicators in the Programme of Work need to be designed

Figure 1: Overall performance



in future strategic planning exercises to target long-term change (with a 10-year or longer horizon) on selected issues to be tracked through successive programmes of work, which would serve as milestones towards such goals.

Another key element of achieving UNEP's strategic priorities is boosting efforts to **encourage contributing donors to shift towards increasing un-earmarked funding**. The ratio between core funding and earmarked funding remains uneven and is a challenge under constant attention given that some areas have been inadequately funded.

The organization is strengthening **delivery capabilities** while also filling key vacant positions. A **human-resources strategy that aligns with the results** in the next strategic planning cycle will enable the necessary skill sets to be put in place well in advance of implementing the Programme of Work, to the extent possible.

Figure 2. Status of Achievement of Expected Accomplishments in the Programme of Work

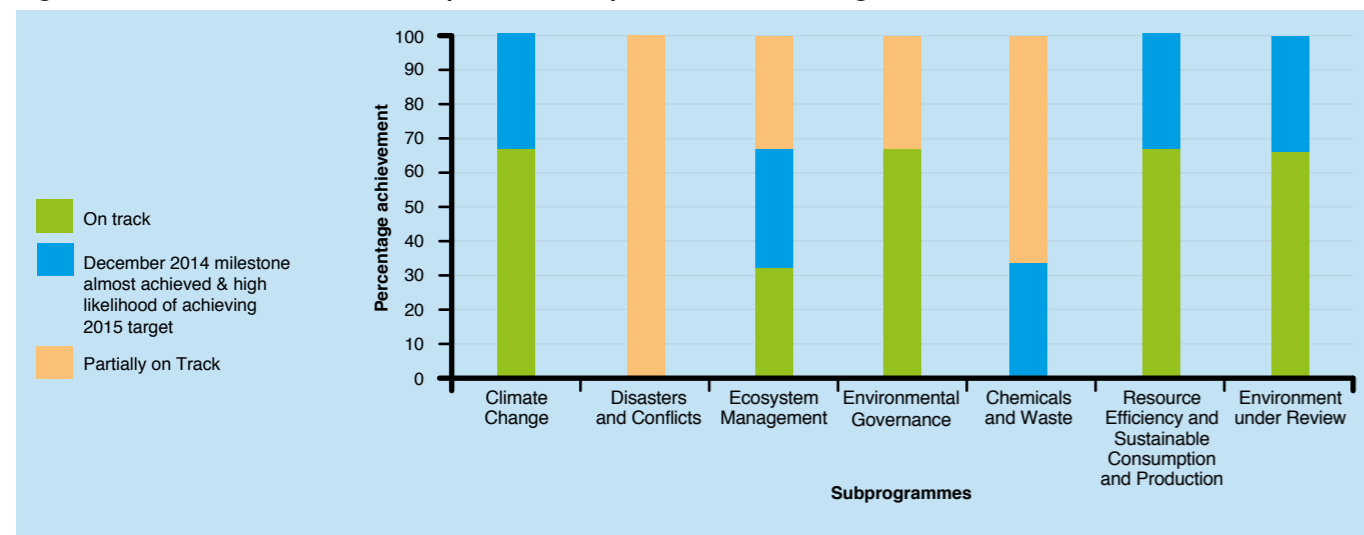
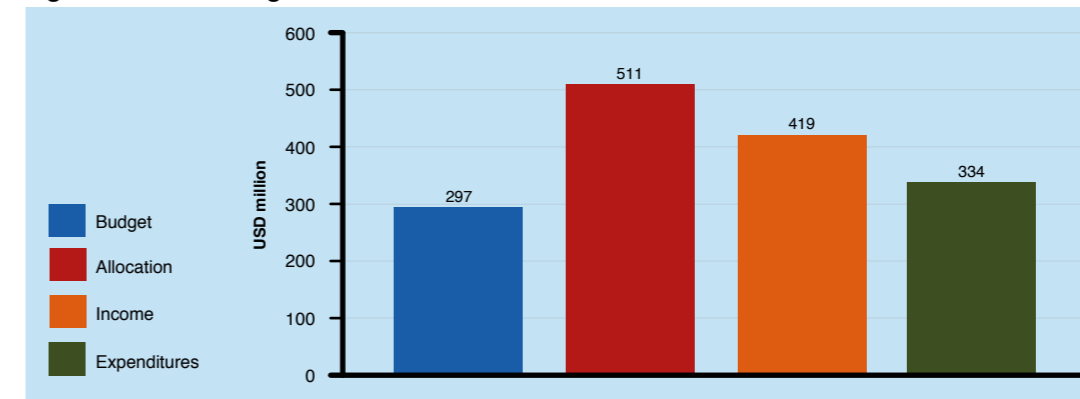


Figure 3. Overall Budget Performance\*



\*Allocation and income figures include funds received for multiple years.

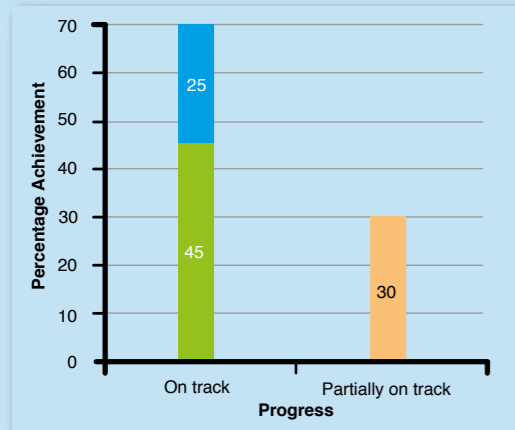
In **monitoring and reporting** UNEP's work, additional or improved performance indicators could help track important work that is being undertaken in response to emerging issues but is not currently captured by the measurement indicators that were designed at the beginning of the planning cycle. For instance, in UNEP's work on disasters and conflicts, the result of action taken in response to countries' request for crisis reduction support or post-crisis assessment is critical to achieving the expected accomplishment in a subprogramme but had not been factored in the design of the performance indicators to measure progress in the implementation of the Programme of Work.

To continue to strengthen the organization's prospects to achieve measurable outcomes, and a clear causal pathway between UNEP's actions and achieving the planned strategic objectives, results-based management continues to be emphasized across the organization. **Results-based management** training continues to be organized across all UNEP offices with online self-paced training soon to come into use through a partnership with the UN Staff Training College. With performance reporting now a standard feature in the work of UNEP staff – making **performance information** a regular source of information for management review, and an increasing emphasis on strengthening the quality of reporting—UNEP is positioning itself to increase its prospects for achieving and reporting on results.

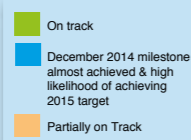


# OVERALL PERFORMANCE METRICS

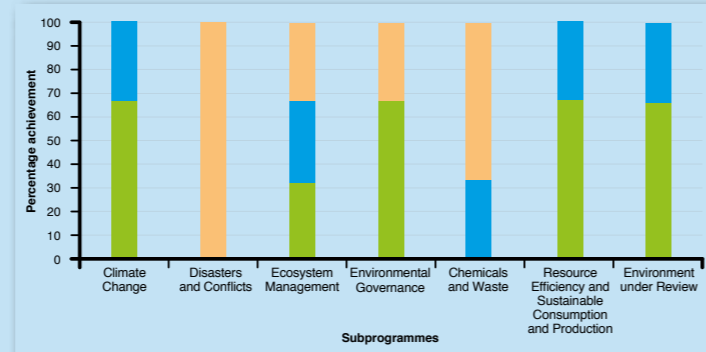
## Overall performance



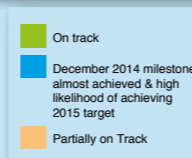
70 percent of expected accomplishments have either achieved the milestones targeted at December 2014 or are very close to being achieved.



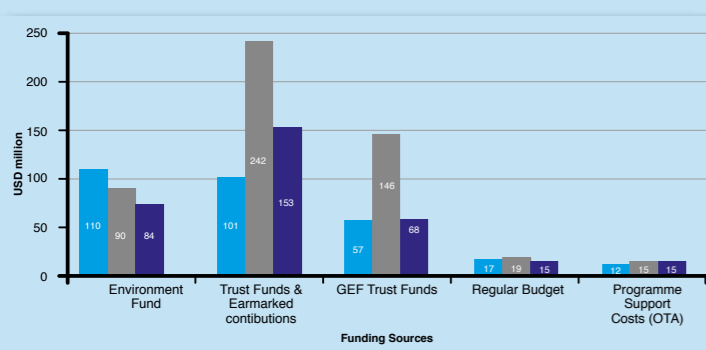
## Status of Achievement of Expected Accomplishments in the Programme of Work



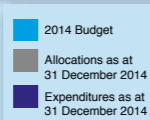
Adaptive measures for areas where performance is partially on track are discussed in the chapters on the subprogrammes.



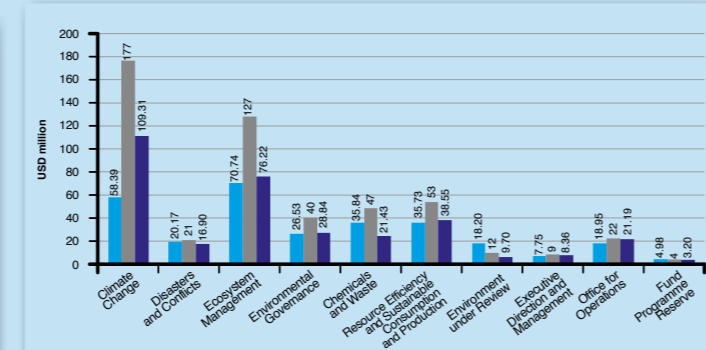
## 2014 Budget performance by funding source



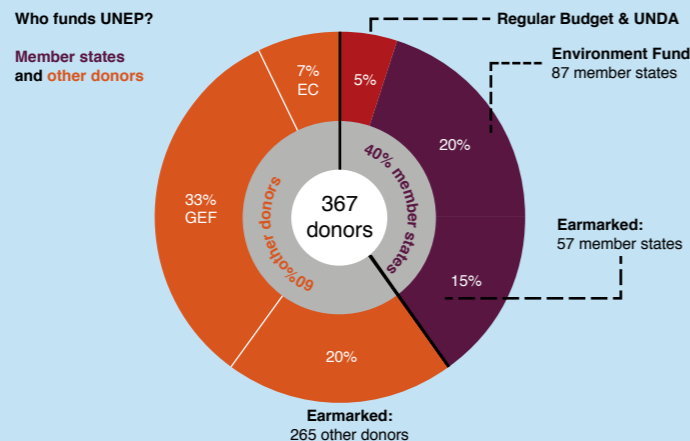
Overall income is higher than the total planned budget



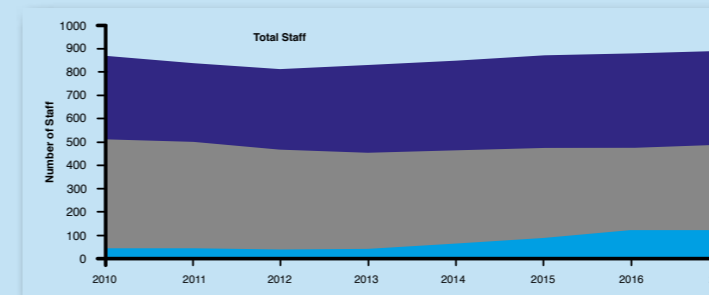
## Analysis of 2014 budget, allocations and expenditures



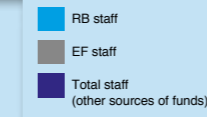
## 2014 Member States and other donors funding of UNEP by fund type and donor type



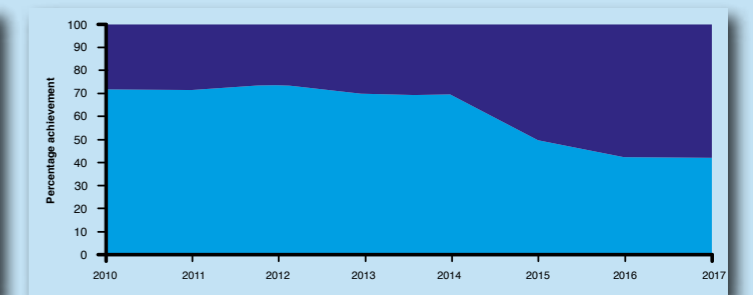
## Staffing in comparison to funding source



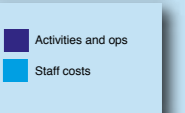
In 2014, funding dedicated to staff costs decreased and overall staff costs from all funding sources were kept under control.



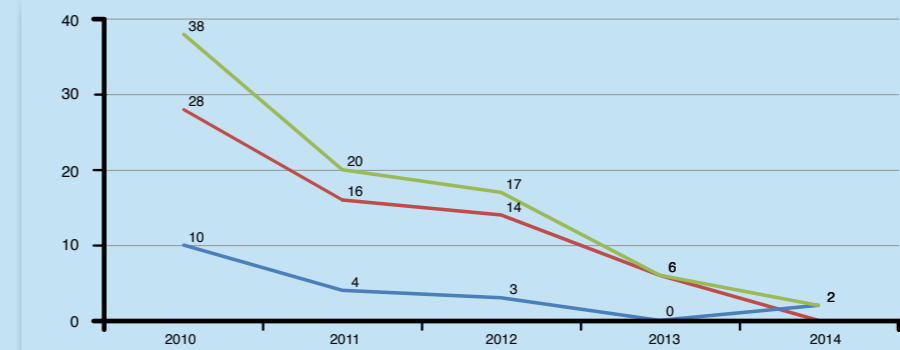
## The use of the Environment Fund: staff and activity costs



There is a relative increase in 2014 in the funding UNEP is dedicating to activities in comparison to previous years. The intention is to continue this trend over the coming years.

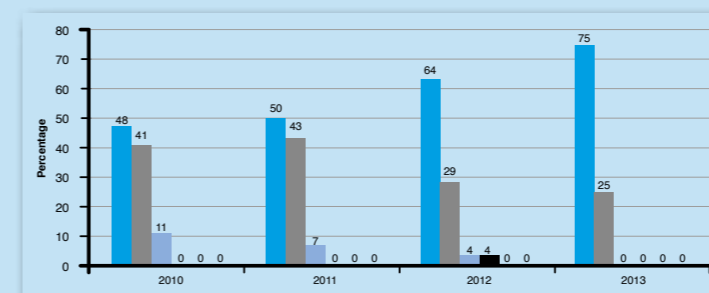


## Trends in Audit recommendations

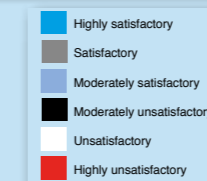


Audit recommendations in the categories of critical and important have successively reduced since 2010. The two 'important' audit recommendations for 2014 are not within the UNEP secretariat.

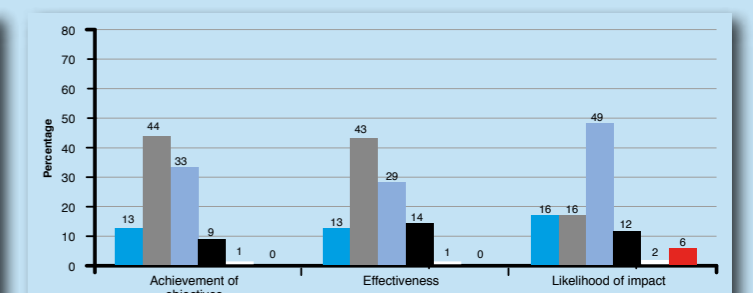
## Evaluation findings showing project relevance by year



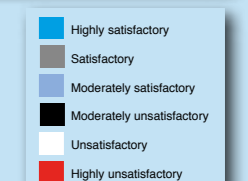
Evaluation findings show that the percent of projects moving from satisfactory to highly satisfactory in terms of project relevance has successively increased since 2010. Analysis of projects evaluated in 2014 is still to be completed.



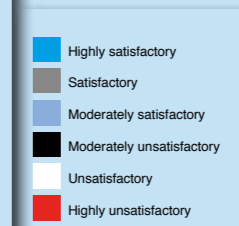
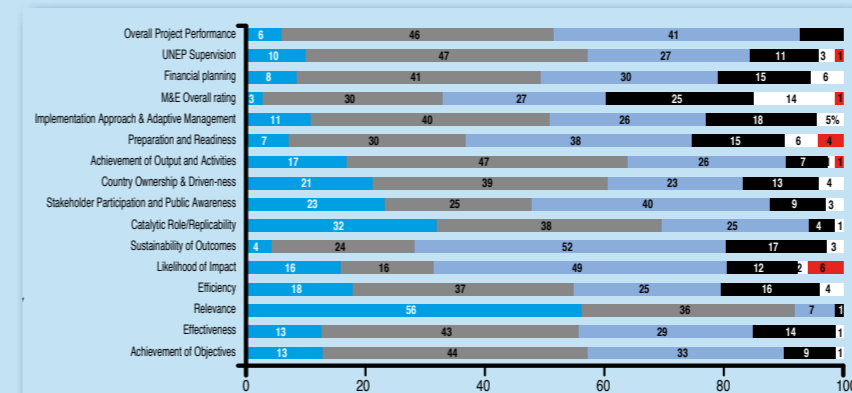
## Evaluation findings showing attainment of objectives and planned results



Evaluation findings show that the majority of projects recently evaluated are rated between moderately satisfactory and highly satisfactory in terms of the projects' attainment of objectives and planned results.



## Evaluation findings showing project performance



Evaluation findings show that the majority of projects recently evaluated are rated between the range of moderately satisfactory to highly satisfactory for the criteria listed in the figure.



# OVERVIEW

2014 was the first year of implementation of the UNEP Medium-Term Strategy for the period 2014-2017 and the Programme of Work for 2014-2015. The strategy was to catalyze change in how different sectors of government and society manage and use the environment to achieve sustainable development and improve human wellbeing.

In 2014, considerable progress was made in laying a foundation for an integrated approach to sustainable development. UNEP is actively engaged in the processes to develop the **post-2015 agenda** and ensure that the environmental dimension is integrated in the sustainable development goals (SDGs). **Environmental sustainability now features prominently at the core of seven Sustainable Development Goals** (including goals on climate change, combating ecosystem degradation and sustainable consumption and production) and is well integrated in a further eight goals. One of the main themes of the high-level ministerial plenary at the first session of UNEA in June 2014 was the environmental dimension of the SDGs. UNEP has also prepared a number of reports and policy papers on the environmental dimension of the post-2015 agenda, for example, on integration and coherence and on integrating the three dimensions of sustainable development<sup>1</sup>. UNEP is also supporting the formulation of measurable indicators through the Inter-agency Expert Group on SDG indicators (IAEG-SDG). A dedicated indicator page on a system, *UNEP-Live*, is being established

for **tracking global environmental goals and the Sustainable Development Goals**<sup>2</sup>. A key component of achieving sustainable development is adequate resource mobilization. In 2014, UNEP initiated work on innovative financing that launched an inquiry into the financial system identifying the kind of support needed for the transition to a prosperous and inclusive green economy and for sustainable development to thrive.

UNEP is increasingly **delivering** services for Member States through a **growing network of partners**. The new political platform created with the **establishment of UNEA** provided a challenge to deliver value added services to a growing community of stakeholders with high expectations (see Box 1). UNEP's work on marine litter, for instance, was in response to the directions set by UNEA (resolution 1/6 on marine plastic debris and microplastics). In 2014, UNEP supported **15 countries** to start addressing marine litter.

To meet this challenge, UNEP's approach was to strengthen countries' environmental management capacities in line with the **Bali Strategic Plan for Technology Support and Capacity Building (BSP)** (see Box 2). **With a global remit, 851 core staff and an annual budget targeted at USD 297 million**, UNEP's strategy has been to leverage partnerships to strengthen countries' capacities and ultimately catalyze change at a global scale. The **Climate Technology Centre and Network**—for

<sup>1</sup> <http://www.unep.org/post2015/Publications/tabid/133031/Default.aspx>

<sup>2</sup> <http://uneplive.unep.org/theme/index/12#.VSeNH9yUeVM>

### Box 1. The United Nations Environment Assembly of UNEP - UNEA

The first session of the United Nations Environment Assembly of UNEP (UNEA) built on the foundations laid at the Rio+20 Conference, adopting resolutions on a number of important matters, ranging from marine plastic debris and micro-plastics, to the science-policy interface, illegal trade in wildlife, ecosystem-based adaptation, chemicals and waste, and air quality. The high-level segment of the Assembly focused on “SDGs and the post-2015 Development Agenda, including sustainable consumption and production” and “Illegal Trade in Wildlife”. 159 UN Member States, intergovernmental organizations, the UN system and major groups and stakeholders attended. 10,376 news articles were published on UNEA-related topics, of which 6,158 appeared in top tier news outlets. UNEA was prominently covered by over 3,000 leading news outlets in over 112 countries. The UNEA website<sup>3</sup>, launched in the six UN official languages, marked a 1,062 percent increase in visits from its launch in March 2014. Total visits in June were recorded at 194,501.

which UNEP provides secretariat support—is one example in 2014 of a partnership approach UNEP utilized to provide practical solutions to over 30 developing countries on their priority climate technology challenges.

UNEP’s overall performance against expected accomplishments (i.e. outcomes planned) in the Programme of Work for the biennium 2014-2015 shows that **70 percent of the expected accomplishments of the biennium (equivalent to 76 percent of individual indicator targets<sup>4</sup>) have either achieved, or are close to achieving, the milestones set for December 2014** and there is good indication of continued progress in 2015.

UNEP continues to work towards the strategic goals of the seven priority areas (subprogrammes) and there are a number of activities undertaken in 2014 that are demonstrative of the organisation’s achievements in these areas, as highlighted below.

UNEP’s work in the *climate change* focus area aims to strengthen the ability of countries to move towards climate-resilient and low emission pathways for sustainable development and human wellbeing. On climate change adaptation, UNEP launched the first **Global Adaptation Gap** report

in 2014, which shows that by 2050, the global costs of preparing to adjust to future climate change are likely to reach USD 300 billion per year. UNEP also played a key role in the UN Secretary General’s climate summit in September. For example, on **low emissions growth**, the Secretary General launched accelerated actions to take forward energy efficiency with UNEP as co-lead for efficiency on lighting, transport, buildings and district energy. The aim is to help **countries achieve by 2020, a doubling in energy efficiency**. For instance, **66 countries—up from 55 in 2013—are now working to bring about a shift to efficient lighting**. The **Climate and Clean Air Coalition (CCAC)** now has **USD 58 million in pledges, and 11 high-impact initiatives** such as reducing black carbon emissions from heavy-duty diesel vehicles. While helping to curb greenhouse gas emissions, this will also **reduce the health impacts of air pollution** (the WHO estimates that around 7 million premature deaths resulted from air pollution in 2012).

The *ecosystem management* priority area continues to focus on sustainable use of natural resources, including terrestrial and aquatic resources and maintaining the long-term health and productivity of these ecosystems through data provision, conducting assessments, and sharing



### Box 2. Bali Strategic Plan for Technology Support and Capacity Building

Governments adopted the Bali Strategic Plan for Technology Support and Capacity Building (BSP) in 2005 to enhance technology support and capacity building to developing countries and countries with economies in transition. The objectives of the plan were to strengthen the capacity of governments, provide a framework for capacity-building to ensure effective participation, engage stakeholders and foster partnerships and ensure national ownership. UNEP has become more responsive to country needs where it has a comparative advantage and can leverage partnerships to upscale support for delivery on the ground.

<sup>3</sup> <http://www.unep.org/unea/en/>

<sup>4</sup> Although there is a causal relationship between subprogrammes, expected accomplishments and indicators, there is not a 1:1 relationship and thus both data sets on progress to achieve expected accomplishments and indicator targets are presented.

Figure 4: Global Consumption of Ozone Depleting Substances (ODS) - 1990

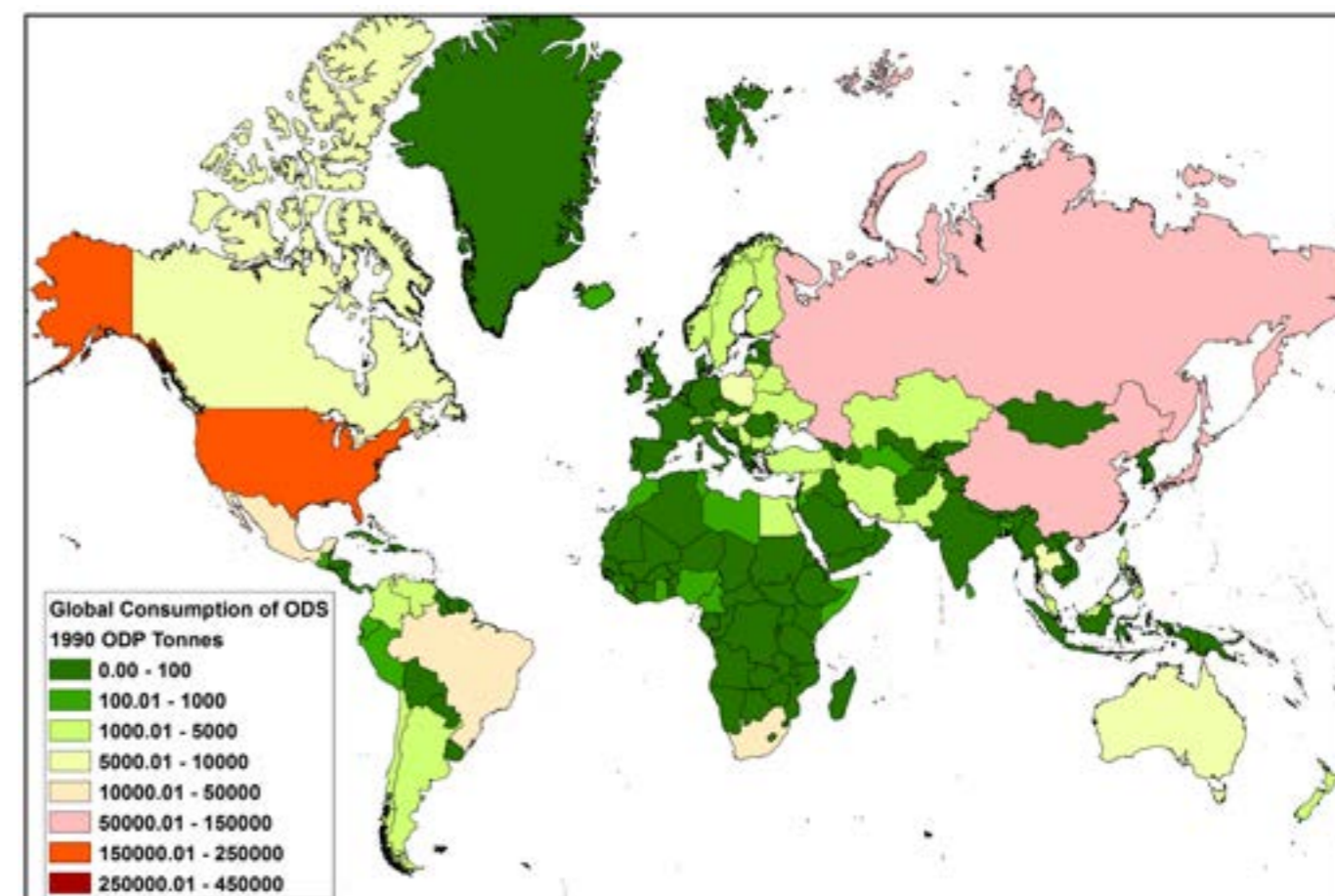
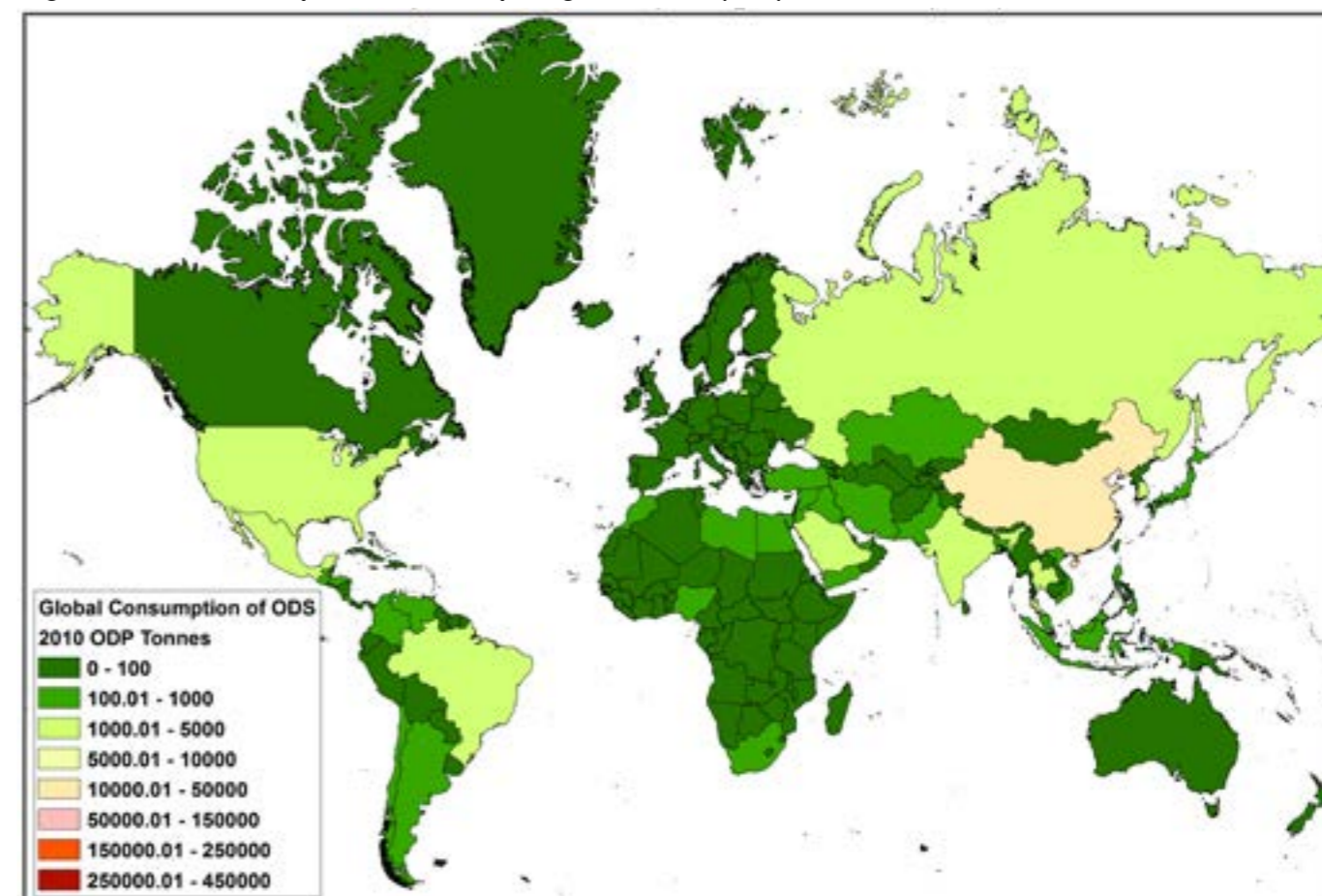


Figure 5: Global Consumption of Ozone Depleting Substances (ODS) - 2010



of best practices. For example, UNEP is supporting **59 countries to enable different sectors to use an ecosystem approach to meet their needs on terrestrial and aquatic ecosystems**. In coastal areas, UNEP is supporting countries to integrate ecosystem approaches in their efforts to sustain coastal and marine ecosystems through the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA). So far, **13 countries have demonstrated the usage of the ecosystem approach**.

In the area of *environmental governance*, UNEP is progressing on **promoting coherence and synergy internationally and in strengthening laws and institutions. Good progress was achieved in most aspects of mainstreaming environmental sustainability into development**, and efforts to incorporate environmental sustainability successfully occurred at various stages of UN Development Assistance Frameworks (UNDAFs) in a number of countries. Toward the objective of promoting coherence and synergy, in 2014 UNEP established a joint initiative across the UN and MEAs **with heads of agencies adopting a common approach on environmental management systems**. The overarching goal is to achieve climate neutrality in the UN by 2020 following the vision established by the UN Secretary General. UNEP also initiated two new collaborative arrangements in 2014 with the institutions supporting effective implementation of specific MEAs, and synergetic implementation among biodiversity-related MEAs. An **online reporting system for the harmonized reporting of biodiversity-related MEAs was tested** for the Africa-Eurasia Waterbirds Agreement, and an **initial set of options to enhance synergies on programmatic, institutional and administrative areas of work across six biodiversity related multilateral environmental agreements** was developed as the outcome of consultations involving experts, secretariats and national focal points. Specific tools were developed to support more effective collaboration, which will be further elaborated in 2015.

Through UNEP's work on *resource efficiency and sustainable consumption and production*, countries' transition to

green economies also gained momentum in 2014. The **Partnership for Action on Green Economy (PAGE)**, an initiative of 5 UN agencies hosted by UNEP, successfully assisted interested countries in pursuing green development pathways. **Mongolia**, for example, as part of UNEP's work on resource efficiency and sustainable consumption and production, **adopted a National Green Development Strategy**, which puts environmental sustainability at the top of the national development agenda. UNEP has, since 2010, supported a total of **66 requesting countries and 11 cities** in their efforts to **develop, adopt, or implement green economy** pathways that promote resource efficiency and sustainable consumption and production.

In the *environment under review* priority area, a lot of progress has been made in creating the enabling environment for dynamic or real-time availability of environmental data, uptake by stakeholders. The preparation of the sixth **Global Environment Outlook (GEO-6)** will benefit from the information generated through these processes, with regional assessments and environmental information networking conferences planned for 2015 and full delivery of the global assessment expected by mid-2017. In 2014, UNEP achieved its goal to increase the number of **national, regional and global forums using data on environmental trends to influence policy and to increase the number of United Nations agencies and MEAs using data on environmental trends to influence policy**. In addition, since the launch of UNEP Live – an online platform designed as a knowledge broker to share environmental data and knowledge and support assessment processes – in early 2014, environmental information and national data flows have increased exponentially. A dedicated indicator page is being established for **tracking global environmental goals** and to facilitate environmental reporting, a Reporting Obligations database was developed. By the end of 2014, lists of reporting obligations, related reporting formats and reporting deadlines of 155 countries were available on UNEP Live.

Of the 35 percent of expected results that are partially on track, 15 percent are measured through performance indicators that include parameters either outside UNEP's sphere of influence or are not



necessarily capturing UNEP's annual progress in the most comprehensive manner. Since introducing a strengthened results-based framework in 2010, UNEP continues to work on the identification of indicators and enable measurement UNEP's actions towards achieving the outcomes of each sub-programme. Practical use of the indicators in UNEP's work on *disasters and conflicts* to capture country capacity shows, for example, that the indicator is useful for measuring UNEP's progress when the organization has provided countries with long-term support (currently five countries). However, in 2014, UNEP provided much more assistance than its long-term programmes. For example, in response to emerging issues, **UNEP reduced the risk of environmental crisis in 22 countries and supported post-crisis recovery in 12 others**.

UNEP minimized the environmental risks related to the transport and destruction of over 700 tonnes of **chemical weapon materials from Syria**, assisted in the removal of 26 tonnes of corroded ammonia containers in **Madagascar** and helped develop a USD 56 million environmental recovery and reconstruction plan for the **Balkan floods**, which had displaced over 100,000 people. This work enables countries reduce risks to human health, livelihoods and security from the environmental causes and consequences of disasters and conflicts. Additional performance indicators would be useful in measuring these aspects of progress towards UNEP's expected accomplishment.

UNEP's work on *chemicals and waste* aims at promoting the transition of countries to the sound management of chemicals and waste. The Programme of Work is designed to support (1) an enabling environment (institutional capacity and policy instruments) for chemicals and waste management at country level; (2) tools and technical assistance for chemicals management; and (3) tools and technical assistance for waste management. UNEP provides secretariat services for the negotiations on the Minamata Convention on Mercury, which was formally adopted in October 2013, and hosts the secretariat for the Strategic Approach to Sound Chemicals Management (SAICM). Work in these areas continues to be demanding as the

Minamata Convention moves towards entry into force and SAICM towards the fourth session of the International Conference on Chemicals Management. In this regard, significant donor funding for the chemicals programme in the previous biennium, and continuing into 2014, was earmarked to support work relating to Minamata and SAICM. Other work through partnerships (e.g. Global Mercury Partnership, Lead Paint Partnership) have furthered awareness and support to the many actors in these fields towards implementation at the national level, however resources (human and financial) have not been commensurate with demand in these areas. Efforts are now underway to reinvigorate both human and financial resources to support these partnerships. Strategic and scientific support has also advanced through the Global Monitoring Programme for Persistent Organic Pollutants, endocrine disrupting chemicals and the development of a Global Waste Management Outlook and an accompanying strategy. Work in the GEF chemicals and waste portfolio met with greater success in 2014, supporting many regional and national projects.

In UNEP's role as an Implementing Agency of the Montreal Protocol's Multilateral Fund, it has, through its Ozone Action, implemented a portfolio of 389 ongoing projects and delivered 372 compliance assistance advisory services plus other projects and services for 148 developing countries. Within the project services, UNEP (a) supported HCFC phase-out management plans as the lead implementing agency in 71 developing countries and cooperating agency in 28 countries; (b) assisted 103 developing countries, where UNEP is responsible for the institutional strengthening projects, through policy advice, capacity development and finalization of national licensing and quota systems. UNEP organized 21 network meetings and thematic workshops on priority issues related to HCFC phase-out; monitored the ratification of outstanding amendments to the Montreal Protocol; and raised awareness through an Information Clearinghouse function that included technical publications, videos and electronic knowledge management services on the HCFC phase-out, particularly focusing

on the air-conditioning and refrigeration servicing sector. The *Scientific Assessment of Ozone Depletion*<sup>5</sup> in 2014 showed the **Earth's protective ozone layer is on track to recovery**, a result of efforts of a number of partners of which UNEP is one (see Figures 4 and 5).

Looking ahead, the evolution of the SDG deliberations to encompass healthy lives (Goal 3), presents an opportunity to partially redesign and redirect UNEP's work on chemicals and waste by, for example, emphasizing social concerns such as health and well-being. More use of sustainable consumption production approaches and life cycle management is envisaged to ensure improved management of chemicals and waste. Thus, as UNEP works to further enhance capacity for increased delivery—filling key vacant positions, boosting financial resources and building greater synergies within—this strategic direction will be an important opportunity for consideration.

While challenges remain, especially in setting clear indicators, UNEP continues to make remarkable progress in **strengthening the organisation's project management capabilities**. UNEP's Evaluation Office, which works independently of UNEP's operational divisions, evaluates all completed projects over a threshold of USD 1 million. To date,

UNEP's short and medium-term overall project performance has emerged with nearly two thirds of the projects evaluated in the previous biennium 2012-2013 rated as 'satisfactory' or higher and only 5 percent rated within the 'unsatisfactory' range (see Figures 7 to 9). UNEP will conduct an overall evaluation of the MTS 2014-17 in mid-2015 and end-2017.

Results-based performance reporting has become a standard feature in the work of UNEP staff. The organization is now concentrating on strengthening the quality of reporting, so that progress against outcomes is better monitored right from the project design level.

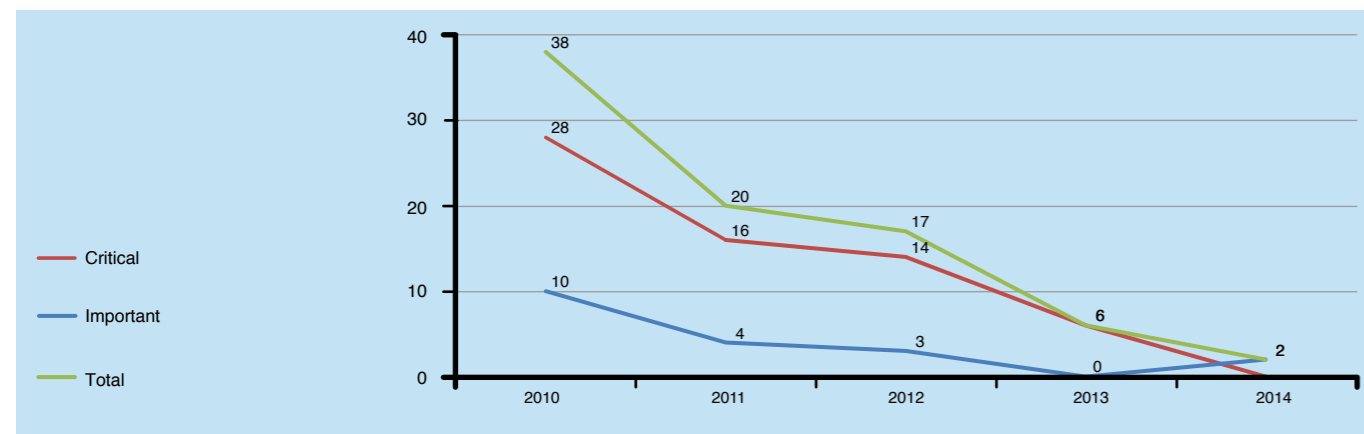
Complementing UNEP's own monitoring of performance were reviews and audits of the UN Office of International Oversight Services (OIOS). UNEP has been able to progressively reduce the number of 'critical' (from 28 to 0) and 'important' (from 10 to 2) OIOS recommendations (see Figure 6).

To ensure the overall impact of UNEP's work, UNEP's Evaluation Office continues to evaluate efforts completed not only at project level but also at subprogramme and MTS levels. In 2014, the Evaluation Office completed the evaluation of the Climate Change subprogramme and is currently finalizing the evaluation of the

Ecosystem Management subprogramme. A common finding was the need to have more upstream strategic thinking and project preparation work, ahead of the formal planning and project approval processes. Evaluations of subprogrammes are done on a rolling basis over the period of the Medium-Term Strategy.

The Independent Evaluation Office of the GEF in its assessment in 2014 of the quality of evaluations carried out by the GEF agencies including UNEP concluded that 100 percent of UNEP evaluation reports of GEF projects were moderately satisfactory or higher in terms of quality, as compared to 83 percent and 76 percent for the World Bank and UNDP, respectively, a significant improvement over previous years.

Figure 6. Trends in Audit recommendations



\* The two 'important' audit recommendations for 2014 are not within the UNEP secretariat.

Figure 7. Evaluation findings showing project relevance by year

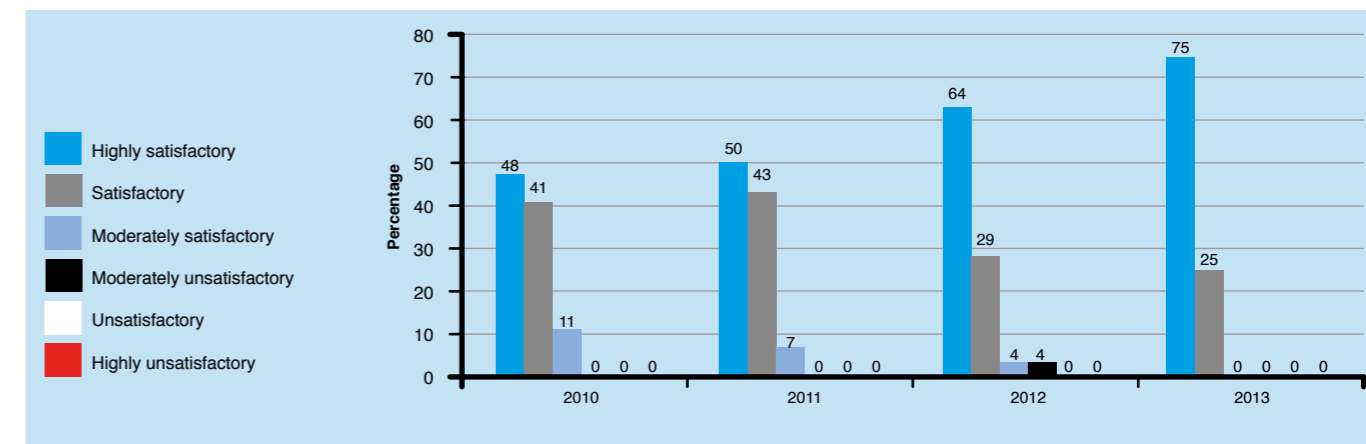
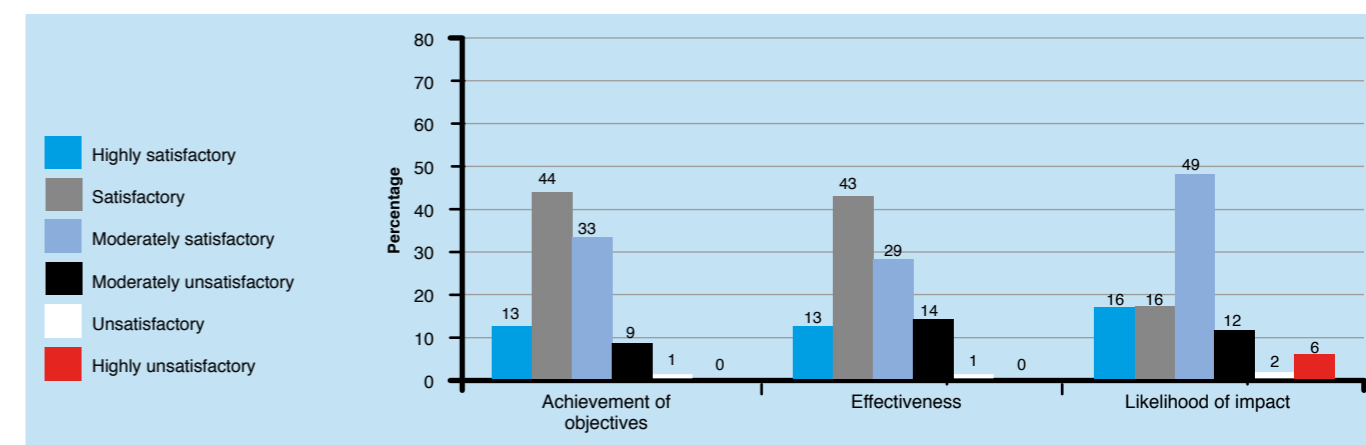


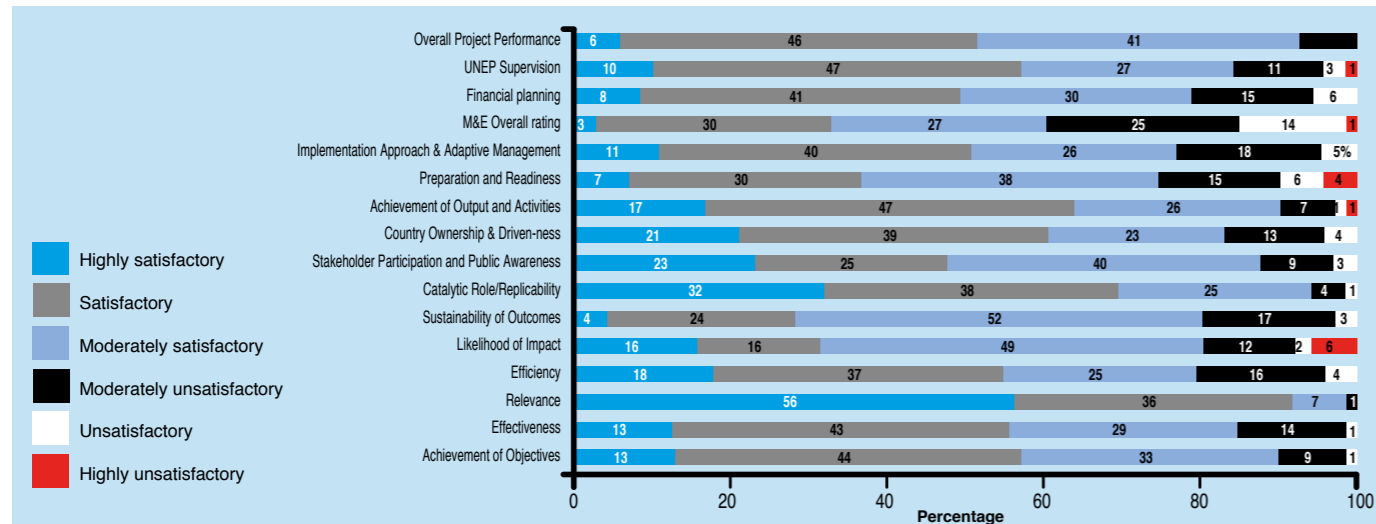
Figure 8. Evaluation findings showing attainment of objectives and planned results (2010–2013)



Evaluation findings also showed the need for UNEP to place more attention on how to bring about lasting, longer-term effects in which outcomes are sustained.

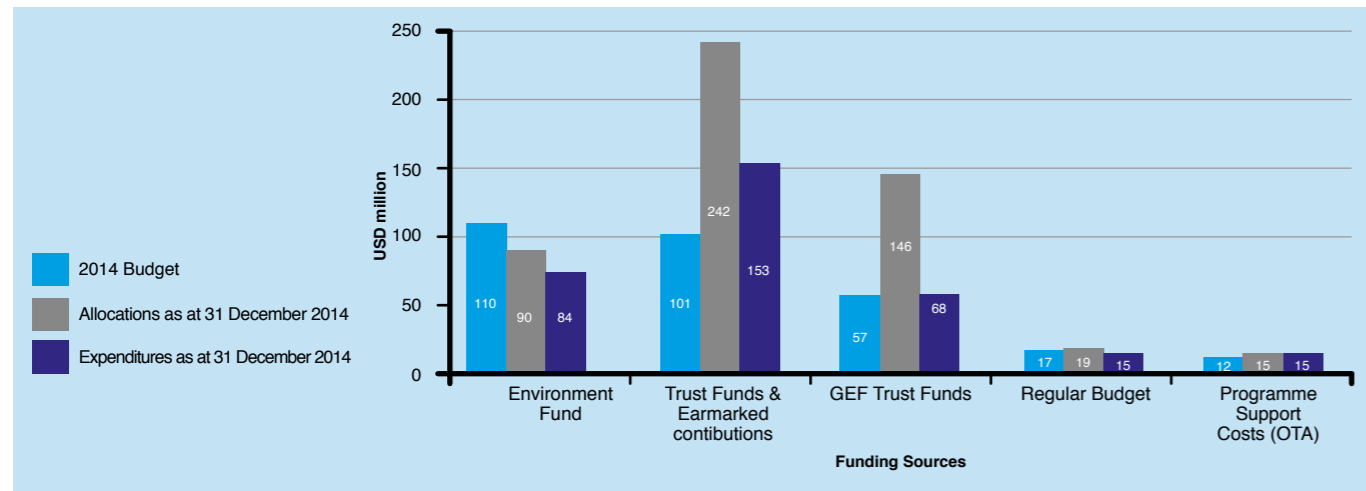
<sup>5</sup> [https://www.wmo.int/pages/prog/arep/gaw/ozone\\_2014/ozone\\_asst\\_report.html](https://www.wmo.int/pages/prog/arep/gaw/ozone_2014/ozone_asst_report.html)

Figure 9. Evaluation findings of project performance



UNEP's progress towards results is based on an expenditure of USD 334 million for the year ending December 2014 (see Figure 10). Income as of 31 December 2014 exceeded the planned 2014 budget of USD 297 million by 71 percent although part of this income is earmarked for the entire life-cycle of projects, spanning over multiple years (see Figure 6).

Figure 10. 2014 Budget performance by funding source



\* Figures may slightly differ from totals due to rounding off

Figure 11. Analysis of 2014 budget, allocations and expenditures

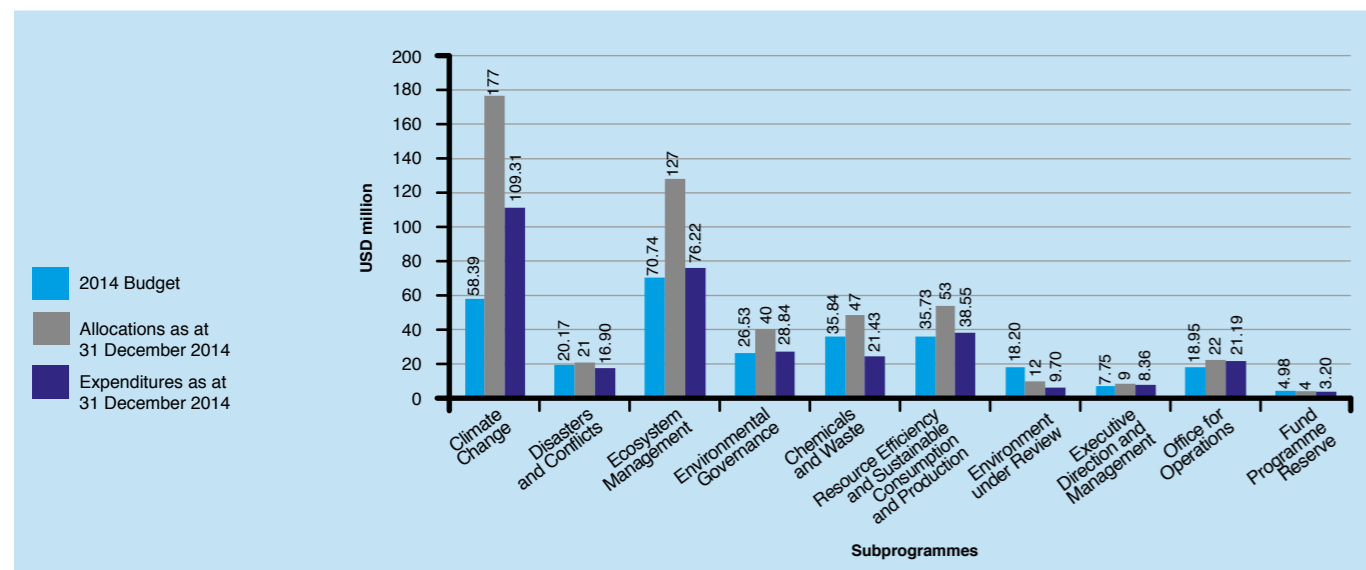
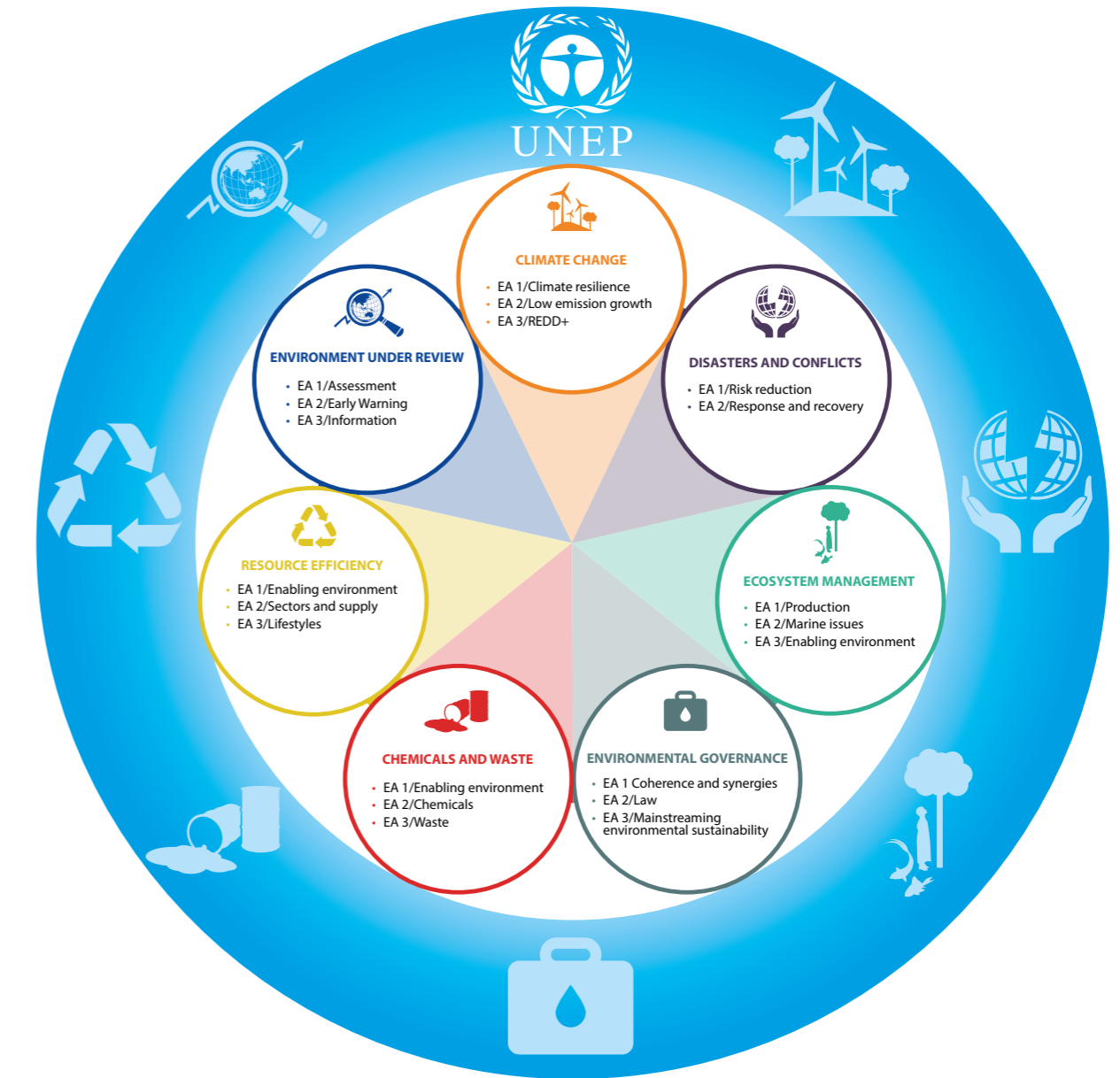


Figure 12. UNEP's Results Framework



The next section provides an overview of the extent to which UNEP has made progress within its seven priority areas (see Figure 12) taking into account the budget available for delivery of results (see Figure 11).

- Climate change
- Disasters and conflicts
- Ecosystem management
- Environmental governance
- Chemicals and waste
- Resource efficiency and Sustainable Consumption and Production
- Environment under review

## 2014 in numbers

**Planned budget  
USD million****110**

Environment Fund

**101**

Extrabudgetary resources

**17**

Regular budget

**57**

GEF

**Actual Income  
USD million****84**

Environment Fund

**177**

Earmarked resources

**139**

GEF

**Total Expenditures  
USD million****84**

Environment Fund

**153**

Extrabudgetary resources

**15**

Regular budget

**68**

GEF

**851**  
UNEP  
core staff**129**  
active projects**1418**  
UNEP  
partnerships**RESULTS**

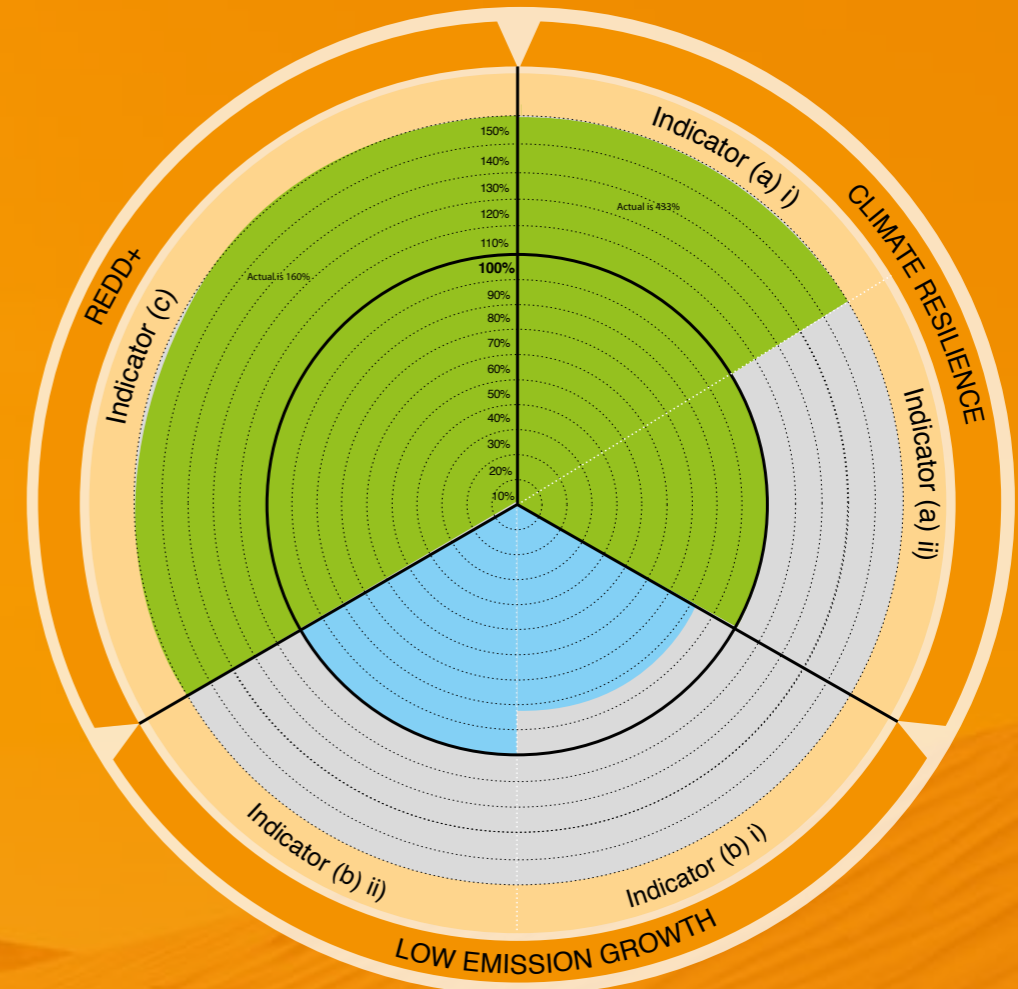


# CLIMATE CHANGE

The risks of climate change are well documented and its impacts are already affecting people and ecosystems. Meeting the climate change challenge requires individuals and institutions—both public and private—to be able to assess and understand climate change, design and implement adequate policies and to take action on climate resilient and low emission growth.

UNEP's work on climate change focuses on:

- **Climate resilience:** to support countries in using ecosystem based approaches to climate change adaptation.
- **Low emission growth:** to support countries and institutions to adopt and scale up the use of energy efficiency and renewable energy, including facilitating countries' access to clean energy finance.
- **REDD+:** to enable countries to capitalize on investment opportunities that reduce greenhouse emissions from deforestation and forest degradation with adequate social and environmental safeguards.



Fully on track December 2014 milestone almost achieved & likelihood of achieving 2015 Partially on track

### INDICATORS OF ACHIEVEMENT

#### CLIMATE RESILIENCE

- (a) i) Increase in the number of countries implementing ecosystem-based and other supporting adaptation approaches as a result of UNEP support.
- (a) ii) Increase in number of countries incorporating ecosystem-based and supporting adaptation approaches in key sectoral and development plans, with the assistance of UNEP

#### LOW EMISSION GROWTH

- (b) i) Increase in the number of countries implementing new renewable energy and/or energy efficiency initiatives with the assistance of UNEP.
- (b) ii) Increase in the number of finance institutions demonstrating commitment of resources to clean technology investments as a result of UNEP's supports.

#### REDD+

- (c) Increase in the number of countries adopting and implementing REDD+ strategies incorporating multiple benefits with the assistance of UNEP.

Table 1. Climate Change – Results achieved against expected accomplishments						
Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected by Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Climate resilience</b>						
(i) Increase in the number of countries implementing ecosystem-based and other supporting adaptation approaches as a result of UNEP support	14	22	25	35	28	Fully on track with one indicator exceeding 2014 milestone
(ii) Increase in number of countries incorporating ecosystem-based and supporting adaptation approaches in key sectoral and development plans with the assistance of UNEP	4	9*	12	12	17	
<b>EA (b) Low emission growth***</b>						
(i) Increase in number of countries implementing new renewable energy and/or energy efficiency initiatives with the assistance of UNEP	4	31*	37	36	51	Partially on track but high likelihood of achieving 2015 targets
(ii) Increase in number of finance institutions demonstrating commitment of resources to clean technology investments as a result of UNEP's supports	20	40	47	47	55	
<b>EA (c) REDD+</b>						
(i) Increase in number of countries adopting and implementing REDD-plus strategies incorporating multiple benefits with the assistance of UNEP	4	7	12	15**	15	Fully on track and exceeding 2014 milestone

\* Values reflect performance data as at December 2013, thus changing the baseline from the approved programme of work and subsequently affecting the target  
 \*\* Values reflect countries that are in the process of developing REDD+ strategies and close to a formal REDD+ strategy. Some countries see the process of developing the REDD+ strategy as even more important than the formal adoption of the strategy especially since the other REDD+ design elements are what is required by the UNFCCC for formal submission, not the REDD+ strategy itself. Of these countries, DR Congo, Indonesia, the Philippines, Tanzania and Vietnam have formally adopted REDD+ strategies.  
 \*\*\* In the CPC review of UNEP's Strategic Framework, Member States added the following indicator to review performance under EA(b) 'Increase in number of implemented programmes/projects by countries on transfer of advanced technologies in the area of renewable energy or energy efficiency with the assistance of UNEP'. Performance against this indicator will be measured at the end of 2015.

In 2014, UNEP worked with partners on adaptation and mitigation (including REDD+) in more than 60 countries in parallel with the UN Secretary General's Climate Summit and the UNFCCC conferences. **UNEP's progress on climate change adaptation and REDD+ is fully on track while that on mitigation has almost reached its milestone planned for December 2014 and is highly likely to achieve the targets set for December 2015.**

As of December 2014, UNEP had met its target of supporting 12 countries by year-end to integrate adaptation into national plans. Some 35 countries are already implementing ecosystem-based and other adaptation approaches, creating the groundwork for these countries to be in a position to integrate adaptation and related approaches into national planning in the future. On REDD+, increased numbers of countries receiving UNEP support enabled the organization to exceed the milestones targeted for December 2014 while on mitigation, UNEP efforts enabled UNEP

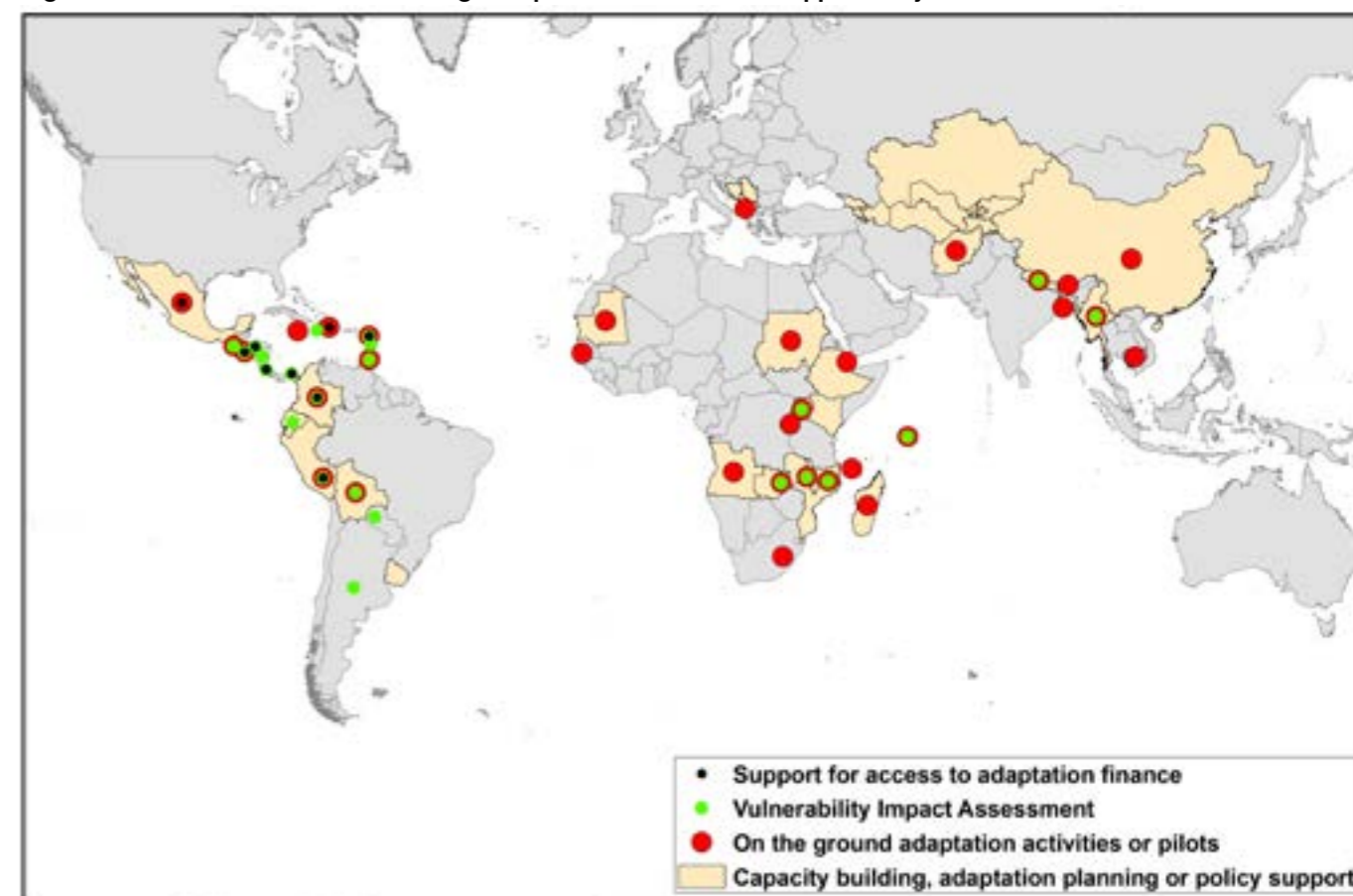
to come very close to the December 2014 milestones

### CLIMATE RESILIENCE

During 2014, UNEP's climate adaptation programme continued to focus on implementing concrete ecosystem-based adaptation (EBA) options as well as integrating EBA into key sectoral and national development strategies. In 2014, UNEP expanded its EBA programme from mountain ecosystems to coastal and urban ecosystems. UNEP expanded its support to additional developing countries to implement ecosystem-based in mountain, coastal as well as urban ecosystems, bringing **the total number of countries implementing ecosystem-based and other adaptation approaches to 35 developing countries as of December 2014.**

**UNEP met its target to support 12 countries to integrate adaptation into**

Figure 13. Countries with climate change adaptation interventions supported by UNEP





**national plans by end-2014.** A number of streams of work are in progress as shown in Figure 13. These streams of work are creating the groundwork for additional countries to be in a position to integrate adaptation and related approaches into national planning.

Given the increasing need to **support developing countries to access**

**adaptation financing,** UNEP also continued its work on supporting countries to access adaptation finance. Highlights of progress during 2014 are shown in Box 3.

A key highlight in 2014 under UNEP's work on adaptation was the first UNEP Global Adaptation Gap Report (See Box 4)

**Box 3: Support to countries to access adaptation financing**

Type of Support	Result
<b>Supporting countries with accreditation as National Implementing Entities to the Adaptation Fund</b>	19 countries have so far been accredited by the Adaptation Fund, which allows them direct access to adaptation funding. UNEP supported four of these countries (Costa Rica, Mexico, Namibia and Peru) in this process. In addition, with UNEP's support in 2014, Bhutan, the Cook Island, Maldives, Palau, Sri Lanka and Tuvalu are likely to be accredited in 2015.
<b>Increasing availability to micro-finance for adaptation</b>	UNEP has been assisting countries increase the availability of micro-finance for adaptation. By end-2014, five microfinance institutions in Colombia and Peru delivered 1300 EBA-oriented micro-finance, ranging from finance for drip-irrigation to sustainable forest management. These pilots will inform larger scale work where partner institutions have committed for the next 5 years to deliver loans worth USD 19 million to local farmers to reduce vulnerability to climate change at local levels.

**Box 4: The 2014 UNEP Global Adaptation Report**

Adaptation has received increasing attention over the past few years, as policymakers and scientists develop a deeper understanding of the impacts of climate change. In 2014, at the UN Climate conference in Lima, UNEP released its first **Global Adaptation Gap Report**. The report provides preliminary thoughts and indicative findings on framing and assessing adaptation gaps. The report emphasizes that estimating the adaptation gap is far more challenging than calculating the emissions gap, given that there is no globally agreed goal or metrics for adaptation. Major findings include that, while adaptation funding has increased in recent years, the costs of adaptation, by 2050, will most likely be at least 2 – 3 times higher than current global estimates. The report highlights the role of finance, technology and knowledge in realizing the adaptation potential. The launch of the publication elicited widespread coverage in both traditional news media as well as social media



**LOW EMISSION GROWTH**

During 2014, UNEP scaled up its work to support countries to improve energy efficiency in targeted areas: appliances, buildings, lighting and transport. It is estimated that approximately 40 percent of global energy use and associated greenhouse gas emissions (GHG) is attributable to appliances, buildings, lighting and transport. UNEP's target for 2014 was to provide technical support to countries so as to enable a target of 18 countries

implement new renewable energy or energy efficiency initiatives. By the end of 2014, UNEP provided assistance to **36 countries who in turn implemented initiatives to improve energy efficiency.** Figures 14 and 15 illustrate some of the specific support to countries on national planning and implementation of energy efficiency initiatives). Box 5 presents a few highlights of results emerging from these efforts. UNEP complements these efforts with major partnership initiatives to enable a broader reach than would be possible on its own (see Boxes 6 and 7).

Global investment in renewable power capacity and fuels increased more than fivefold over the period 2004–2013. Renewables accounted for more than 56 per cent of net additions to global power capacity in 2013, and now account for 22 per cent of the world's electricity production. An estimated 6.5 million people benefit from jobs relating to renewables.

**Box 5: Highlight of results in 2014 on energy efficiency**

Sector	2013 Status	2014 Results achieved
<b>Lighting</b>	By the end of 2013, 55 countries committed to phase out inefficient incandescent lighting	<ul style="list-style-type: none"> <li>• 11 new countries joined the en.lighten initiative bringing the total to 66 countries committed to phase out inefficient incandescent lighting (see Figure 16)</li> <li>• 16 countries completed their national efficient lighting strategies in 2014 bringing the total to 30</li> </ul>
<b>Appliances and Equipment</b>	New initiatives started in 2014	<ul style="list-style-type: none"> <li>• A new partnership on appliances and equipment was launched that builds on UNEP's experience with the en.lighten initiative</li> </ul>
<b>Transport</b>	Global initiative on fuel economy operational in 22 countries  7 developing countries adopted vehicle fuel efficiency standards	<ul style="list-style-type: none"> <li>• 13 countries<sup>7</sup> benefited from support to develop fuel economy policies with support from a UNEP-led partnership, the Global Fuel Economy Initiative (GFEI) (see Figure 17)</li> <li>• Chile, Mauritius, and Vietnam now have fuel efficiency policies in place</li> <li>• Ethiopia, Kenya, Indonesia and Thailand have fuel efficiency policies under formulation</li> </ul>

A new global initiative called **The 1Gigaton Coalition**, initiated by the Government of Norway and coordinated by UNEP, was launched at the climate conference in Lima in 2014. Its aim is to enable countries to measure and report emissions' savings resulting from renewable energy and energy efficiency. 25 countries and 40 organizations make up the Coalition.

On clean energy finance, UNEP aimed to increase the number of finance institutions committing to invest in clean technologies to 47 finance institutions by December 2014. **In 2014, nine new finance institutions<sup>8</sup> committed to investing in clean technologies, achieving the cumulative target of 47.**

Furthermore, UNEP is working with the UN Development Programme (UNDP) and the World Resources Institute (WRI) on a German-funded Green Climate Fund Readiness programme in nine countries<sup>9</sup> to strengthen their national capacities to access climate financing through the Green Climate Fund (GCF).

In 2014, UNEP also scaled up its efforts to focus on working with private sector stakeholders on private climate finance. A highlight in this regard was the **launch of the Portfolio Decarbonisation Coalition (PDC)**, at the UN Secretary General's

Climate Summit in September 2014. This initiative aims to drive greenhouse gas emission reductions by **mobilizing institutional investors, such as pension funds to decarbonise their portfolios – the target is decarbonisation of USD 100 billion worth of investment portfolios by 2020.** The PDC was co-founded by UNEP and its Finance Initiative (UNEP FI), the fourth national pension fund of Sweden (AP4), Europe's largest asset manager Amundi and CDP, the most important mechanism for climate disclosure worldwide. With the recognition of the UN Secretary General, Ban Ki-moon, and the China International Capital Corporation, and the support of the Principles for Responsible Investment, the Coalition is recruiting and convening as many asset owners and asset managers as possible. It will, however, only convene investors who are committed to pro-actively reducing their portfolio exposure to greenhouse gas emissions.

<sup>7</sup> In Africa, Egypt, Mauritius, Morocco, Tunisia; in the Arab States, Bahrain; in Latin America and the Caribbean, Chile, Costa Rica, Peru and Uruguay; and in Asia and the Pacific, Nepal, Sri Lanka and Vietnam  
<sup>8</sup> African Biofuel & renewable Energy Company; Swedish Pension Fund; Amundi Asset Management; FRR; Swedish Church; Mirova, Australian Ethical Investment; Evolution One Fund  
<sup>9</sup> Benin, Colombia, El Salvador, Fiji, Ghana, Kenya, Nepal, the Philippines and Uzbekistan

Figure 14: Countries supported by UNEP through climate change mitigation projects

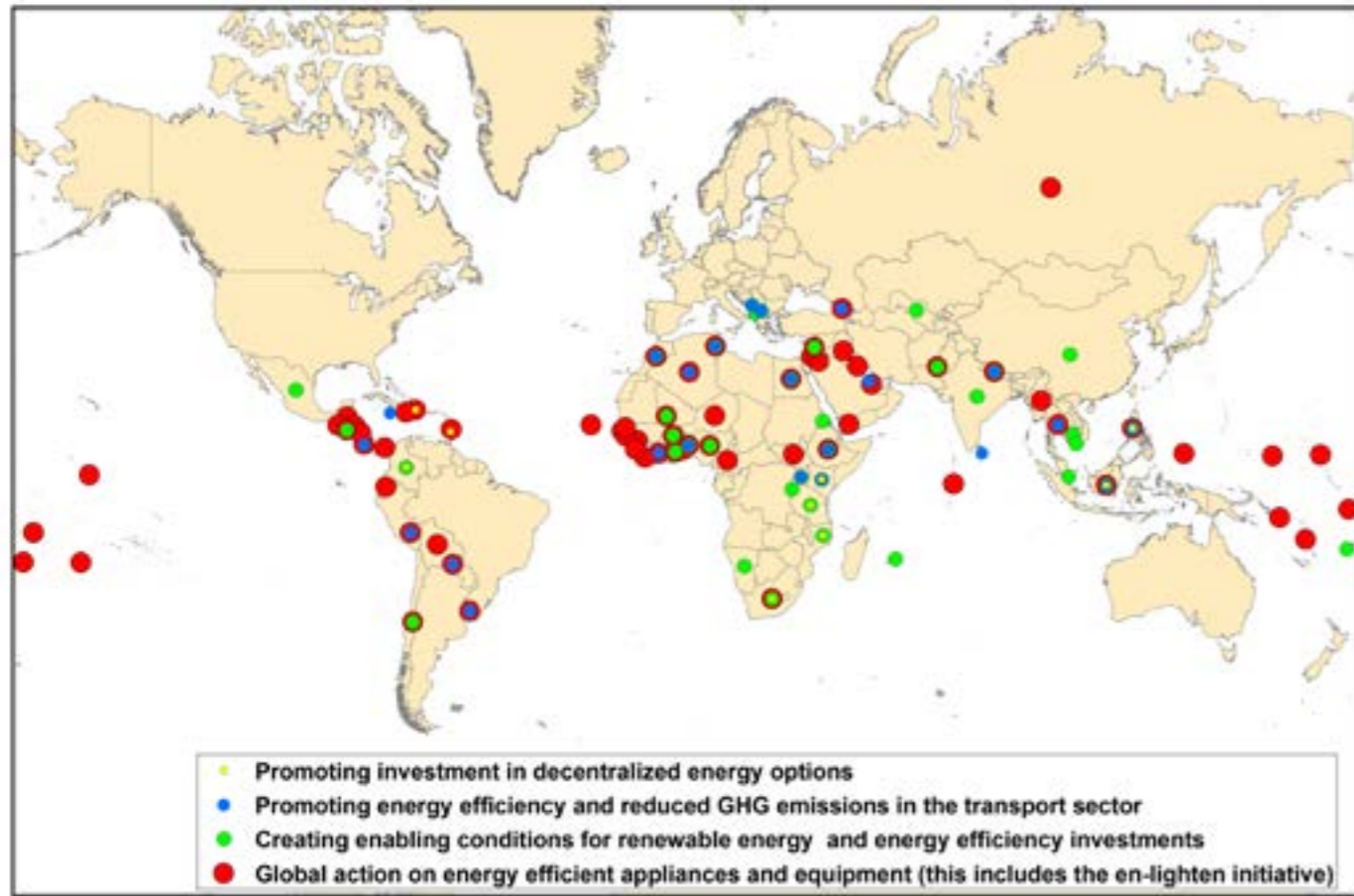


Figure 15: Countries supported by UNEP on NAMA and technology planning

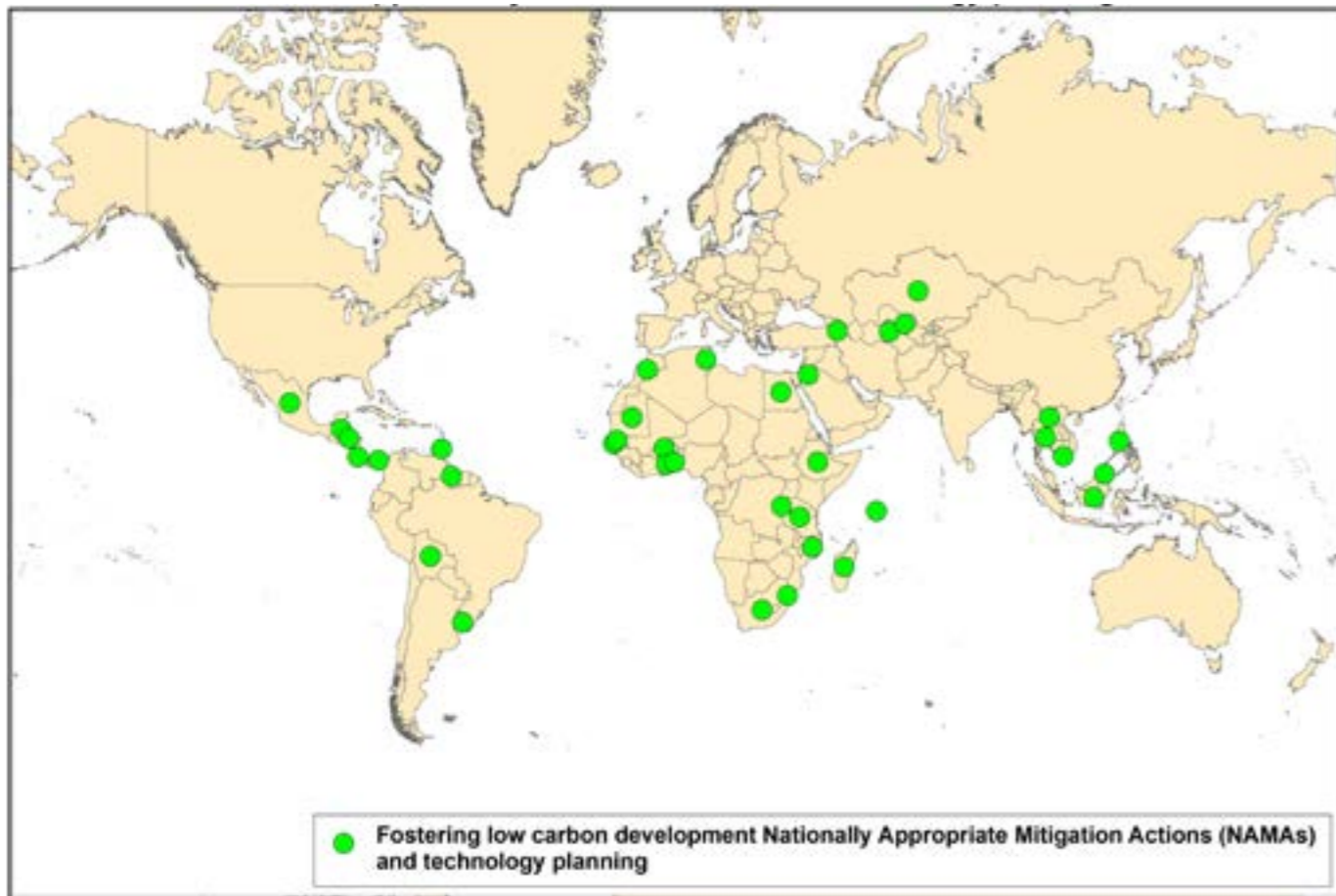


Figure 16: En.lighten partner countries as per December 2014

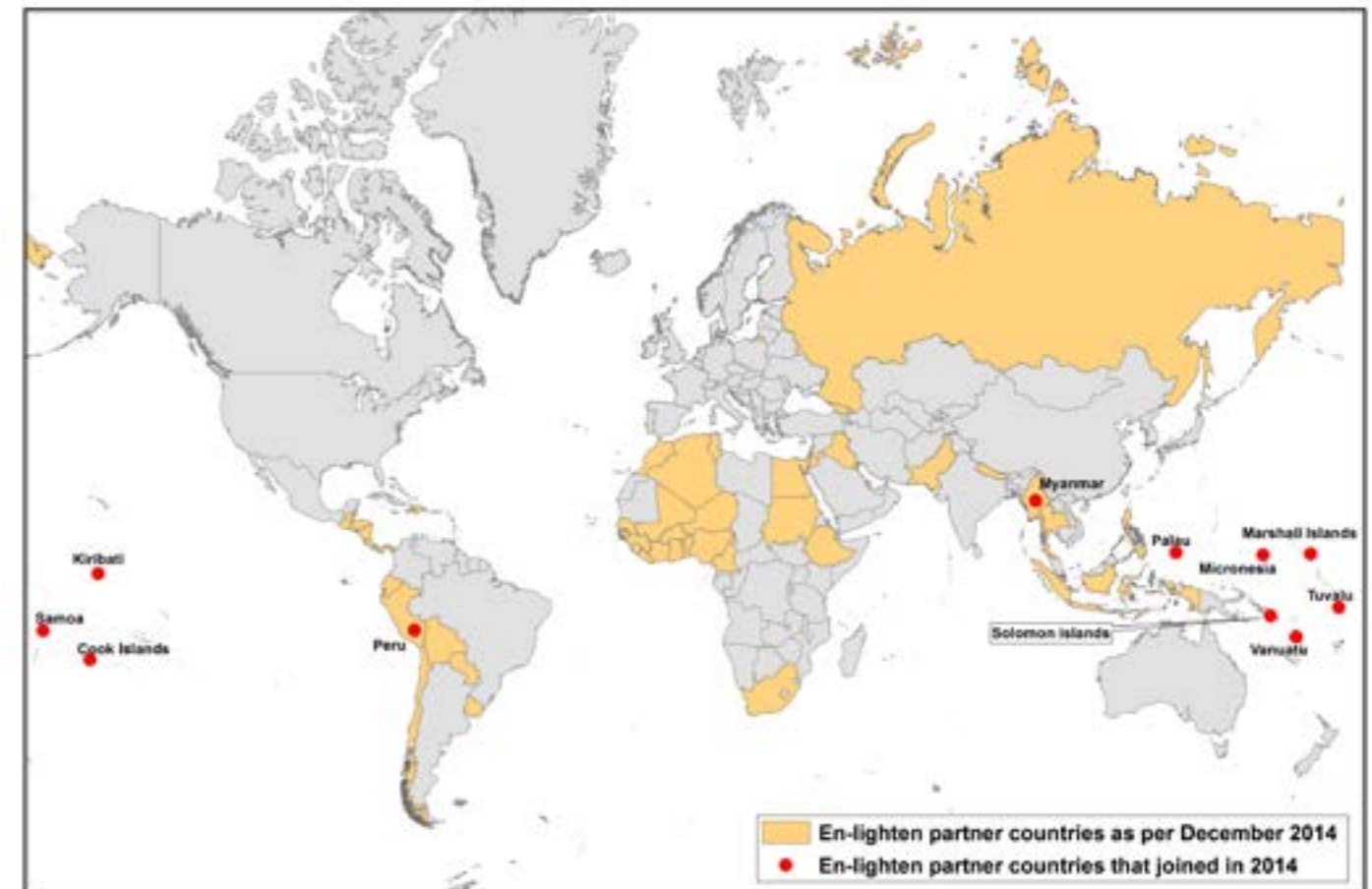
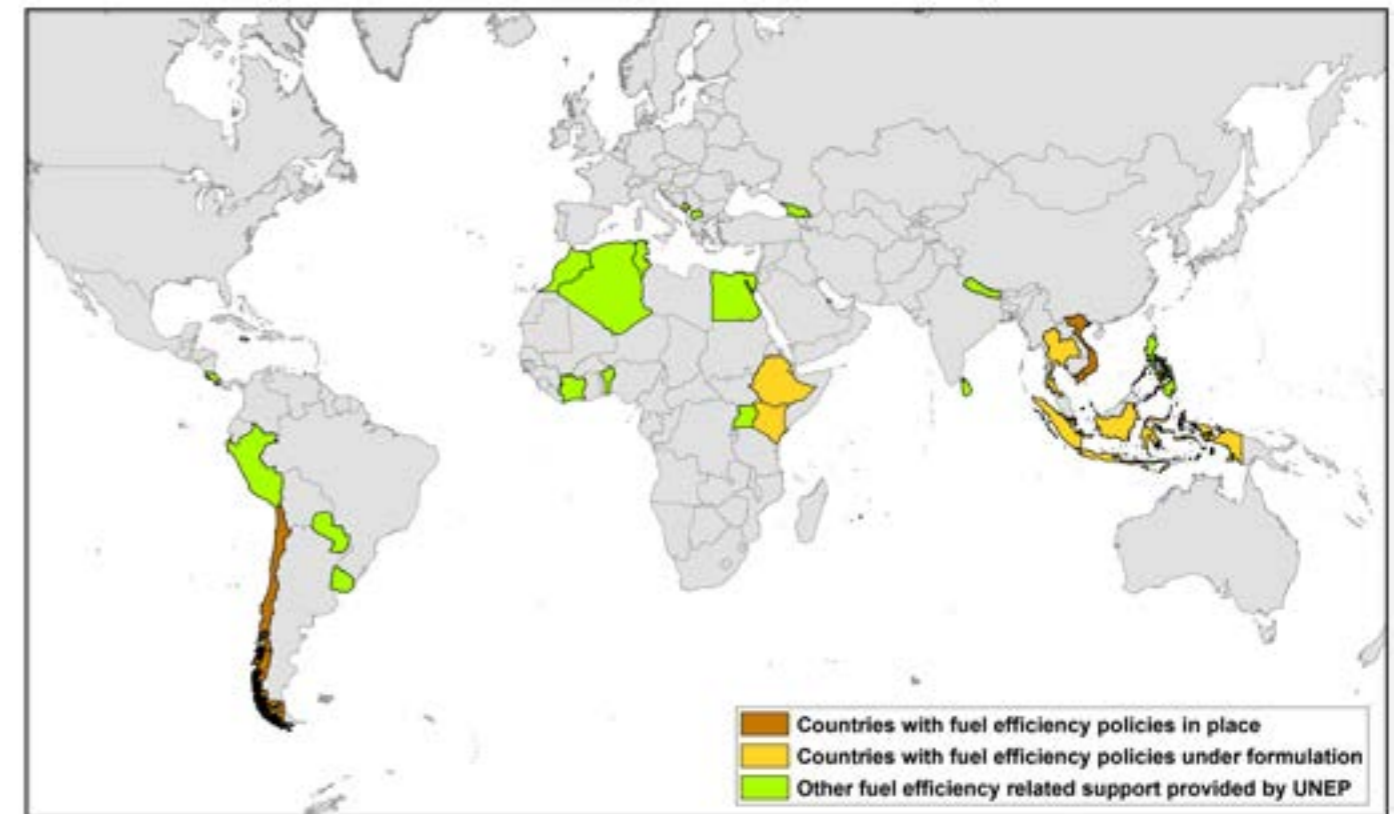


Figure 17: UNEP supported countries with regard to fuel efficiency as per December 2014





#### Box 6: The Climate and Clean Air Coalition

UNEP has used multi-stakeholder partnerships to build momentum on low carbon growth. As of December 2014, **the Climate and Clean Air Coalition (CCAC) had grown to 100 partners and pledges worth USD 58 million.** 11 high-impact initiatives are being implemented to catalyze and scale-up action to reduce black carbon, methane and avoid hydrofluorocarbon in agriculture, brick production, cooking, heating, diesel vehicles, oil and gas production and municipal solid waste. One highlight is that 19 cities have completed assessments to reduce methane emissions from municipal waste. Another highlight is that of the 14 countries receiving support to strengthen institutional support, six countries have completed or are about to complete their national action plans for short-lived climate pollutants.

#### Box 7: The Climate Technology Centre and Network (CTCN)

Another partnership is the **Climate Technology Centre and Network (CTCN)**, that responds to requests received for climate technology solutions. CTCN has been providing technical assistance to provide solutions for countries' highest priority climate technology challenges. Examples include:

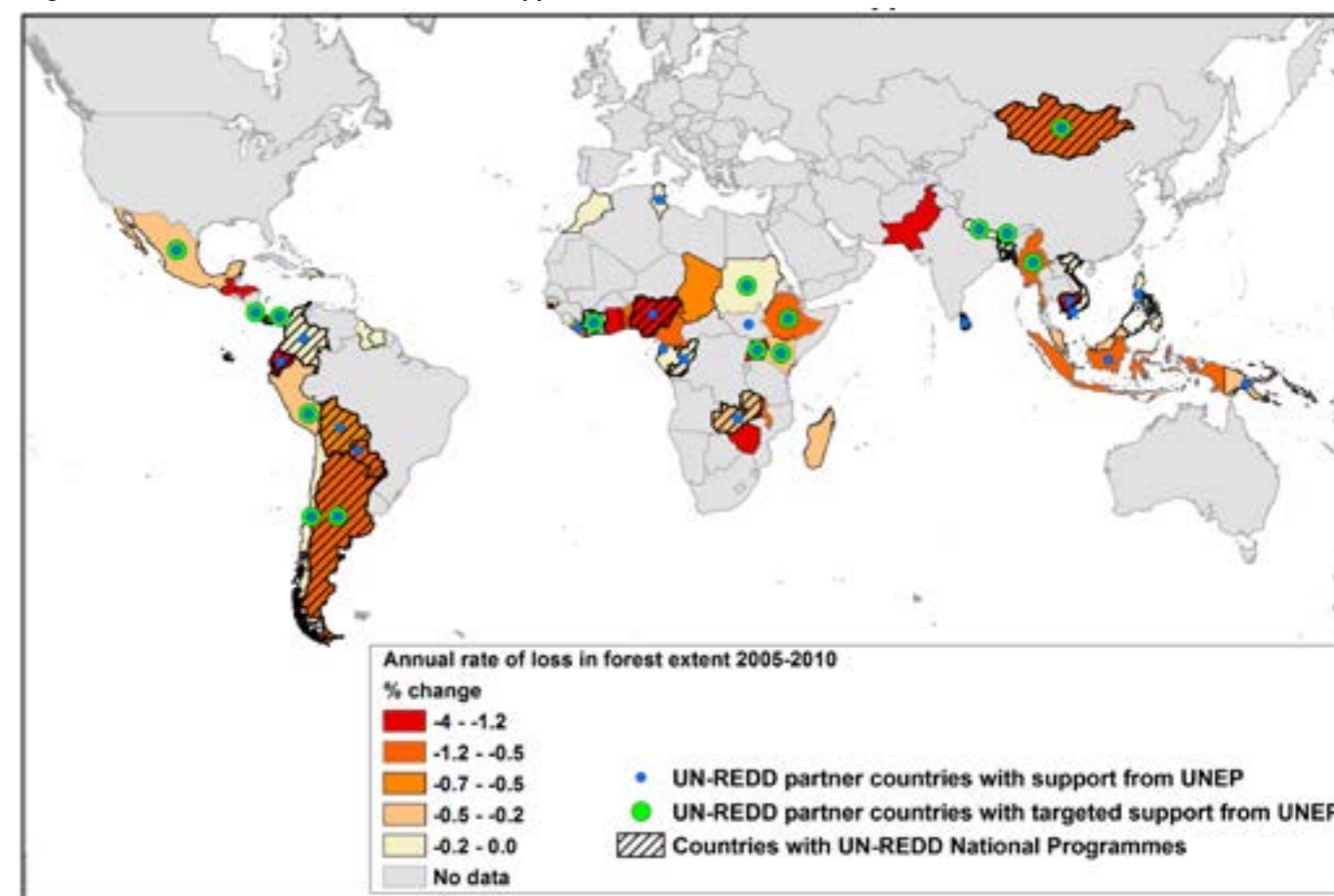
- the design of sustainable public transportation solutions in Bhutan
- the design of an adaptation monitoring system in Colombia
- the creation of a water security master plan for Namibia
- building resilience for agricultural productivity in Mali

## REDD+

Global attention to cut natural forest loss has been increasing with the Secretary-General's Climate Summit in 2014 adopting the New York Declaration on Forests that aims to reduce the rate of loss of natural forests by half by 2020, and strives to end forest loss by 2030. In 2014, DRC, Indonesia and Vietnam developed national REDD+ strategies, thus meeting UNEP's target of having an additional three countries in 2014 adopting REDD+ strategies, with implementation soon to start. This brings the **total number of countries since the start of the REDD programme to 15 countries in the process of adopting or implementing national REDD+ strategies**<sup>10</sup>. UNEP with UNDP and FAO are working to strengthen the way in which the partnership measures progress on REDD+, which has evolved over the initial prototype designed in 2013 to reflect the evolution of REDD+ under the UNFCCC following the adoption of the 'Warsaw Framework' (See Figure 19).

The momentum to develop REDD+ strategies that would ultimately raise investment in forests has increased. Box 8 shows highlights of countries' progress towards the development of REDD+ strategies. **The UN-REDD Programme, jointly implemented with UNEP, FAO and UNDP has reached the USD 250 million mark with over 80 percent disbursed.** The programme scaled up support to countries in their REDD+ readiness efforts and now works with **56 countries**, up from 48 in December 2013. Of these countries, **21 had national programmes in 2014** (see Figure 18 showing countries which receive comprehensive REDD+ support and those receiving 'targeted' support on particular issues for which they requested support). Complementary support to further enhance countries' capacities includes regional sessions of the REDD+ Academy benefiting some 14 UN-REDD partner countries initially in the Asia-Pacific region, with other regions to follow.

Figure 18: UN-REDD countries with UNEP support



<sup>10</sup> Argentina, Bangladesh, Bolivia, Cambodia, Colombia, Congo, Côte d'Ivoire, Ecuador, Mongolia, Nigeria, Panama, Paraguay, Sri Lanka, Vietnam and Zambia

Box 8: A Highlight of Progress on REDD+	
Country	UNEP assistance and result
The Republic of Congo	The investment plan for the National REDD+ Strategy is under development
Ecuador	Three scenarios of deforestation with associated risks and an estimation of opportunity costs of REDD+ has informed the development of the National REDD+ Strategy
Paraguay	Paraguay's first map of deforestation risks and an analysis of multiple benefits opportunity costs of REDD+ has informed the development of the forthcoming National REDD+ Strategy
Zambia	The economic valuation of Zambia's forest ecosystems has informed the development of the National REDD+ Strategy to be launched in early 2015

Figure 19: Changes in REDD+ readiness assessment

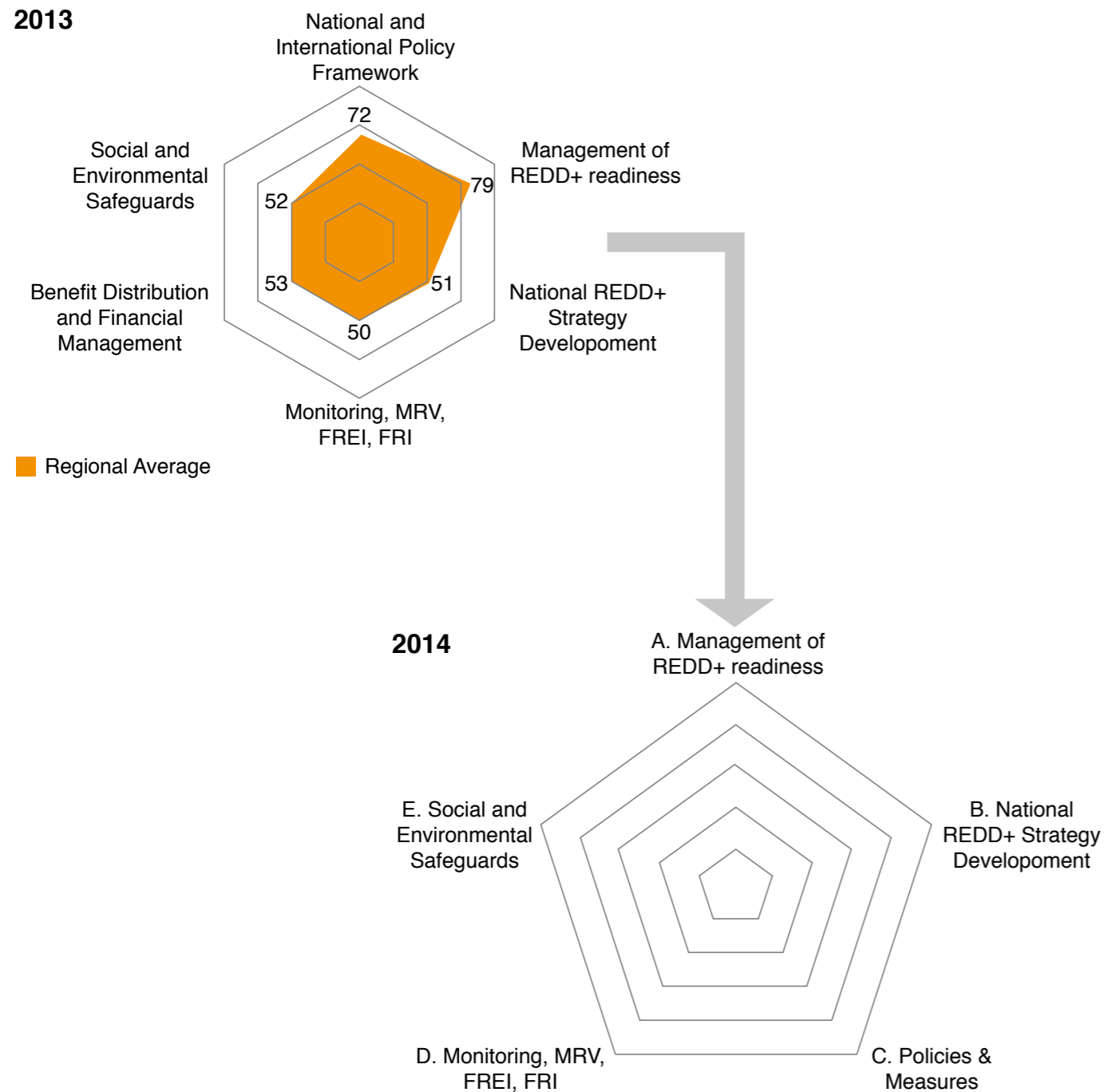
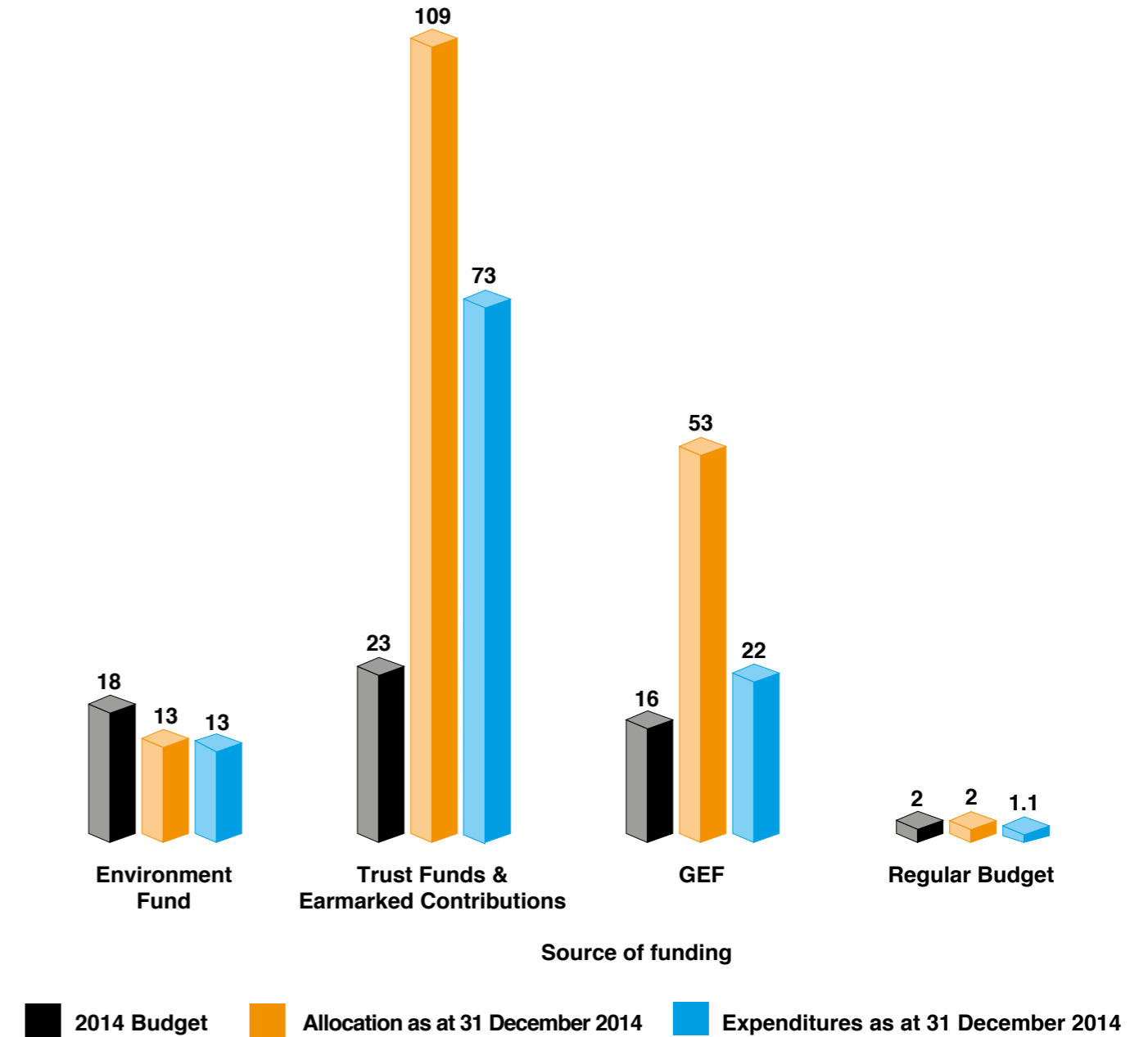


Figure 20. Budget performance—Climate Change

\*Amount in USD millions



UNEP's 2014 projected budget for climate change was USD 58.6 million. However, UNEP was able to allocate USD 177.8 million in 2014 for work on climate change. This is due to a higher than expected income received in 2014 based on donor-earmarked priorities and fund balances carried forward from the previous biennium, which allowed allocations to exceed the 2014 approved budget. Part of the income received in 2014 and earlier years is meant for use over multiple years extending beyond 2014. Overall expenditures were USD 109.3 million.

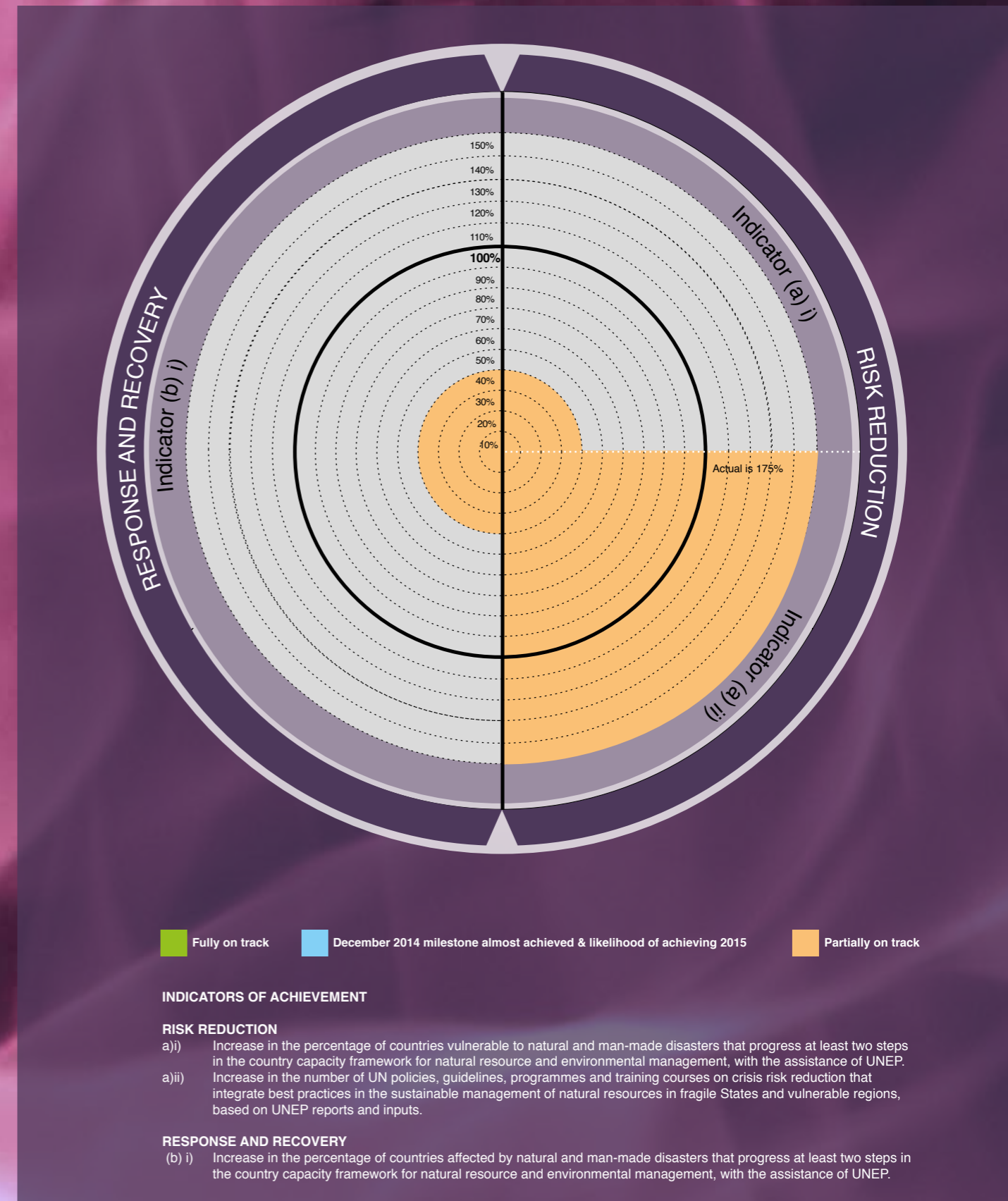


# DISASTERS AND CONFLICTS

Since the start of the millennium, over 40 major conflicts and more than 10,000 natural and industrial disasters have affected billions of people – causing millions of deaths, displacing tens of millions, and negatively impacting the ecosystems on which people’s lives depend. UNEP works to help countries address environmental degradation and mismanagement as an underlying risk factor for disasters and conflicts. Natural and man-made crises degrade or destroy critical natural resources that communities depend on. Assessments to gauge the risks posed by these environmental impacts are the foundation of UNEP’s response. The findings of these assessments are used to catalyze recovery programmes that address environmental needs in support of broader recovery and development priorities.

UNEP’s work on **Disasters and Conflicts** aims to minimize the environmental threats to human well-being from the environmental causes and consequences of natural and man-made disasters, focusing on:

- **Risk reduction:** to improve the capacity of countries to use natural resources and environmental management to prevent and reduce the risks of natural and man-made disasters.
- **Response and recovery:** to support countries by identifying post crisis environmental risks and help address key environmental challenges as a contribution to sustainable recovery.



Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected as at Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Risk reduction</b>						
(i) Increase in the percentage of countries vulnerable to natural and man-made disasters that progress at least two steps in the country capacity framework for natural resource and environmental management	75% of countries assisted by UNEP since January 2010	Baseline is % of countries helped by UNEP since 2010 (90%*)	95%	40% (2 of 5 countries) progressed 2 steps in 2014 alone	100%	Partially on-track with one indicator target exceeding 2014 milestone
(ii) Increase in the number of United Nations policies, guidelines, programmes and training courses on crisis risk reduction that integrate best practice in the sustainable management of natural resources in fragile States and vulnerable regions, based on UNEP reports and inputs	10	13	17	20	20	
<b>EA (b) Response and recovery</b>						
(i) Increase in the percentage of countries affected by natural and man-made disasters that progress at least two steps in the country capacity framework for natural resource and environmental management	75% of countries assisted by UNEP since January 2010	Baseline is 90% of countries helped by UNEP since 2010	95%	40% (2 of 5 countries) progressed 2 steps in 2014 alone	100%	Partially on-track

\* The original baseline is problematic as data on the country capacity framework was not systematically collected in its current form prior to December 2013. Consequently the percentage figure shown relates solely to progress in 2014.

UNEP worked to prevent disasters in 22 countries and carried out **environmental assessments in all six countries requesting emergency support in 2014**. UNEP also aimed to increase the extent to which the UN system integrates environmental risk reduction in UN support to countries. In 2014, **UNEP's technical support resulted in seven significant UN policies, guidelines and programmes reflecting environmental risk reduction** bringing the total number to 20 since 2010, already meeting UNEP's target for end-2015.

Despite this, **UNEP's progress on disasters and conflicts is partially on track to achieving the targets set for December 2015**. This is because UNEP's performance is primarily measured on where it has increased capacity in a post-crisis situation, and the lack of baseline data from 2010 means that UNEP has only tracked progress in capacity developed over one year (2014) rather than across four since 2010.

## RISK REDUCTION

UNEP aims to promote better environmental management to reduce the risk and impact of natural and man-made disasters, through **assessments and technical support that enable countries to identify and address environmental risks, which could have serious economic and social impacts**. At the global level, UNEP has been generating guidelines, policies and evidence on the value of ecosystem-based solutions for disaster risk reduction (DRR) and the importance of integrating environment perspectives in UN policies, plans and programmes. At the field level, **UNEP worked to prevent disasters in 22 countries in 2014 (see Figure 21)**. Box 9 presents a few highlights of results from some of this work in 2014.

UNEP's support to country-level capacity is tracked through a Country Capacity Framework, which measures the emerging capacity to reduce environmental risks among the post-crisis countries in which



## Box 9: Highlights of UNEP support to countries in 2014 to reduce the risk of disasters

Country	UNEP assistance	Result
<b>Madagascar</b>	Identification and assistance to Government to address industrial hazards in the region of Toamasina	Government strengthened its chemical accident preparedness regime and trained local communities in accident preparedness and response
<b>Afghanistan, Kyrgyzstan and Tajikistan</b>	Capacity building on climate change and disaster risk reduction among national experts	Formal coordination mechanism among experts established to share technology, tools and methods
<b>Syria</b>	At the request of the UN Secretary General, UNEP's technical guidance mitigated environmental risks in the disposal of Syria's chemical weapons	Joint UN team and the Organization for Prevention of Chemical Weapons applied guidelines in the transportation and destruction of 700 tonnes of chemical weapons with no negative environmental impacts

UNEP has extensive programmes<sup>11</sup>. This indicator was partially met in 2014 with two countries (Haiti and Sudan) moving two steps along the country capacity framework. In collating data to measure progress against this indicator, it was found that its application is more useful for countries in which UNEP is providing long-term support (currently five).

UNEP also aimed to **increase the extent to which the UN system integrates environmental risk reduction in UN support to countries**. In 2014, UNEP's technical support resulted in **seven significant UN policies, guidelines and programmes reflecting environmental risk reduction** (see Box 10 for an illustrative list) bringing the total number to 20 since 2010, in line with UNEP's target for end-2015 (See Table 2).

## RESPONSE AND RECOVERY

UNEP's work in response to disasters and conflicts involves **responding to acute environmental emergencies** as part of humanitarian response teams, **conducting detailed post-crisis assessments** to assess environmental damage and recovery needs and **providing technical**

**guidance to support those involved in recovery.**

*Since the start of the millennium, natural and industrial disasters have killed 1.3 million people and caused, at a conservative estimate, more than USD 1.7 trillion in damages. Disasters and conflicts cause immediate devastation and leave legacies of environmental damage that present risks to lives and livelihoods as well as countries' economies. In 2014, natural and industrial disasters killed 21,000 people and displaced 1.3 million. In the same year, conflicts cost the lives of almost 210,000 people.*

UNEP responded to **acute environmental emergencies in six countries in 2014**, meeting all national requests for assistance. **All of UNEP's 2014 environmental emergency assessments led to either immediate remedial action, policy change or costed work plans to address the identified risks** (see Box 11). This brings the number of post-crisis or rapid environmental assessments to 20 countries since 2010. In 88 percent of these post-crisis or environmental emergency assessments where risks have been identified by UNEP, national governments

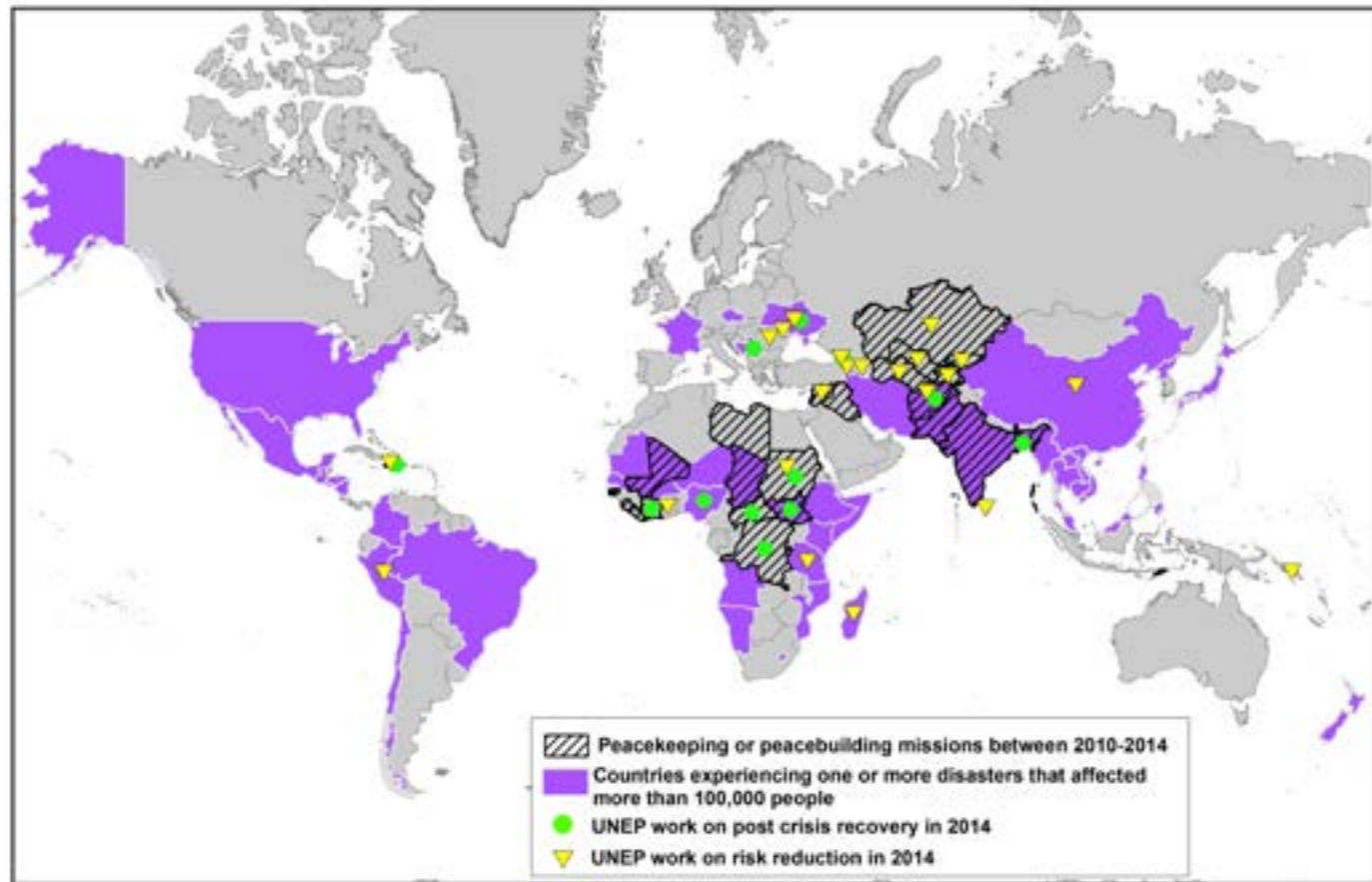
<sup>11</sup> The country capacity framework aims to provide an objective assessment of the extent to which UNEP has built country level capacity for environmental governance in six dimensions: 1/. Access to information and availability of data for informed decision-making; 2/. Enhanced planning and policy development skills; 3/. Improved regulatory frameworks; 4/. Stronger environmental institutions; 5/. Implementation and enforcement capacity; and 6/. Public participation in decision-making. Each dimension has six components (or steps). Country project teams, in collaboration with national partners, assess the level of environmental governance across each of these components at the end of each year and decide the extent to which they have been achieved (incomplete, partially met, mostly met, or complete). A cumulative equivalent score of two components progressing from incomplete to complete is needed to meet the expected accomplishment. The original indicator anticipated baseline information being available from 2010 and across a wider group of countries. However, it was felt that the indicator could only appropriately apply to countries in which UNEP is providing long-term support (currently five). In addition full baseline information for these five countries was collected in 2013, thereby reducing the time for the achievement of the indicator and skewing the percentage necessary for full achievement of the indicator. Within this context, progress has been satisfactory: two of the five countries (40%) achieved two steps along the CCF in 2014 as opposed to the original target of one out of 20 (5%).

**Box 10: Illustrative UNEP policy influence on crisis reduction in 2014**

UNEP product or service	Application
UNEP updated the capacity assessment methodology of the Capacity for Disaster Reduction Initiative (CADRI – a consortium of UNDP, UNISDR, WHO, UNICEF, WFP and FAO) to include environmental emergencies and successfully promoted the inclusion of environmental experts into CADRI missions.	CADRI enables the UN and other members of the ISDR system to support Governments to build a coherent national DRR framework, including preparedness for emergency response. These experts ensure that the linkages between DRR and underlying environmental vulnerabilities, as well as technological hazards and environmental management capacities, are included in the assessments and national plans of action. As a consequence of a 2014 CADRI mission, Georgia is now initiating industrial hazard mapping as part of the country’s disaster response preparedness.
Following UNEP’s 2009 report ‘Protecting the environment during armed conflict’ the International Law Commission (ILC) added the issue to its long term programme of work, appointing Marie Jacobsson of Sweden as Special Rapporteur. Marie Jacobsson sought UNEP technical inputs and evidence and UNEP helped the ILC organize a high-level discussion in October 2014.	UNEP’s input influenced the Preliminary Report of the Special Rapporteur: “Protection of the Environment in Relation to Armed Conflicts” (A/CN.4/674). This high level report proposed that the Special Rapporteur (Marie Jacobsson) establish a three year programme of work on ways to protect the environment during times of armed conflict.
The joint 2013 policy report “Unlocking the Peacebuilding Potential: Women and Natural Resources”, which was catalyzed and led by UNEP in partnership with UN Women, UNDP and PBSO, influenced the Secretary General’s 2014 report on Women, Peace and Security (S/2014/693)	UNEP’s work provided the basis for a dedicated paragraph (§ 52) on the linkages between conflict-related changes to access to natural resources and preserving livelihoods and increased vulnerability of women and violence against women. This was the first time these dimensions were specifically considered in reporting on Resolution 1325.



**Figure 21. UNEP work on disasters and conflicts in 2014**



or the UN have taken concrete action to mitigate these risks.

While UNEP provides environmental assessments immediately after a crisis on request from the country or UN system, the organization also supports those countries that require more sustained environmental assistance for recovery, which has meant longer-term support in several post-crisis countries.

Current country programmes are in **Afghanistan, the Democratic Republic of Congo (DRC), Haiti, South Sudan and Sudan**. These programmes contribute to improved environmental management and sustainable natural resource use to help countries recover from crisis. This support is provided in close partnership with national stakeholders and other UN agencies. For example, the Côte Sud Initiative (CSI) in Haiti of which UNEP is a part with four other agencies (UNDP, FAO, UNOPS and UN-HABITAT) was recognized by ECOSOC as **an inspiring example** of the UN Delivering as One at the local level. In Sudan, South Sudan and Afghanistan UNEP country offices are working with OCHA to apply environmental screening to agency and partner projects submitted to the Common Humanitarian Fund. In the

DRC, UNEP developed a water quality operational monitoring strategy that is being implemented by the UNICEF ‘Healthy Villages’ programme, an USD 80 million strategy over five years (2014-2019).

UNEP aims for all five of the countries to which it has provided long-term support to have progressed two steps in the country capacity framework by the end of 2015. UNEP was able to assist two of these five countries (Haiti and Sudan) to progress two steps on the country capacity framework in 2014. Two other countries (Afghanistan and DR Congo) progressed one step and the remaining country, South Sudan held steady in relation to this capacity framework, which itself can be considered a success in the context of the outbreak of conflict since the end of 2013 (See Figure 22). Although this progress is the result of the efforts of many actors in all five countries, UNEP has been a constant presence and voice for environmental management in all five countries.

**Box 11: Highlights of UNEP emergency response to crisis situations in 2014**

Country or Agency	UNEP support	Result
Bangladesh	Fuel oil spill assessment in the Sundarbans	Action plan developed on the basis of assessment. UNDP and Government planning follow-up activities.
Georgia	Assessment of hazardous waste from arsenic mine	Budget developed for action to remediate problem.
Madagascar	Assessment of hazardous ammonia storage in industrial site	Ammonia storage containers removed and neutralized.
Serbia	Assessment of flood-related risks of chemical leaks and landslides	UNEP proposed a USD 56.2 million environmental recovery and reconstruction programme.
Solomon Islands	Assessment of flood-weakened gold mining tailings dam	The UNEP assessment is being used by government to pursue claim against mine owner.
Ukraine	Recovery and post-conflict needs assessment as part of the UN team with the EC and the World Bank	Informed the development of the Donbas Recovery Programme—the basis for 1.4 billion Euros in loans.

**Figure 22. Country capacity framework**

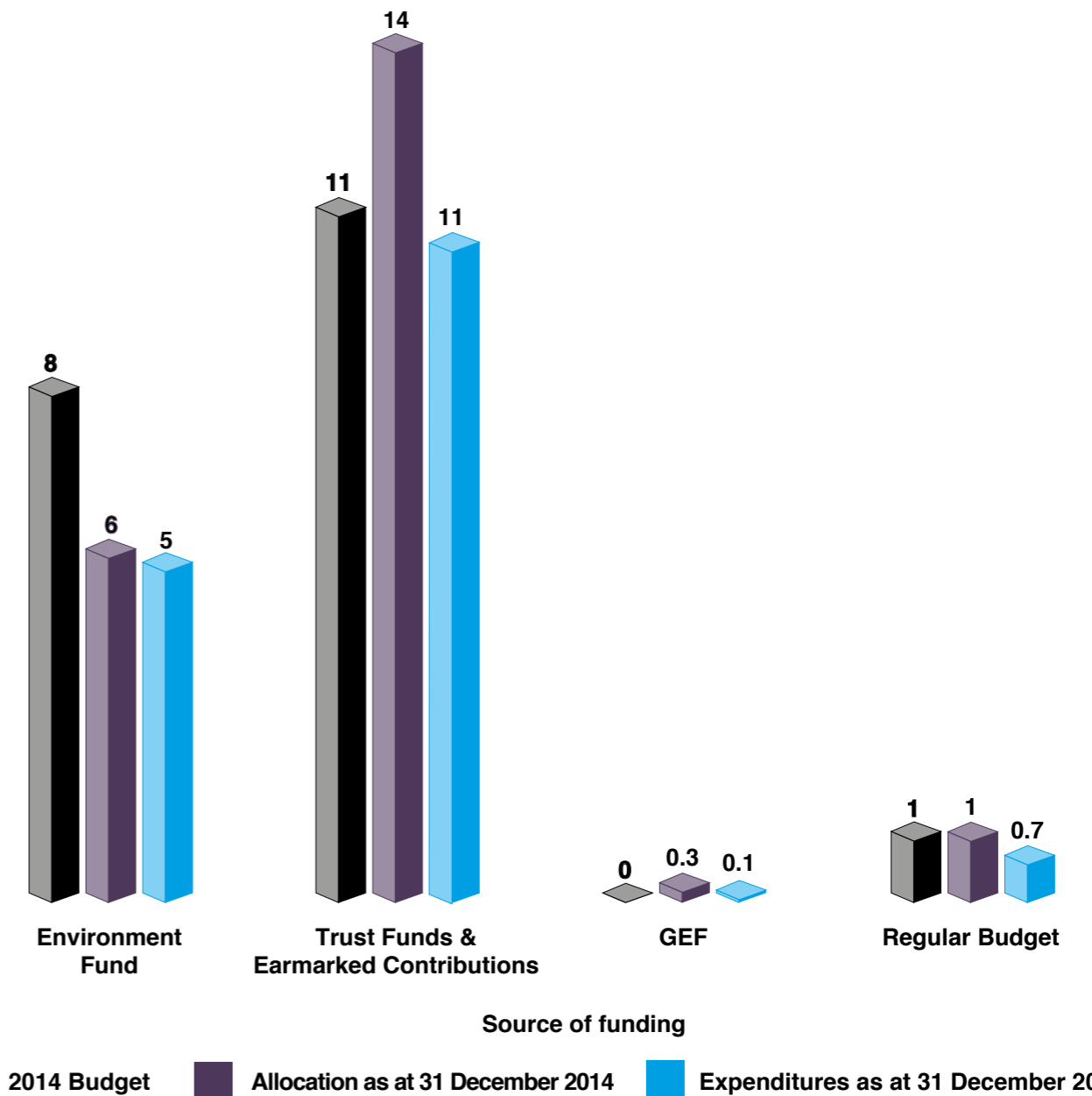
	Afghanistan		DR Congo		Haiti		South Sudan		Sudan	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
Access to information, data availability	→	→	→	→	→	→	→	→	→	→
Policy and planning	→	→	→	→	→	→	→	→	→	→
Legal environment	→	→	→	→	→	→	→	→	→	→
Institutions	→	→	→	→	→	→	→	→	→	→
Implementation and enforcement capacity	→	→	→	→	→	→	→	→	→	→
Public participation	→	→	→	→	→	→	←	→	→	→
Total	→	→	→	→	↑	→	→	→	↑	→
	SLIGHT OVERALL PROGRESS		SLIGHT OVERALL PROGRESS		2-STEP PROGRESS		NO OVERALL PROGRESS		2-STEP PROGRESS	

→ No progress    → Slight progress    ↑ Strong progress    ← Backwards progress



**Figure 23. Budget performance—Disasters and Conflicts**

\*Amount in USD millions



The targeted 2014 budget for UNEP work on Disasters and Conflicts was USD 20.4 million. Additional income from extrabudgetary resources enabled UNEP to have an overall budget of USD 21 million, commensurate with the overall budget targeted. Total expenditure showed financial progress to be on track at 81 percent of allocations and 95.9 percent of Environment Fund allocations (see Figure 23).



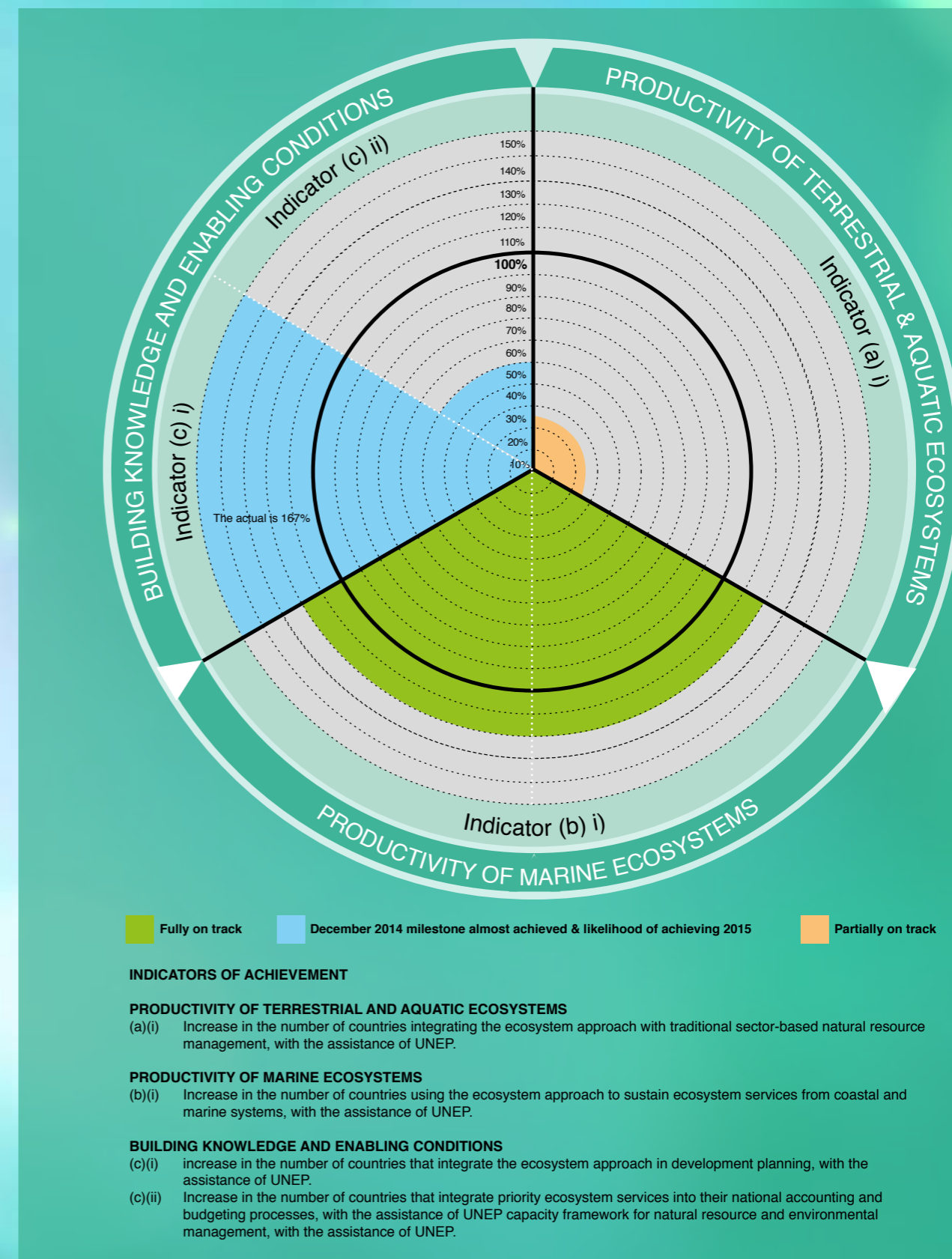


# ECOSYSTEM MANAGEMENT

Due to human reliance on ecosystem services and goods, UNEP works on ecosystem management to help countries ensure needs such as food and water can be met. By 2030, the demand on ecosystems for food production and water is predicted to increase by 50 percent and 40 percent respectively, in comparison to 2014. Demand for energy from hydropower and other renewable sources, including biomass, is also predicted to rise by 60 percent by 2030 in comparison to 2014. With a growing need to adapt to climate change, countries will be faced with an increasingly complex equation of how to meet the growing demand for ecosystem services and goods, coupled with an increasing need for safeguarding the resilience of ecosystems (see Figure 25).

UNEP's work on ecosystem management seeks to safeguard the long-term health of ecosystems while delivering on multiple needs for services and goods sustainably and equitably among countries by focusing on:

- **Maintaining the productivity of terrestrial and aquatic ecosystem:** to enable countries to use an ecosystem approach in managing terrestrial and aquatic ecosystems and in development planning
- **Maintaining the productivity of marine ecosystems:** to enable countries to use an ecosystem approach in marine ecosystem management
- **Building knowledge and enabling conditions:** to create the enabling environment for improving ecosystem management



**Table 3. Ecosystem Management— Results achieved against expected accomplishments**

Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected by Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Productivity of terrestrial and aquatic ecosystems</b>						
(i) Increase in the number of countries integrating the ecosystem approach with traditional sector-based natural resource management	13	16	20	17	24	Partially on track
<b>EA (b) Productivity of marine ecosystems</b>						
(i) Increase in the number of countries using the ecosystem approach to sustain ecosystem services from coastal and marine systems	7	7	12	13	16	Fully on track and exceeding 2014 milestone
<b>EA (c) Building knowledge and enabling conditions</b>						
(i) Increase in the number of countries that integrate the ecosystem approach in development planning	7	7	10	12	13	Partially on track but high likelihood of achieving 2015 targets (with one indicator exceeding 2014 milestone).
(ii) Increase in the number of countries that integrate priority ecosystem services into their national accounting and budgeting processes	1	3	5	4*	7	

\* While only four countries have natural capital accounts in place, another 11 have conducted ecosystem valuation and a total of 58 countries are receiving support from UNEP on ecosystem economics. Furthermore, Vietnam has incorporated ecosystem services into policies based upon the improved knowledge on the value of ecosystem services and thus the performance to deliver the expected accomplishment is considered to be fully on track

UNEP's progress on ecosystem management is highly likely to meet the targets set for December 2015 with the exception of the work on productivity of terrestrial and aquatic ecosystems which is partially on-track. In this latter area, 17 countries had taken steps to integrate the ecosystem approach in sector-based natural resource management, short of the 20 expected to have done so by December 2014.

## PRODUCTIVITY OF TERRESTRIAL AND AQUATIC ECOSYSTEMS

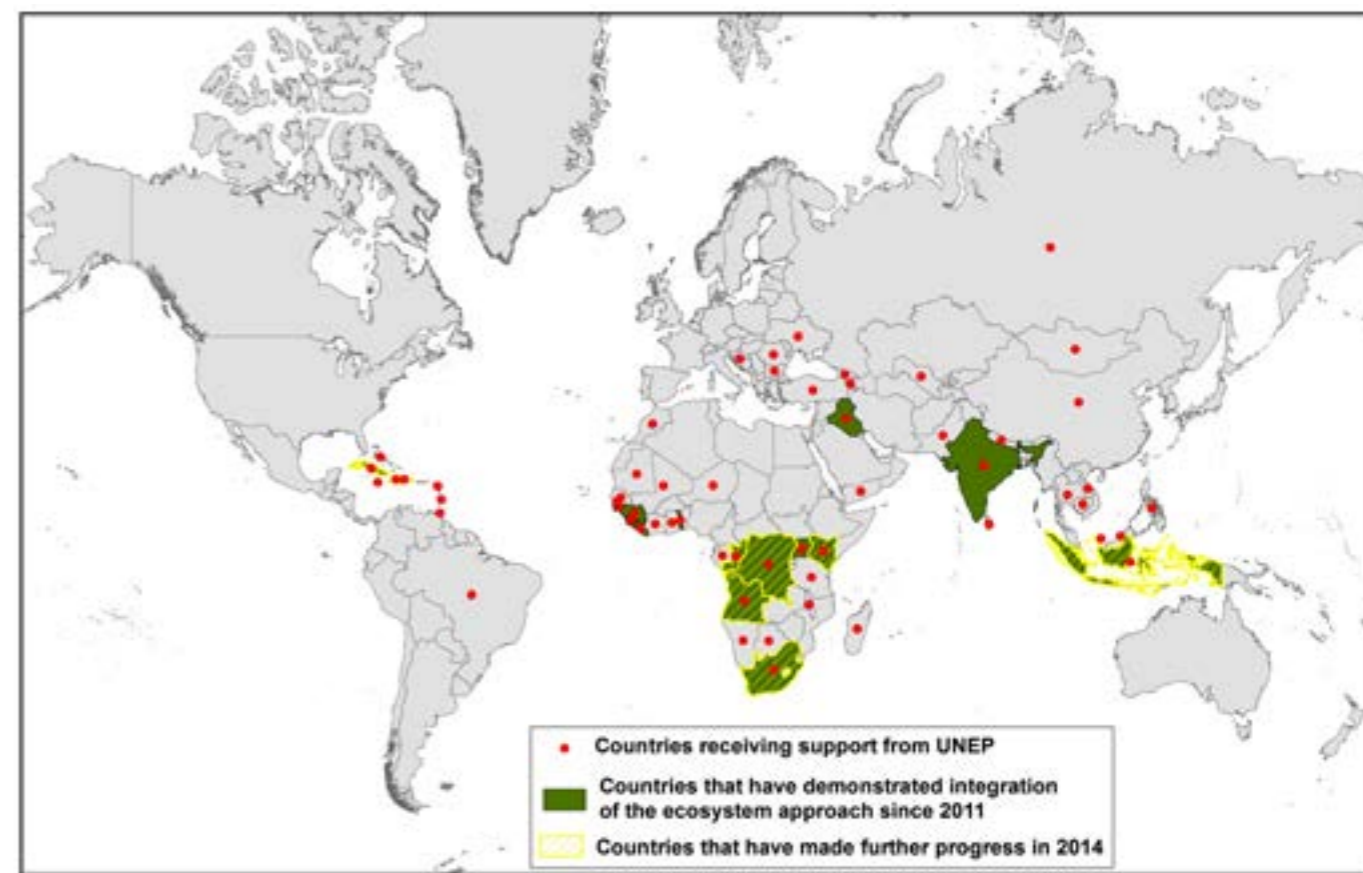
UNEP is currently providing support to 59<sup>12</sup> countries to enable different sectors to use an ecosystem approach for meeting their needs on terrestrial and aquatic ecosystems. By the end of 2014, **17 countries had taken steps to integrate the ecosystem approach in sector-based**

**Box 12. Highlights of results of UNEP support to countries in 2014 to use an ecosystem approach**

Country	Result
Angola	In conjunction with the Mayombe transboundary conservation agreement, Angola gazetted a first protected area in Cabinda
Indonesia	The ecosystem approach was used in Sumatra to establish a spatial plan and a strategic landscapes document
South Africa	Increased its investment by USD 4 million to restore the water catchment area of the Ntabelanga Dam
Volta Basin Countries	The strategic action programme for the integrated management of the Volta River Basin was endorsed
Globally	The UN Water Course Convention was ratified

<sup>12</sup> Angola, Antigua and Barbuda, Armenia, The Bahamas, Botswana, Brazil, Brunei, Bulgaria, Cambodia, China, Croatia, Cuba, Democratic Republic of Congo, Dominican Republic, Gabon, Gambia, Georgia, Ghana, Guinea, Guinea Conakry, Guinea-Bissau, Haiti, India, Indonesia, Iraq, Ivory Coast, Jamaica, Kenya, Liberia, Madagascar, Malawi, Malaysia, Mali, Mauritania, Mongolia, Morocco, Namibia, Nepal, Niger, Pakistan, Philippines, Republic of Congo, Romania, Russian Federation, Senegal, Sierra Leone, South Africa, Sri Lanka, St. Lucia, Tanzania, Thailand, Togo, Trinidad and Tobago, Turkey, Uganda, Ukraine, Uzbekistan, Vietnam, Yemen

**Figure 24. Demonstrated application of the ecosystem approach in sector-based natural resource management**



**natural resource management** with UNEP support in line with results targeted<sup>13</sup> (see Table 3). In 2014, nine of these countries<sup>14</sup> successfully demonstrated usage of the ecosystem approach through one or more of the following; spatial planning, integrated water resource management, established transboundary agreements or allocation of national budgets to strengthen the ecosystem approach (see Figure 24). Box 12 highlights some results of UNEP's support to countries to use the ecosystem approach.

In support of country level action, UNEP and its partners have also delivered several knowledge and advocacy products, which support improved ecosystem management and the use of the ecosystem approach at sectoral, country and transboundary levels. In 2014, for example, UNEP with WRI launched the Global Forest Watch and a new version of the Biodiversity A-Z. The African Landscapes Action Plan and the world's first standard for sustainable rice cultivation were launched. Furthermore,

43 financial institutions accounting for USD 6.4 trillion in asset management have signed the Natural Capital Declaration.

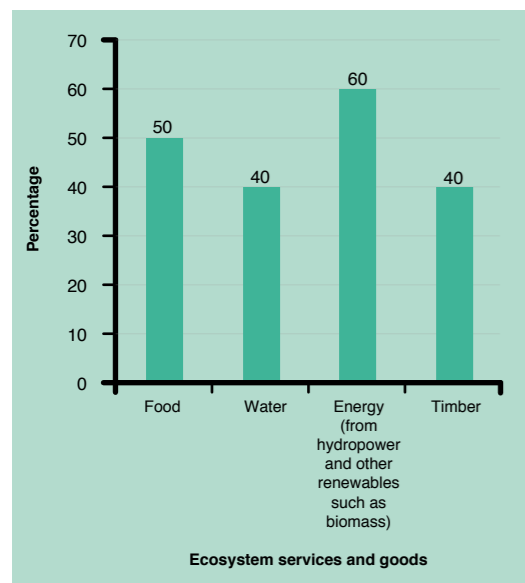
## PRODUCTIVITY OF MARINE ECOSYSTEMS

UNEP's main avenues for supporting countries to integrate the ecosystem approach in their efforts to sustain coastal and marine ecosystems are through the **Regional Seas Programmes and the Global Programme of Action for the Protection of the Marine Environment from on Land-Based Activities (GPA)**. One highlight was the **adoption of the Biodiversity Protocol by the parties to the Teheran Convention**, an international treaty that obliges the Parties to work together beyond national borders in the conservation and restoration of the **Caspian Sea**. Governments also agreed to establish a permanent Secretariat of the Convention, under the administration of UNEP.

<sup>13</sup> Angola, Cuba, Democratic Republic of Congo, Dominican Republic, Guinea Bissau, Guinea Conakry, Haiti, India, Indonesia, Iraq, Kenya, Liberia, Republic of Congo, Sierra Leone, South Africa, Togo, Uganda

<sup>14</sup> Angola, Cuba, Democratic Republic of Congo, Dominican Republic, Haiti, Indonesia, Kenya, Republic of Congo, South Africa

**Figure 25. Increasing demand for ecosystem services and goods by 2030**



Since 2013, **13<sup>15</sup> countries have demonstrated the usage of the ecosystem approach** either through marine spatial planning, integrated coastal zone management, establishing marine protected areas or transboundary agreements, in line with progress targeted at end-2014 (See Table 3). Box 13 highlights results of UNEP's support to countries to use the ecosystem approach in the marine environment.

In 2014, UNEP also supported another 15<sup>16</sup> countries, which included those addressing **marine litter**. Marine litter includes marine plastic debris and microplastics, which have a negative impact on the health and productivity of marine ecosystems. This problem is being addressed in the South

Pacific (through the Permanent Commission for the South Pacific), the Wider Caribbean through the Cartagena Convention, in Nigeria and at the municipality level in Brazil, Chile, Colombia, Ecuador and Panama where **Action Plans** on Marine litter in the Mediterranean through the Barcelona Convention are being developed (see Box 14 and also results on *Environment under Review*).

## BUILDING KNOWLEDGE AND ENABLING CONDITIONS

To help create an **enabling environment**, UNEP has helped countries ensure ecosystems are sustainably managed in support of human well-being. UNEP is currently working with 81 countries in support of national biodiversity strategies and action plans (NBSAP) processes. By the end of 2014, **12 countries<sup>17</sup> are considered to having clearly integrated the ecosystem approach in their NBSAP planning process, as submitted to the Convention on Biological Diversity.** This included, for instance, increasing participation of other sectors in the preparation of their NBSAPs and inclusion of information on the role of biodiversity and ecosystem services in national development, sectoral mainstreaming and related performance management indicators (e.g. Botswana, Namibia, Seychelles and Uganda). Brazil has taken a further step and launched its biodiversity information system.



### Box 13. Highlights of results of UNEP support to countries in 2014 to use an ecosystem approach in the marine environment

Country	Result
Cuba, Dominican Republic and Haiti	Interministerial agreement to jointly manage the Caribbean biological corridor
Fiji	Planning frameworks in Lami Town extended into surrounding area
Haiti	First ever coastal and marine protected area designated
Countries of the Eastern Caribbean	Sub-regional marine spatial planning to determine where to establish transboundary marine mammal corridors
Parties to the Barcelona Convention on the Protection of the Mediterranean Sea	Parties completed and adopted a regional action plan on marine litter management, which entered into force in 2014

<sup>15</sup> Antigua & Barbuda, Barbados, Cuba, Dominican Republic, Fiji, Grenada, Guadalupe, Haiti, Nicaragua, Puerto Rico, Saint Kitts & Nevis, Saint Lucia, Vietnam

<sup>16</sup> Bangladesh, Belize, Brazil, Chile, Colombia, Ecuador, Georgia, Honduras, Maldives, Mexico, Nigeria, Pakistan, Panama, Samoa, Sri Lanka

<sup>17</sup> Bhutan, Botswana, Burkina Faso, Cameroon, Dominica, Dominican Republic, DR Korea, Mauritania, Myanmar, Namibia, Seychelles, Uganda

On knowledge generation, a forum for sharing knowledge on national biodiversity strategies and action plans (NBSAPs) now has more than 1000 members. UNEP has produced guidance on how to develop ecosystem indicators and created a business case for biodiversity. In terms of incorporating the value of ecosystem services into national accounts and budgeting processes there has been strong progress. Since 2005, when the Millennium Ecosystem Assessment (MA) was released, the momentum around incorporation of ecosystem services in decision-making, to which this UNEP-led assessment contributed, has built up with approval of the Aichi Targets (1-2), the Norwegian Nature Index, the UK National Ecosystem Assessment, EU regulation No 691/2011 requiring Member States to develop environmental economic accounts, release of the Economics of Ecosystems and Biodiversity (TEEB) reports and sub-regional assessments.

In 2014, UNEP's contribution to the momentum has continued through the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES), the UN System of Environmental-Economic Accounting (UNSEEA), the Economics of Land Degradation Initiative, the Inclusive Wealth 2.0 report and the start of the TEEB for Agriculture and Food study, all building the understanding and policies for integration of ecosystem services in decision-making.

At country level, UNEP is working in 58<sup>18</sup> countries on **valuation of ecosystem services** and natural capital accounting. Four countries have integrated priority ecosystem services into their national accounting and budgeting processes (See Figure 26). Another **11<sup>19</sup> countries have completed a valuation of their an ecosystems**, while the rest of the countries are in progress.

*"Public Sector engagement with ecosystem services around the world continues to accelerate and expand. Every year since we began to formally track uptake, we have seen more public sector activity"* BSR, *Global Public Sector Trends in Ecosystem Services, 2009-2014*  
[www.bsr.org/reports/BSR\\_Global\\_Public\\_Sector\\_Trends\\_Ecosystem\\_Services\\_2009\\_2014.pdf](http://www.bsr.org/reports/BSR_Global_Public_Sector_Trends_Ecosystem_Services_2009_2014.pdf)



<sup>18</sup> Argentina, Azerbaijan, Belgium, Bhutan, Brazil, Canada, Cambodia, Czech Republic, Chile, China, Costa Rica, Denmark, Ecuador, Finland, Gabon, Georgia, Germany, Guatemala, Iceland, India, Indonesia, Ireland, Israel, Japan, Kazakhstan, Kenya, Lao PDR, Lesotho, Liberia, Malaysia, Mauritius, Mexico, Morocco, Nepal, Netherlands, Norway, Panama, Philippines, Poland, Portugal, Republic of Congo, Republic of Korea, Russia, Rwanda, Scotland, Senegal, Slovakia, South Africa., South Sudan, Spain, Tanzania, Thailand, Trinidad Tobago, United Kingdom, United States of America, Vietnam, Zambia, Zimbabwe

<sup>19</sup> Chile, Finland, Iceland, Lesotho, Norway, Panama, South Africa, Sweden, Trinidad Tobago, United Kingdom, Vietnam

Figure 26. Ecosystem services integrated into national accounting or budgeting processes

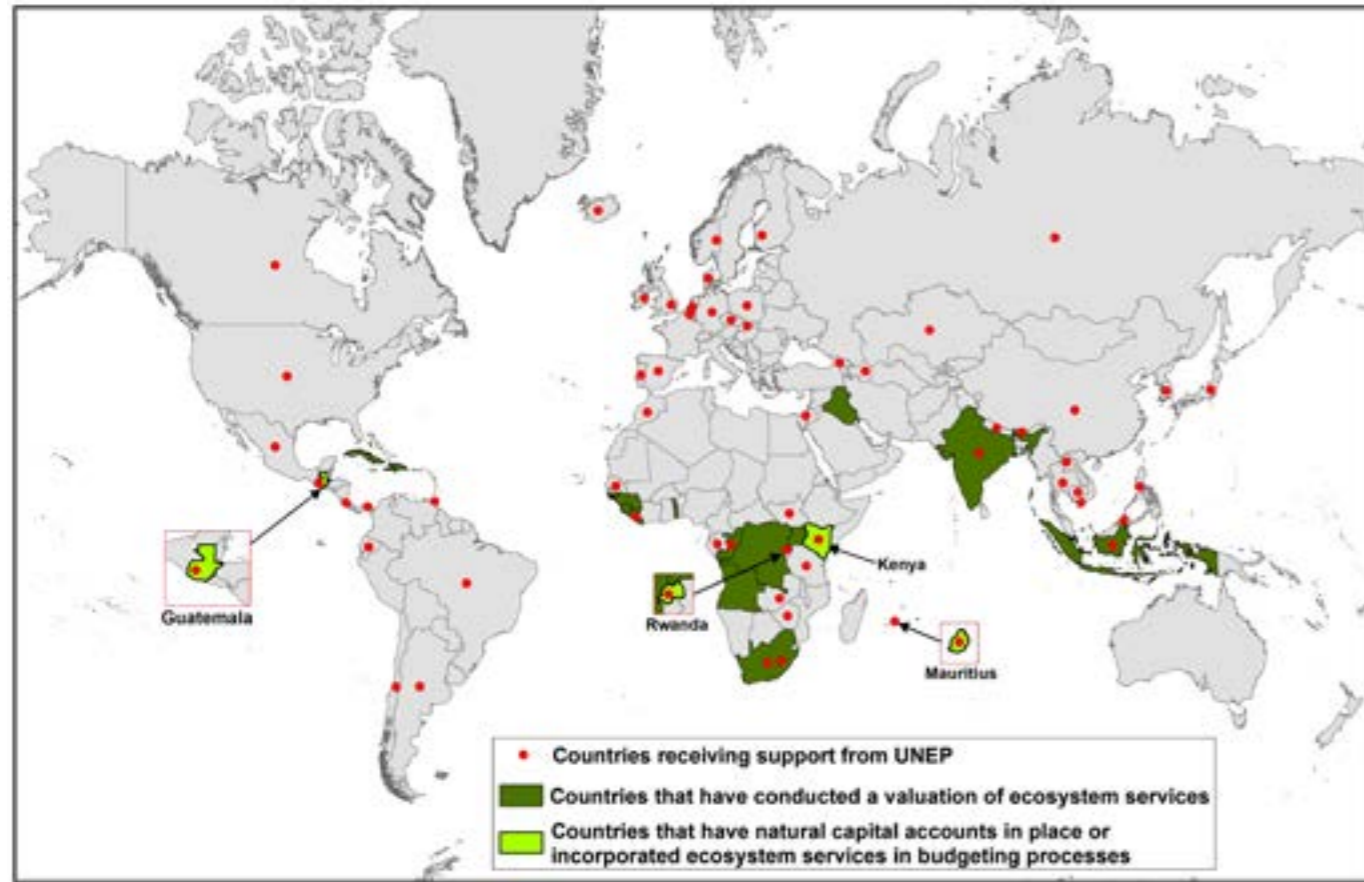
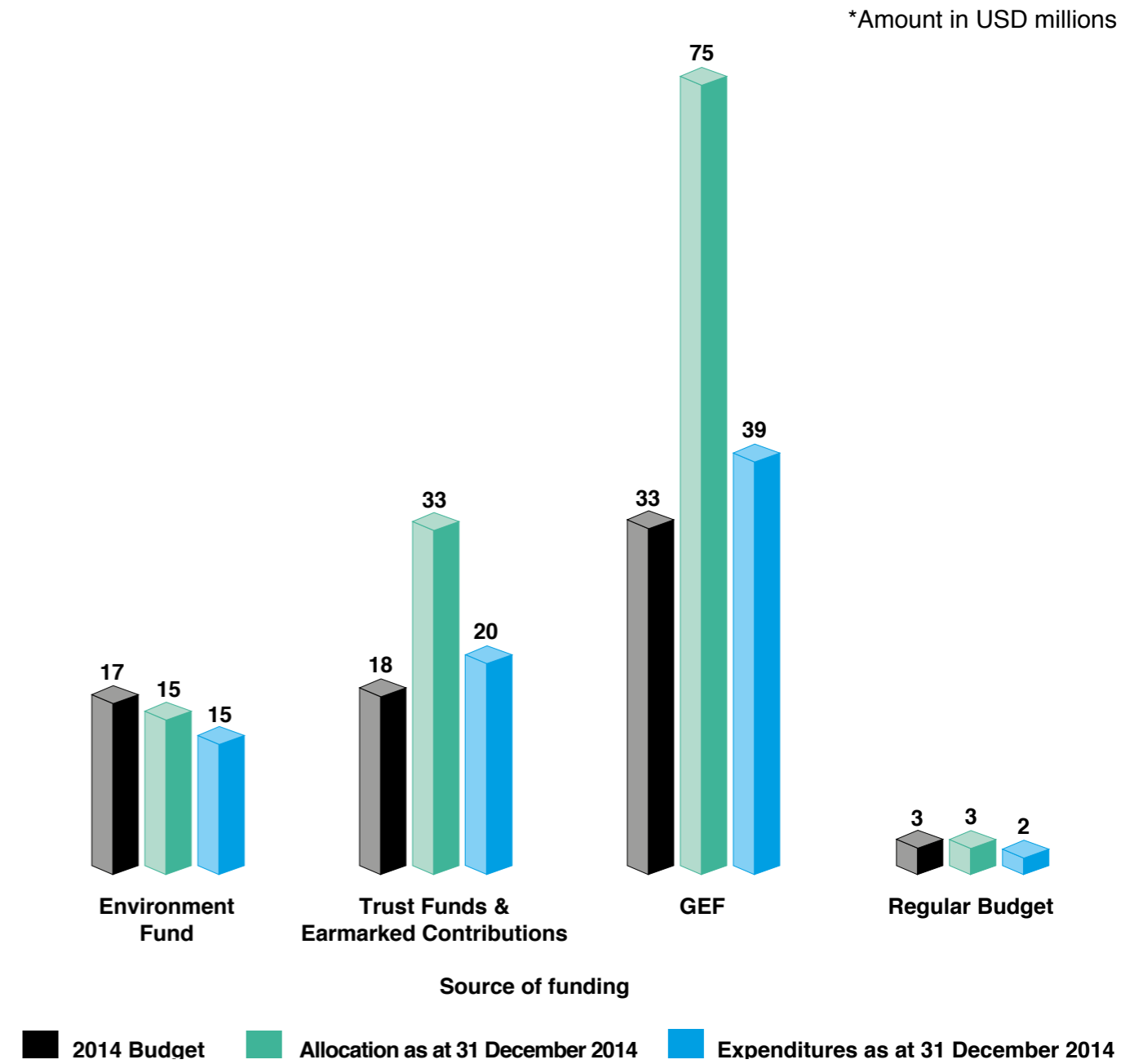


Figure 27. Budget performance—Ecosystem Management



In 2014, UNEP allocated USD 126.3 million for this work. This is more than the total targeted budget of USD 69.4 million, owing to higher income received than that planned for the subprogramme and a large carryover of the prior year's income received for multi-year Global Environment Facility (GEF) projects. The total expenditure in 2014 was USD 76.1 million, which is 60 percent of allocations (see Figure 27).



# ENVIRONMENTAL GOVERNANCE

The state of the environment is in great part determined by the way in which the environment is governed. Effective institutions, streamlined and coherent decision-making processes, sound policies and adequate normative frameworks are the foundation for enabling the international community and individual countries to effectively address environmental priorities.

UNEP's Environmental Governance programme thus focuses on:

- **Coherence and synergy:** to improve the manner in which the UN system and multilateral environmental agreements are coordinated and to promote policy coherence;
- **Law/norms and institutions:** to enhance the capacities of countries to set up and enforce legal institutional frameworks to effectively address environmental priorities;
- **Mainstreaming the environment into development processes:** to help countries integrate environment into sectoral and development processes and plans and support the integration of poverty and environment objectives

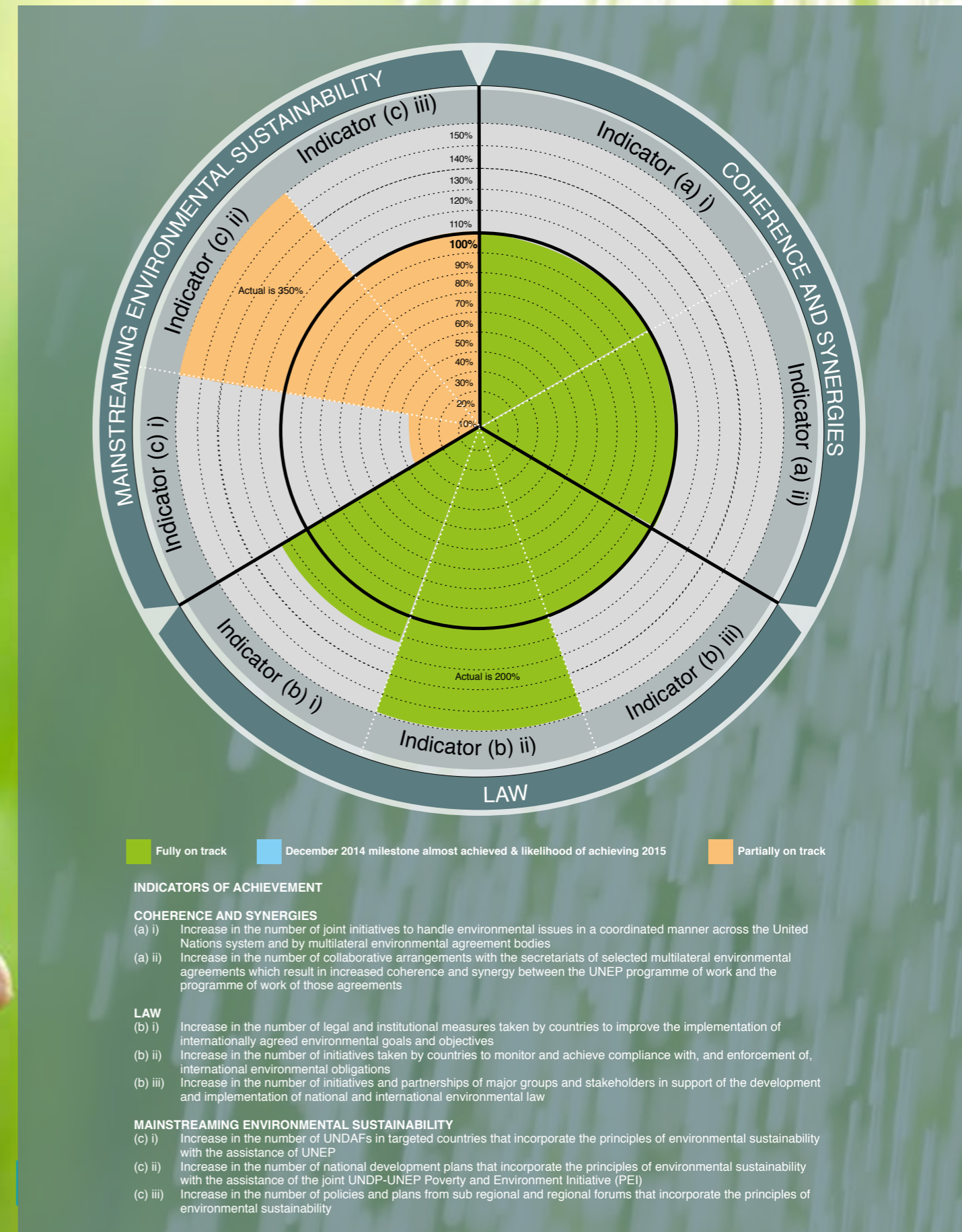


Table 4. Environmental Governance—Results achieved against expected accomplishments

Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected as at Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Coherence and synergies</b>						
(i) Increase in the number of joint initiatives to handle environmental issues in a coordinated manner across the United Nations system and by multilateral environmental agreement bodies	8	11	12	12	15	Fully on-track
(ii) Increase in the number of collaborative arrangements with the secretariats of selected multilateral environmental agreements which result in increased coherence and synergy between the UNEP programme of work and the programme of work of those agreements	25	27	29	29	32	
<b>EA (b) Law</b>						
(i) Increase in the number of legal and institutional measures taken by countries to improve the implementation of internationally agreed environmental goals and objectives	0	0	9	10	18	Fully on-track with two indicators exceeding 2014 milestones
(ii) Increase in the number of initiatives taken by countries to monitor and achieve compliance with, and enforcement of, international environmental obligations	N/A	2	3	4	4	
(iii) Increase in the number of initiatives and partnerships of major groups and stakeholders in support of the development and implementation of national and international environmental law	N/A	3	4	4	5	
<b>EA (c) Mainstreaming environmental sustainability</b>						
(i) a) Increase in the number of national development plans and UNDAFs in targeted countries that incorporate the principles of environmental sustainability with the assistance of UNEP.	52	91*	105	96	114	Partially on-track with one indicator exceeding 2014 milestone
(i) b) Increase in the number of national development plans that incorporate the principle of environmental sustainability with the assistance of the joint UNDP-UNEP Poverty and Environment Initiative (PEI).	23	27**	33	48	44	
(ii) Increase in the number of policies and plans from sub regional and regional forums that incorporate the principles of environmental sustainability	N/A	5	9	9	12	

\* Values in the table reflect actual progress reported in 2013, which results in a higher baseline and subsequently higher target than approved in the programme of work. In this Programme of Work cycle, focus is placed on the UNDAFs that have actually been finalized rather than on other stages in UNDAF development.

\*\* The PEI is undertaking a review of its monitoring methodology, which will further shape the way progress is tracked and reported.

**UNEP's progress on promoting coherence and synergy internationally and in strengthening laws and institutions is fully on track. Good progress was achieved in most aspects of mainstreaming environmental sustainability into development, however, not all targets relating to mainstreaming environmental sustainability that were set for December 2014 were achieved.**

Efforts to incorporate environmental sustainability successfully occurred at various stages of UN Development Assistance Frameworks (UNDAFs) in a large number of countries, but the UNDAFs that were actually completed during the reporting period are five, which is below the target of 14 that were envisaged in the programme of work but beyond UNEP's sphere of influence<sup>20</sup>.

## COHERENCE AND SYNERGY

In a resource-constrained and complex international context where a multitude of actors work on issues that affect the environment, UNEP promotes **coherence and synergy** in how the multilateral system addresses environmental issues, by targeting interagency collaboration, intergovernmental processes, and multilateral environmental agreements. The United Nations Environment Assembly, which held its first ever session in 2014, plays a key role in promoting this objective.

UNEP aimed to have one new joint initiative across the UN system and MEAs in 2014 that handles environmental issues in a coordinated manner. UNEP has met this 2014 target **with heads of UN agencies, in 2014, having adopted a common approach on environmental management systems**. The overarching goal is to achieve climate neutrality in the UN by 2020 following the vision established by the UN Secretary General<sup>21</sup>.

Toward the same objective of promoting coherence and synergy internationally, progress was made in the following other areas, with final deliverables expected by end of 2015:

- UNEP's 2014 contribution to the post-2015 development framework framework in collaboration with the UN system: **environment featuring prominently in draft SDGs (at the core of seven goals and integrated in a further eight goals)** and in draft proposals for

indicators; shift to integrated approach being promoted; post-2015 development framework expected to be adopted in 2015

- UN system engaged in 2014 through the Environment Management Group (EMG)<sup>22</sup> in **developing system-wide strategies on the environment** to enhance collaboration and partnership
- Issue management groups of the **EMG** continued promoting coherence on selected thematic issues, with a focus in 2014 on **chemicals management** (and completion of consideration of green economy and biodiversity)

UNEP also aimed to have two new collaborative arrangements in 2014 between UNEP and the institutions supporting MEAs in support of both effective implementation of specific MEAs, and synergetic implementation among biodiversity-related MEAs. This target was met with first, an **online reporting system for the harmonized reporting of biodiversity-related MEAs tested** for one multilateral agreement, the Africa-Eurasia Waterbirds Agreement. Second, an **initial set of options to enhance synergies on programmatic, institutional and administrative areas of work across six biodiversity related multilateral environmental agreements** was developed as the outcome of consultations involving experts, secretariats and national focal points. Specific tools were developed to support more effective collaboration, which will be further elaborated in 2015. Box 14 illustrates additional types of support from UNEP to enable implementation of a MEA.

### Box 14. UNEP support to countries to exchange information on biosafety

Support to implementation of Cartagena Protocol on Biosafety through biosafety clearing house continues. All 76 eligible Parties now able to access UNEP support for a coherent approach for information exchange on environmental, technical, scientific and legal experiences with living modified organisms as related to the environment and health.

Through support provided in previous phases, 50 participating countries uploaded all basic information for the Cartagena Protocol to the Clearing House, fostering active participation in the information exchange mechanism.

<sup>21</sup> This achievement is part of bringing bigger changes in the way the UN operates. A UN sustainability tutorial for all UN staff was launched by UNEP as a step toward leading the entire UN system to 'walk the talk' when it comes to environmental sustainability.

<sup>22</sup> The EMG is the UN-wide system coordination body on the environment, for which UNEP provides the secretariat and chairmanship.

<sup>20</sup> In this Programme of Work cycle, focus is placed on the UNDAFs that have actually been finalized rather than on other stages in UNDAF development.

## LAW

On **law, norms and institutions**, UNEP aims to strengthen the legal foundations and capacities to develop and implement international obligations and commitments. All aspects of a sound environmental law and governance continuum, from the development of norms to their implementation through effective institutions are tackled. UNEP engages with all relevant national institutions (including judiciary, parliamentarians, and enforcement officers) and major groups and stakeholders in promoting the rule of law in the field of the environment, or ‘environmental rule of law’: strong partnerships are being forged to this end, including in 2014 with the Organization of American States (OAS) and Globe International (global legislators organization). With a view to reassessing and if necessary refocusing the priorities for environmental law development identified in the Montevideo Programme on the development and periodic review of environmental law, UNEP has initiated a mid-term review of the programme, for reporting at UNEA II.

UNEP aimed to have **nine new legal and institutional measures taken by countries to improve implementation of internationally agreed goals and objectives by end-2014**. In 2014, this target was met with **10 further measures undertaken** (See Figure 28). UNEP also aimed to have **two new initiatives taken by countries in 2014 to monitor and achieve compliance with, and enforcement of, international**



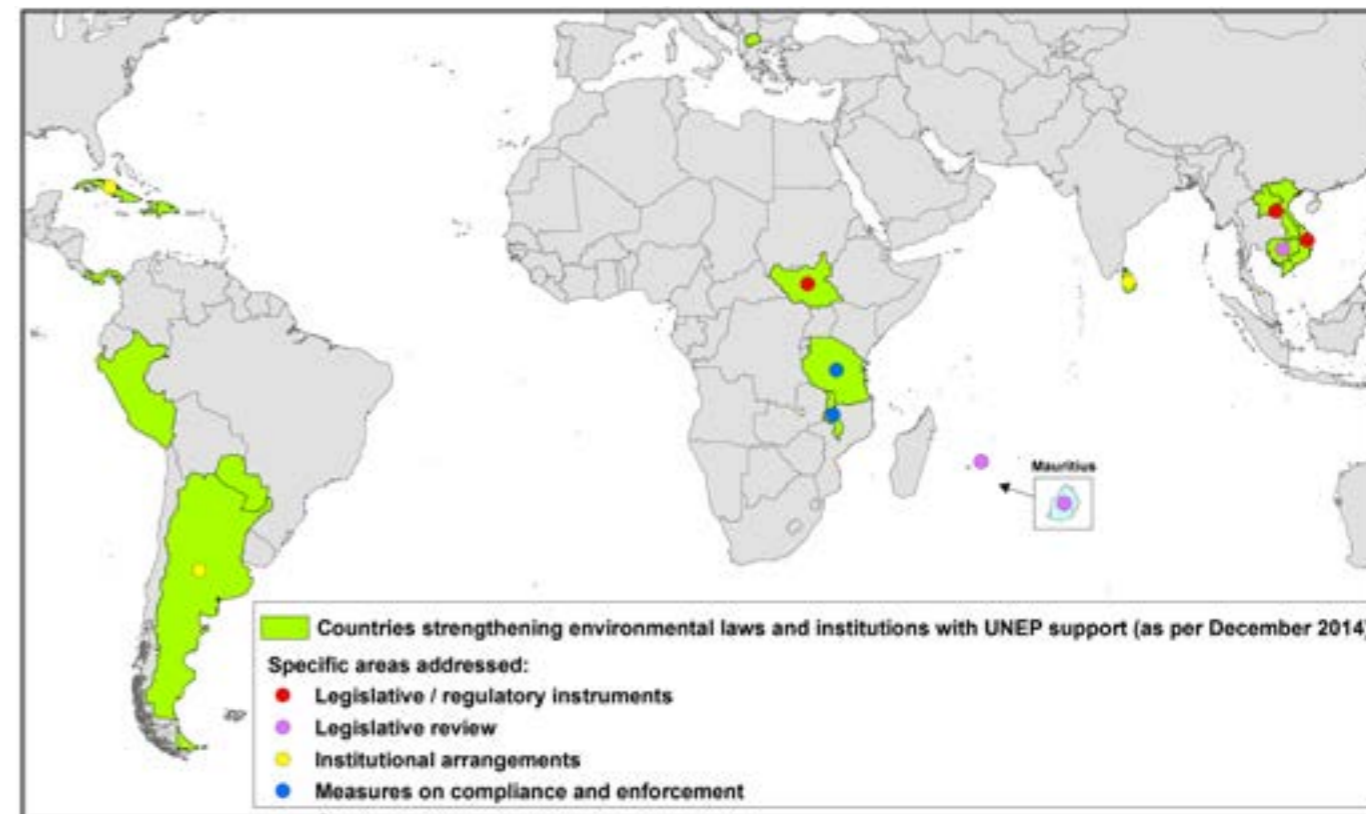
**environmental obligations** (see Figure 28) Additional work in 2014 to strengthen laws and institutions is presented in Box 15.

UNEP also aimed to increase the number of initiatives and partnerships of major groups and stakeholders in support of the development and implementation of national and international environmental law from three to four in 2014. The 2014 target was achieved with the conclusion of a partnership agreement with the Stakeholder Forum in 2014 with the purpose of embedding the perspectives of major groups and stakeholders in the work of UNEP, including on access to information, justice and public participation in environmental matters.

**Box 15. Strengthening laws and institutions in 2014**

Transboundary freshwater governance	Human Rights and the Environment	Air Quality	Illegal Wildlife Trade
25 transboundary water basin organizations around the world shared experiences on strengthening the governance and implementation of basin-level agreements	100+ good practices made available with OHCHR and the UN Independent Expert on Human Rights and the Environment on human rights obligations and commitments to strengthen environmental policymaking	UNEA resolution. Implementation plan developed. Partnership initiatives planned with WHO. <b>Regional air quality policy gap assessments</b> initiated. Air quality data made accessible via UNEP Live. <b>Regional plans</b> adopted e.g. Regional Plan of Action on Atmospheric Pollution for Latin America and Caribbean	UNEA resolution. Implementation plan developed. Reduced illegal killing and trade in elephant products pursued through <b>African Elephant Fund</b> . Initiatives with CITES and partners (UNDP, UNODC, Interpol, World Bank, the World Customs Organization). Analysis of environmental impacts of illegal trade in wildlife and wildlife products initiated. Report on <i>The Environmental Crime Crisis</i> published

**Figure 28. Countries strengthening environmental laws and institutions with UNEP support**



## MAINSTREAMING ENVIRONMENTAL SUSTAINABILITY

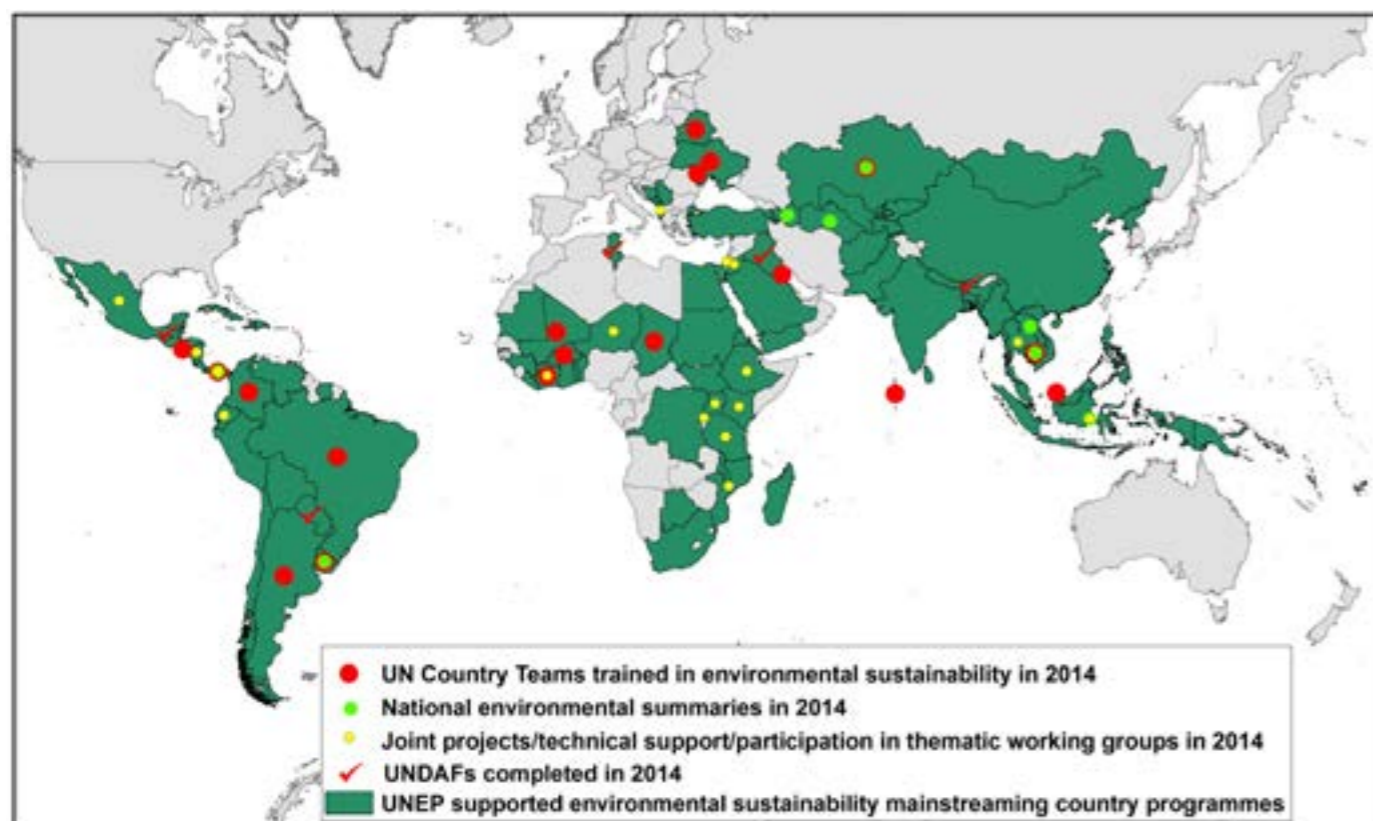
UNEP promotes a more integrated approach to environment and development through **mainstreaming the environment into development processes** at national and regional levels. The organization aimed to ensure that 14 new UN Development Assistance Frameworks (UNDAFs) in targeted countries incorporated the principles of environmental sustainability. While a broad spectrum of services were provided to embed environmental sustainability in UNDAFs during the year, covering 42 countries at a variety of stages in their development and implementation of UNDAFs in 2014, the countries involved completed **five UNDAFs, of which all incorporated environmental sustainability**. Figure 29 highlights the

countries supported and the type of support provided, including in those countries where the development of UNDAFs is still ongoing. UNEP was not able to fully meet its target for 2014 because only completed UNDAFs are counted as progress. Targets for this indicator may in future need to be adjusted to only reflect the “finalized” UNDAFs that integrate environmental sustainability.

UNEP also aimed to have six new national, subnational and sectoral development plans and budgets in 2014 showing pro-poor environmental mainstreaming. In collaboration with UNDP, the **Poverty-Environment Initiative**, focused on mainstreaming poverty-environment objectives and indicators into national, sub-national and sectoral policies, plans and processes in 28 countries globally. **In 2014, 21 new national, subnational and sectoral development plans and budgets integrated poverty-environment objectives.**

In Malawi, with the support of UNDP and UNEP to integrate poverty-environment objectives into national planning and budgets, the Ministry of Finance directed ministries to “ensure environment and climate change priorities are reflected in their budget submissions in accordance with the environment and climate change mainstreaming guidelines.”

Figure 29. UNEP supported environmental sustainability mainstreaming in UNDAFs and UN country programmes



Box 16. Integration of environmental sustainability principles in policies and plans of regional forums in 2014

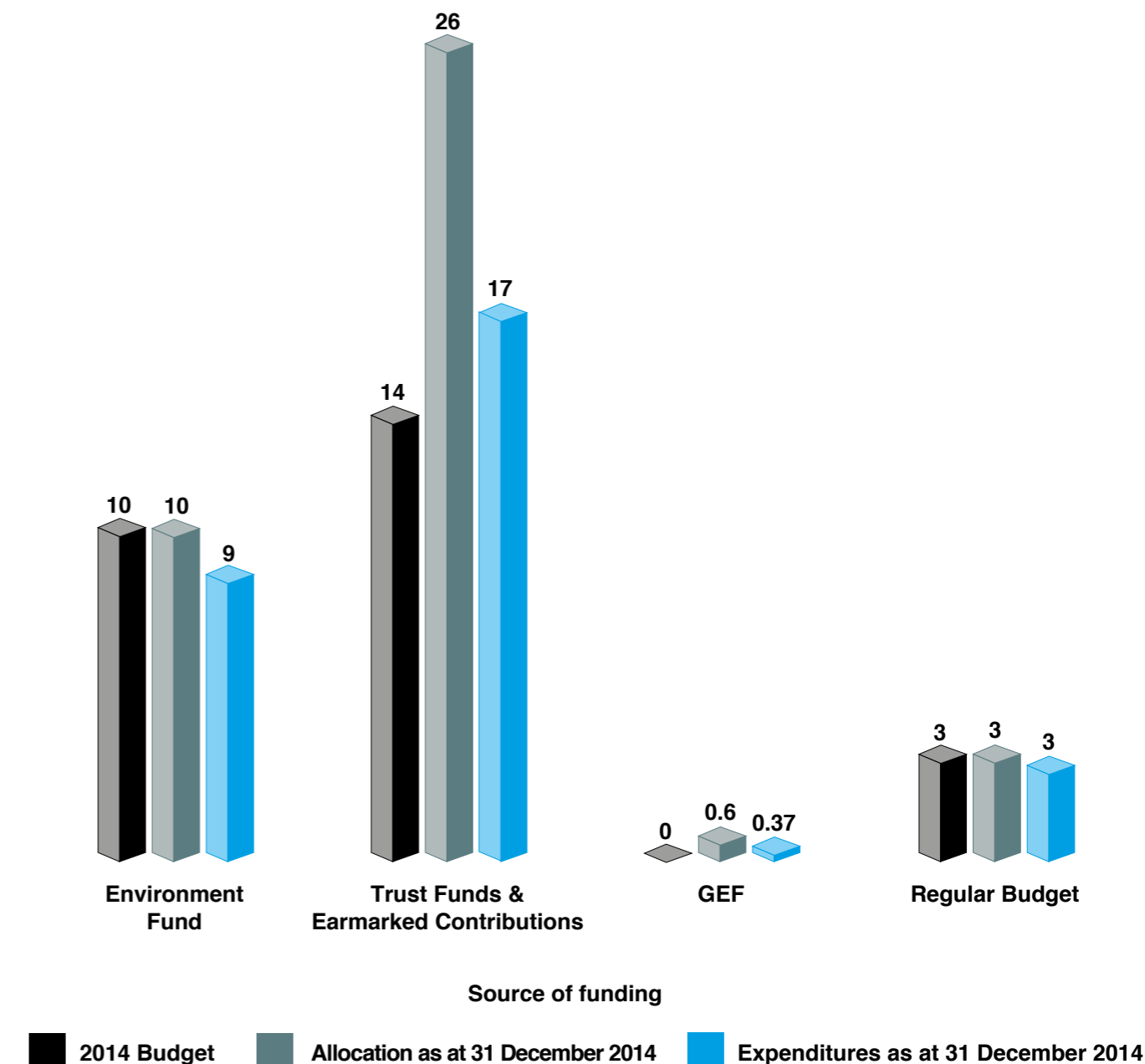
Geographic focus	Meeting	Outcome
Latin America and the Caribbean	XIX Meeting of the Forum of Ministers of Environment of Latin America and the Caribbean	Decisions to advance regional cooperation on global sustainable development agenda, climate change, air pollution, biodiversity, chemicals, wastes, SIDS, sustainable consumption and production and environmental education
SIDS	Third International Conference on Small Island Developing States	Samoa Pathway covering various thematic and cross-cutting environmental issues
Central Asia	Ministerial Meeting of the Interstate Commission on Sustainable Development of Central Asia (ICSD)	Decisions aimed at reinforcing sustainable development in the region, focusing on sustainable mountain development, climate change adaptation and green economy
Arab States	26th Session of the Council of Arab Ministers Responsible for the Environment (CAMRE)	New agreement between UNEP and the League of Arab States to address environmental challenges in the Arab region

UNEP aimed to increase the number of policies and plans from sub-regional and regional forums that incorporate the principles of environmental sustainability from five to nine by December 2014. This target was achieved, with environmental sustainability issues discussed in nine

regional and sub-regional ministerial fora and firmly embedded in ministerial outcome documents, as outlined in Box 16. These documents are important contributions to global processes such as UNEA and the post-2015 development process.

Figure 30. Budget performance—Environmental Governance

\*Amount in USD millions



The targeted 2014 budget for UNEP work on Environmental Governance was USD 27.0 million. Additional income from extrabudgetary resources enabled UNEP to have an overall budget allocation of USD 39.4 million. Overall expenditures were USD 28.8 million.

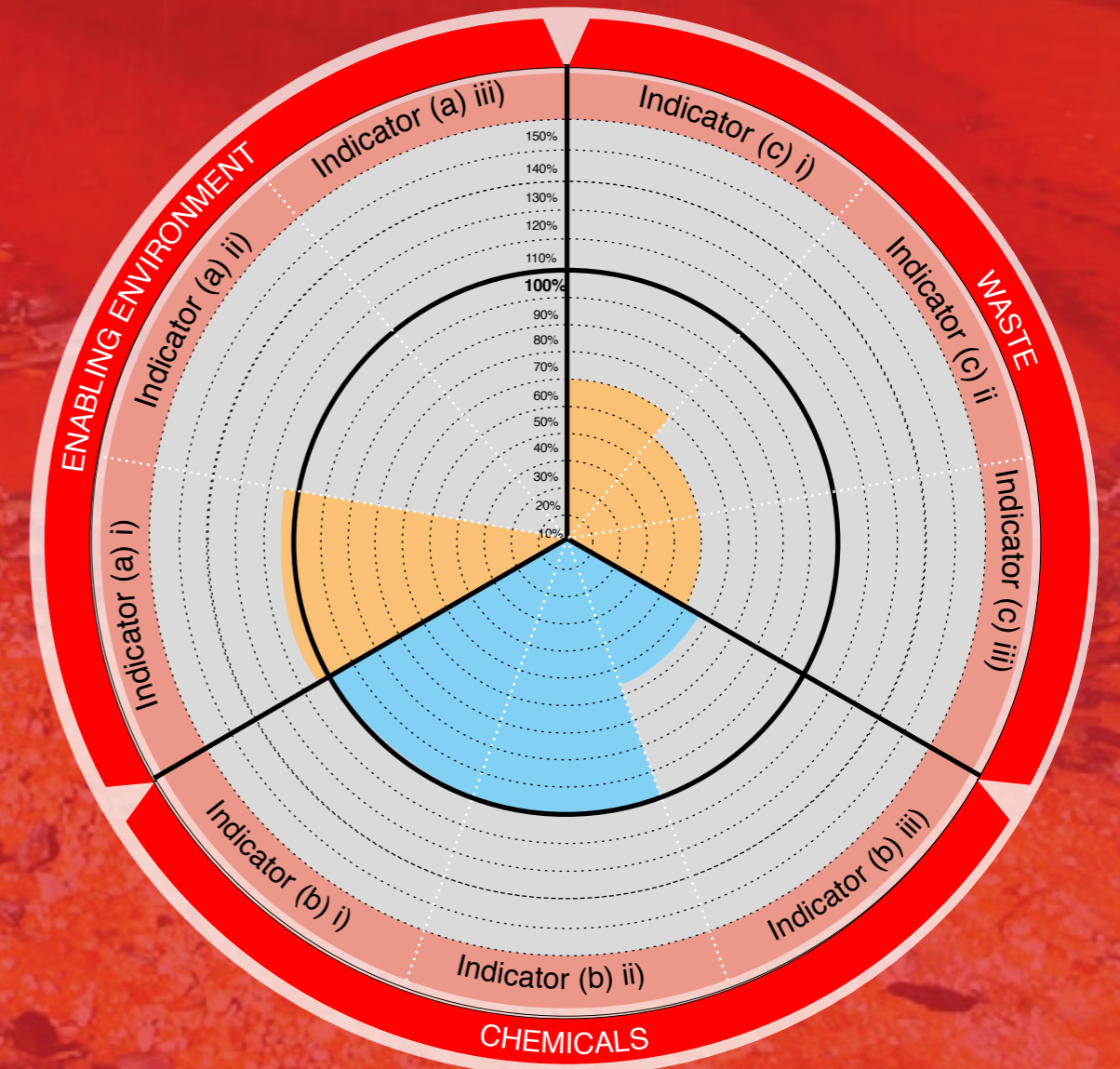




# CHEMICALS AND WASTE

Today societies continue to experience severe consequences of unsound chemicals and waste management. UNEP exercises its leadership in promoting the transition of countries to the sound management of chemicals and waste, offering technical support that aims to minimize impact on the environment and human health, focusing on the following:

- **The enabling environment:** to support countries to have the necessary institutional capacity and policy instruments to manage chemicals and waste soundly including the implementation of related provisions in the MEAs
- **Chemicals:** to assist countries, including major groups and stakeholders, use the scientific and technical knowledge and tools needed to implement sound chemicals management and the related MEAs
- **Waste:** to assist countries, including major groups and stakeholders, use the scientific and technical knowledge and tools needed to implement sound waste management and the related MEAs



■ Fully on track    
 ■ December 2014 milestone almost achieved & likelihood of achieving 2015    
 ■ Partially on track

## INDICATORS OF ACHIEVEMENT

### ENABLING ENVIRONMENT

- (a) i) Increase in the number of countries reporting the adoption of policies for the sound management of chemicals and waste
- (a) ii) Increase in the number of countries reporting the use of economic and market-based incentives, business policies and practices that promote the sound management of chemicals and waste
- (a) iii) Increase in the number of countries reporting the use of industry reporting schemes that promote take-up of the sound management of chemicals and waste

### CHEMICALS

- (b) i) Increase in the number of governments addressing priority chemical issues, including their obligations under the chemicals MEAs, through the use of risk assessment and management tools provided by UNEP
- (b) ii) Increase in the number of businesses and industries addressing priority chemical issues through the use of risk assessment and management tools provided by UNEP
- (b) iii) Increase in the number of civil society organizations addressing priority chemical issues under the chemicals MEAs through the use of risk assessment and management tools provided by UNEP

### WASTE

- (c) i) Increase in the number of Governments addressing priority waste issues, including their obligations under the related MEAs, through the use of tools and methodologies provided by UNEP
- (c) ii) Increase in the number of civil society organizations addressing priority waste issues under the waste-related MEAs through the use of risk assessment and management tools provided by UNEP
- (c) iii) Increase in the number of civil society organizations addressing priority waste issues under the waste-related MEAs through the use of risk assessment and management tools provided by UNEP

Table 5. Chemicals and Waste—Results achieved against expected accomplishments						
Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected by Dec 2014	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Enabling environment</b>						
(i) Increase in the number of countries reporting the adoption of policies for the sound management of chemicals and waste	162	171	178	179	185	Partially on-track with one indicator exceeding 2014 milestone
(ii) Increase in the number of countries reporting the use of economic and market-based incentives, business policies and practices that promote the sound management of chemicals and waste	49	49	53	49	57	
(iii) Increase in the number of countries reporting the use of industry reporting schemes that promote take-up of the sound management of chemicals and waste	N/A	25	27	25	29	
<b>EA (b) Chemicals</b>						
(i) Increase in the number of governments addressing priority chemical issues, including their obligations under the chemicals MEAs, through the use of risk assessment and management tools provided by UNEP	40	72	80	80	90	Partially on-track with high likelihood of achieving 2015 targets
(ii) Increase in the number of businesses and industries addressing priority chemical issues through the use of risk assessment and management tools provided by UNEP	52	65	70	70	77	
(iii) Increase in the number of civil society organizations addressing priority chemical issues under the chemicals MEAs through the use of risk assessment and management tools provided by UNEP	58	70	79	75	88	
<b>EA (c) Waste</b>						
(i) Increase in the number of Governments addressing priority waste issues, including their obligations under the related MEAs, through the use of tools and methodologies provided by UNEP	10	15	20	18	25	Partially on-track
(ii) Increase in the number of businesses and industries addressing priority waste issues through the use of tools and methodologies provided by UNEP	10	15	21	18	27	
(iii) Increase in the number of civil society organizations addressing priority waste issues under the waste-related MEAs through the use of risk assessment and management tools provided by UNEP	8	18	22	20	26	



UNEP's progress towards achieving the milestones set for December 2014 and targets for December 2015 are partially on track for all its work on chemicals and waste. One of the reasons for this result is the fact that funding received in the recent past has been mostly earmarked for work on mercury and SAICM, leaving other priority areas under-funded. Another reason is inadequate implementation capacity. UNEP is taking action to get its work on chemicals and waste more on track by building results-based management and implementation capacity in its respective branches and by filling vacant positions,

particularly at senior levels and mobilizing resources where there is a funding gap.

### THE ENABLING ENVIRONMENT

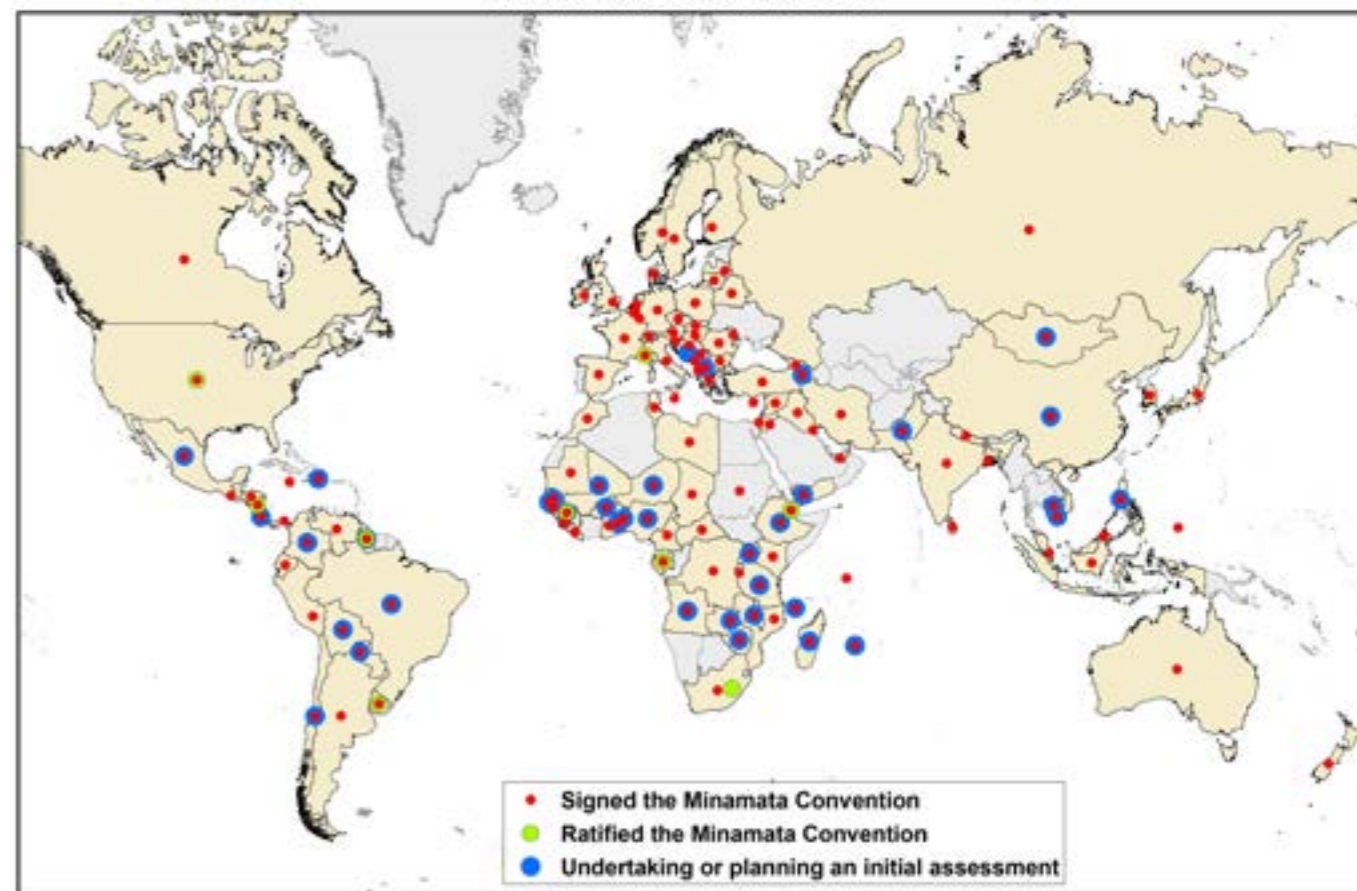
UNEP is helping countries create an enabling environment for sound chemicals and waste management by supporting them to put in place the appropriate policy instruments and institutional frameworks. In 2014, the number of countries that, with support from UNEP, acquired adequate

#### Box 17. The Global Mercury Partnership – a vehicle to support rapid implementation of the Minamata Convention on Mercury

Mercury levels in open-ocean fish are keeping pace with current increases in anthropogenic inputs of mercury to the ocean. Recent data shows mercury reaching levels that would make certain fish unsafe for consumption. Fortunately, the Minamata Convention on Mercury has been rapidly signed by 128 countries. Ratification and early implementation is facilitated by UNEP's Global Mercury Partnership—a multistakeholder alliance enabling countries address the adverse effects of mercury.

By December 2014, 27 countries were carrying out initial assessments (MIAs) for the convention; another 12 had MIAs in the pipeline, supported by UNDP, UNEP or UNIDO. A voluntary trust fund—known as the Special Programme—meant to support national institutional strengthening for SAICM and the Basel, Rotterdam, Stockholm (BRS) and Minamata Conventions was adopted during the first session of the United Nations Environment Assembly (UNEA-1) in June 2014.

Figure 31. Minamata Convention on mercury—Global Status December 2014



### Box 18. The Strategic Approach to International Chemicals Management (SAICM)

A key mechanism to help countries improve the management of chemicals is SAICM, for which UNEP provides the Secretariat. Its goal is to promote chemical safety around the world. **SAICM's Quick Start Programme (QSP), a voluntary trust fund, mobilized USD 44.5 million, up from USD 43 million as of December 2013. With 168 approved projects in operation as of December 2014, the QSP has been supporting capacity building for sound chemicals management in 104 countries of which 55 are Least Developed Countries (LDCs) or SIDS.**

All projects funded by the QSP Trust Fund contribute to the achievement of the 2020 goal of sound chemicals management by building capacity on sound chemicals management. The number of countries (49) that in 2014 have reported the use of economic and market-based incentives, business policies and practices, and take-up of practices for the sound management of chemicals and waste, remained the same as previous years. **The impact of the QSP will be assessed by an evaluation in time for the fourth session of the International Conference on Chemicals Management (ICCM4) in the last quarter of 2015.**

**institutional capacity, established policy instruments to manage chemicals and waste soundly, and reported on the adoption of key policies increased by about 10 percent** (179 countries) in comparison to 2011 (162). This percentage is slightly higher than originally expected for 2014. This increase stems from eight additional countries that ratified the **Minamata Convention on Mercury** in 2014<sup>23</sup>. This Convention, which governments adopted in 2013 with help from UNEP, now has **128 signatories and eight Parties**, up from 94 signatory countries and one Party in 2013, as shown in Figure 31. The Global Mercury Partnership and the Strategic Approach to International Chemicals Management (SAICM) serve as important mechanisms for supporting countries with creating the appropriate enabling environment for action (See Boxes 17 and 18). A highlight is the Scientific Assessment of Ozone Depletion, published by UNEP and WMO in 2014 that showed the **Earth's protective ozone layer** is well on track to **recovery**.

## CHEMICALS

UNEP is developing **risk assessment and management tools** to help governments, businesses and industry, and civil society organizations address priority chemical issues. One key example is a toolkit developed for inventories and the elimination of persistent organic pollutants (POPs) such as PCBs, guidance to address harmful chemicals in products, and guidance to phase out heavy metals where they pose a problem such as in the use of lead in paint (see Boxes 19 and 20).

As a result of tools developed by UNEP, a total of **80 governments in 2014 were addressing priority chemical issues through the uptake and use of risk assessment and management tools, doubling the 40 that did so in 2011**—a 91 percent attainment of what UNEP plans to achieve by 2015. The eight new countries that applied UNEP-developed tools in 2014—on top of the 72 that did so in 2013—are located across different continents<sup>24</sup>.



### Box 19. The PCB Elimination Network (PEN) – a mechanism to address some persistent organic pollutants (POPs)

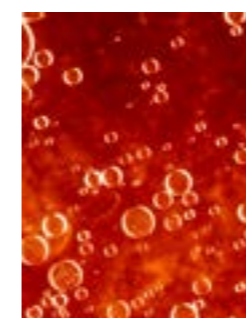
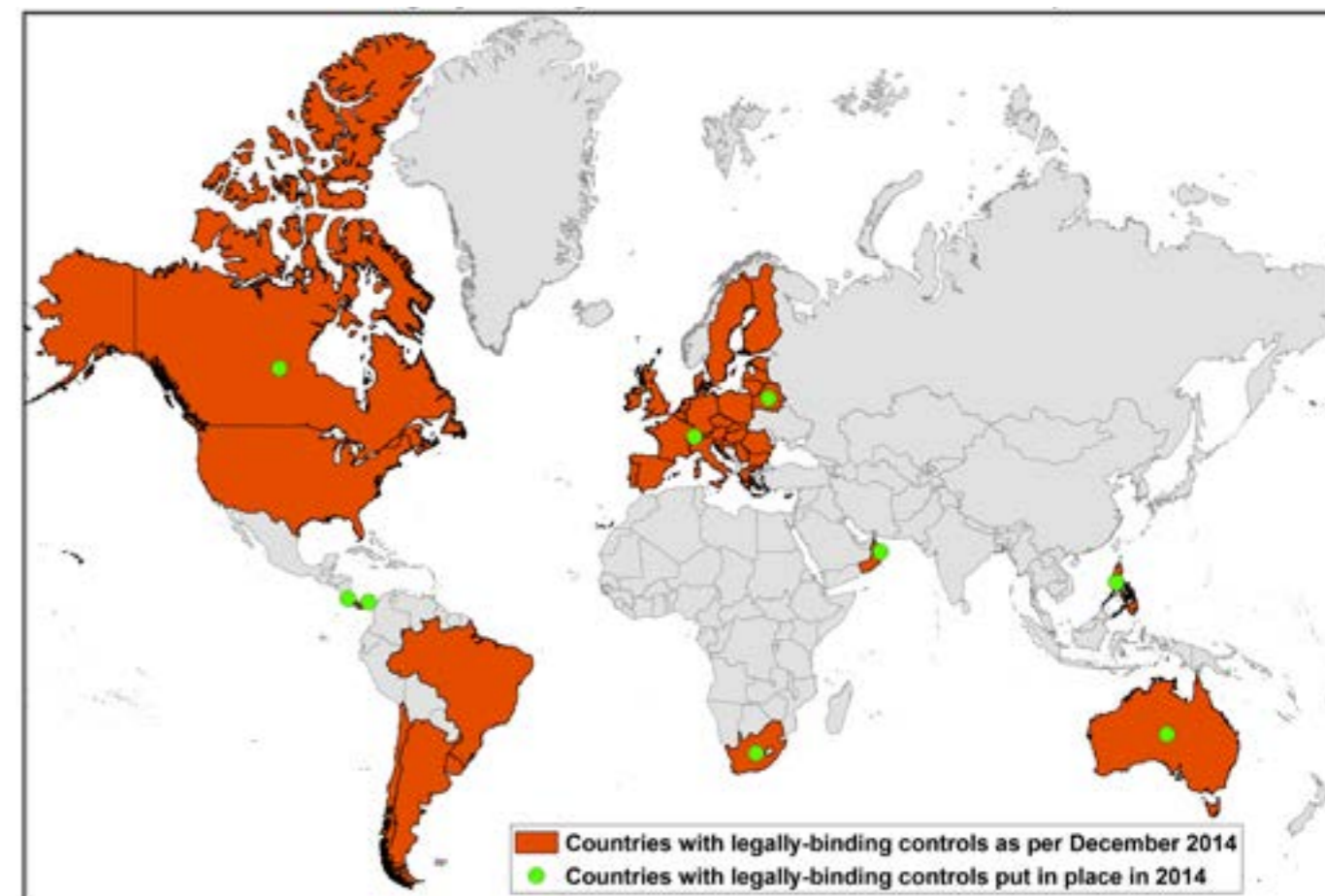
Polychlorinated biphenyls (PCBs) are carbon-based chemical substances that persist in the environment, accumulate through the food web in the fatty tissue of living organisms including humans, and pose a risk of causing adverse effects to human health and the environment. In the past PCBs were used as coolants and insulating fluids (transformer oil) for transformers and capacitors, such as those used in old fluorescent light ballasts.

Today, up to 9.3 million tonnes still needs to be eliminated with the largest amounts found in Africa and the Asia-Pacific region. UNEP has helped to establish the PCB Elimination Network (PEN), for which it serves as the secretariat. With support from UNEP and the BRS Secretariat, a preliminary assessment of efforts was made toward the elimination of PCBs, showing an increased need to speed up our efforts to achieve the 2025/2028 goals of the Stockholm Convention on Persistent Organic Pollutants.

<sup>23</sup> Djibouti, Gabon, Guinea, Guyana, Lesotho, Monaco, Nicaragua, and Uruguay.

<sup>24</sup> Cambodia, China, Fiji, Kenya, Kyrgyz Republic, Mali, Russia and Uruguay.

Figure 32. Countries with legally-binding controls over lead in decorative paint



Cambodia, for instance, updated its national dioxin/furan inventory using UNEP's toolkit, which has become a reporting tool for the Stockholm Convention. At the same time China is applying UNEP-developed tools to ensure sound chemicals-in-products management in its textile sector.

Additionally, during 2014, **five manufacturing industries and**

**businesses** including an association of chemical related businesses ICCA and **five civil society organizations** have started to **address priority chemical issues** using risk assessment and management tools provided by UNEP. In this way, progress has moved successfully from 65 businesses and 70 civil society organizations in 2013 to 70 and 75 in 2014, respectively.

### Box 20. The Global Alliance to Eliminate Lead Paint (GAELP) – a vehicle to address leaded paint

Lead exposure is estimated to account for 0.6 percent of the global burden of disease, with the highest burden in developing regions. According to WHO,<sup>25</sup> childhood lead exposure is estimated to contribute to about 600,000 new cases of children with intellectual disabilities every year. Researchers' estimates of reduced cognitive potentials (loss of IQ points) due to preventable childhood lead exposure equal 98.2 million points in Africa, 283.6 million in Asia, and 24.4 million in Latin America and the Caribbean. This translates into economic losses equal to USD 135,700, and USD 142 billion, respectively.

To help countries in their phase-out of leaded paint, UNEP and WHO are co-leading the GAELP alliance. By December 2014, GAELP reported that 44 countries had put in place the legal and regulatory framework to control the manufacture, import, export, sale and use of lead paints and products coated with lead paints, whereas at the end of 2013 only 35 countries had done so—an increase of 25 percent (nine countries<sup>26</sup>) in a single year (see Figure 32).

<sup>25</sup> [http://www.who.int/ipcs/assessment/public\\_health/lead/en/](http://www.who.int/ipcs/assessment/public_health/lead/en/)

<sup>26</sup> Australia, Belarus, Canada, Costa Rica, Oman, Panama, Philippines, South Africa, and Switzerland.

## WASTE

UNEP is working with governments, businesses and civil society to help them address priority waste issues through the use of tools and innovative methodologies. As of December 2014, **UNEP had reached 70 percent of the targeted number of governments, businesses and industry, and civil society organizations** to have done so attributable primarily to work on **waste agricultural biomass**.

In addition to the 15 countries, 15 businesses and 18 civil society organizations used knowledge, tools and mechanisms to generate energy and resources from agricultural waste in 2013. Another three countries (Cambodia, Costa Rica and India), three additional businesses and two more institutions took up UNEP's knowledge, tools and methods to turn waste agricultural biomass into renewable energy in 2014 (see Box 21).

### Box 21. Turning agricultural waste into biomass for energy

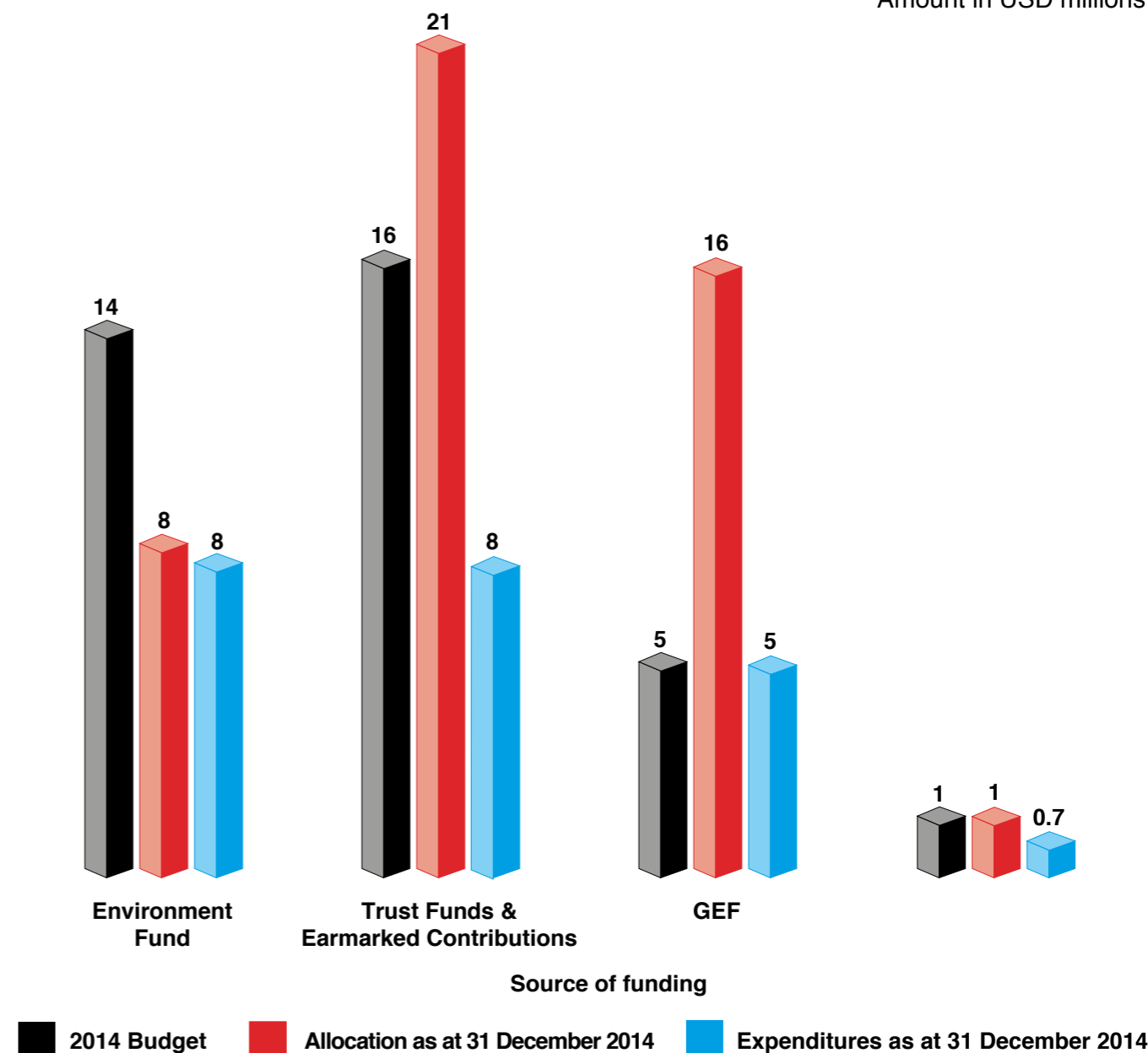
Globally, 140 billion metric tonnes of biomass waste is generated every year from agriculture, which can be converted to an enormous amount of energy and raw materials. Equivalent to approximately 50 billion tonnes of oil, agricultural biomass waste converted to energy can substantially displace fossil fuels, reduce emissions of greenhouse gases and provide renewable energy to some 1.6 billion people in developing countries.

With help from UNEP in 2014, Cambodia, Costa Rica and India addressed this priority agricultural waste issue, generating energy and resources. Cambodia, for instance, generates 8.3 million tonnes of waste agricultural biomass annually, equivalent to 3.6 million tonnes of oil, while India generates 415.5 million tonnes, equivalent to 103.9 million tonnes of oil, and Costa Rica 27 million tons equivalent to 86,487 TJ, primary energy (base year 2012). These nations together with UNEP developed strategies for enhancing the conversion of waste agricultural biomass into energy with businesses putting in place appropriate technologies with the aim of upscaling results elsewhere.



Figure 33. Budget performance—Chemicals and Waste

\*Amount in USD millions



The 2014 targeted budget for UNEP work on chemicals and waste was USD 36.1 million. Total allocations issued in 2014 were USD 46.6 million, including USD 15.5 million from the GEF. Total expenditure was USD 21.6 million, 46 percent of allocations. The 2014 Environment Fund expenditure for the Chemicals and Waste subprogramme's was USD 8.0 million, 94 per cent of Environment Fund allocations (see Figure 33).

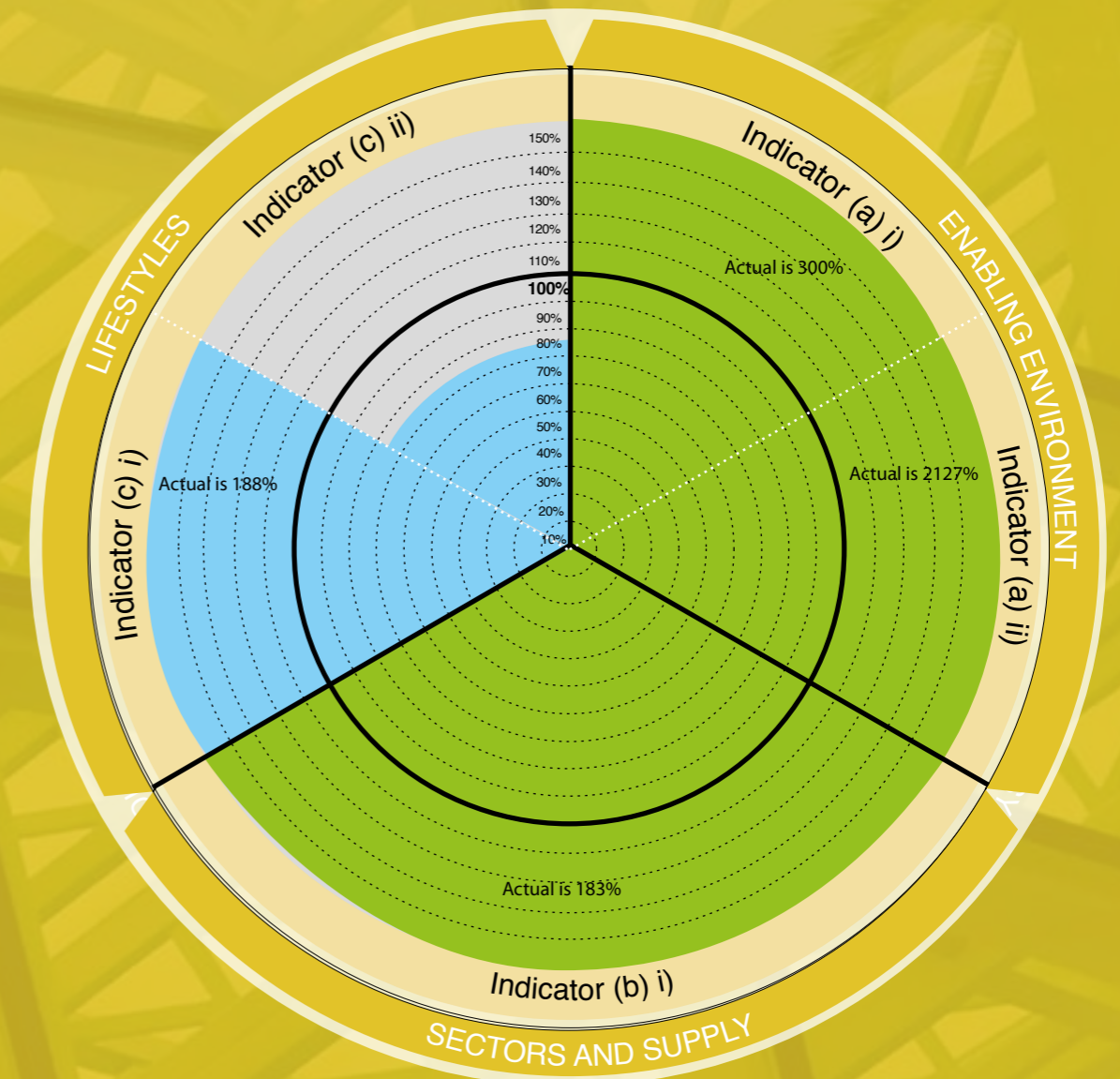


# RESOURCE EFFICIENCY AND SUSTAINABLE CONSUMPTION AND PRODUCTION

“Doing more with less” or “decoupling” natural resource use and environmental impacts from economic growth is key in overcoming the pressing challenge of increasingly unsustainable resource consumption levels. UNEP supports countries and partners transition to a green economy, to use opportunities for cleaner investments and green jobs to address poverty and enhance human well-being.

UNEP is assisting countries to decouple economic growth from the unsustainable use of resources by promoting resource efficient and inclusive green economies that improve human well-being through a shift to sustainable consumption and production patterns. Within this context, UNEP focuses on the following areas:

- **Enabling environment:** to support countries improve the enabling policy environment to promote resource efficiency, sustainable consumption and production and transition to green economy pathways, which are firmly anchored in scientific research and assessments
- **Sectors and supply:** to enhance the ability of governments, business and other stakeholders to adopt sustainable consumption and production practices across global supply chains and within key sectors
- **Lifestyles & Consumption:** to enhance the ability of countries, businesses, civil society and individual consumers to make informed choices for sustainable consumption and lifestyles



■ Fully on track    
 ■ December 2014 milestone almost achieved & likelihood of achieving 2015    
 ■ Partially on track

#### INDICATORS OF ACHIEVEMENT

##### ENABLING ENVIRONMENT

- (a) i) Increase in the number of cities and countries that develop and integrate into policies, within the context of sustainable development and poverty eradication, the green economy and sustainable consumption and production approaches and tools.
- (a) ii) Increase in the number of references to UNEP assessments and reports in documents by Governments, companies and academics.

##### SECTORS AND SUPPLY

- (b) i) Increase in the number of stakeholders reporting improved management practices and adoption of more resource-efficient tools and instruments in sectoral policies.

##### LIFESTYLES

- (c) i) Increase in the number of public institutions and private sector organizations that develop and implement policies and measures conducive to more sustainable consumption patterns.
- (c) ii) Increase in the number of projects initiated by stakeholders to promote more sustainable lifestyles that are catalyzed by UNEP.

Table 6. Resource Efficiency—Results achieved against expected accomplishments						
Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected as at Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Enabling environment</b>						
(i) Increase in the number of cities and countries that develop and integrate into policies, within the context of sustainable development and poverty eradication, the green economy and sustainable consumption and production approaches and tools	10	21	25	33	38	Fully on track with both indicators exceeding 2014 milestones
(ii) Increase in the number of references to UNEP assessments and reports in documents by Governments, companies and academics	0	120	135	439	150	
<b>EA (b) Sectors and supply</b>						
(i) Increase in the number of stakeholders reporting improved management practices and adoption of more resource-efficient tools and instruments in sectoral policies	60	82	100	115	177	Fully on track and exceeding 2014 milestones
<b>EA (c) Lifestyles</b>						
(i) Increase in the number of public institutions and private sector organizations that develop and implement policies and measures conducive to more sustainable consumption patterns	20	59	67	74	82	Partially on track but high likelihood of achieving Dec 2015 targets (with one indicator exceeding 2014 milestone).
(ii) Increase in the number of projects initiated by stakeholders to promote more sustainable lifestyles that are catalyzed by UNEP	0	10	18	16*	28	

\* The deviation of indicator (ii) for the annual target is minor (16/18) while the indicator (i) has exceeded the annual target (74/67). With the launch of the 10YFP programme on Sustainable Lifestyles and Education in late 2014 a significant increase of the number of projects initiated in 2015 and full target achievement is highly likely. Therefore, the overall progress can be considered as fully on track.

Overall, UNEP’s work on resource efficiency is highly likely to achieve the targets set for December 2015, having either met the December 2014 targets or very close to achieving the target.

## ENABLING ENVIRONMENT

UNEP supports countries and regions to integrate green economy and sustainable consumption and production approaches into national and sub-national policy. Country assessments, specific planning and implementation tools and knowledge platforms enable policy makers and businesses to actively pursue green economy pathways as shown in Figure 34.

In 2014, 12 additional countries and cities<sup>27</sup> had developed or started implementing sustainable consumption and production and green economy policies with UNEP’s support (see Figures 35, 36 and 37). Box 22 highlights these policy changes in countries and cities. In total, **33 countries and cities<sup>28</sup> have adopted or started the implementation of sustainable consumption and production and green economy pathways as a result of UNEP’s assistance since 2010**, higher than the targeted progress of 25 expected at December 2014 (see Table 6). With a target of 38 countries and cities by the end of the biennium, UNEP is well on track to achieve and even exceed this indicator. Green economies are defined as low-carbon, resource efficient and socially inclusive economies. An adoption of a green economy pathway is thus expressed

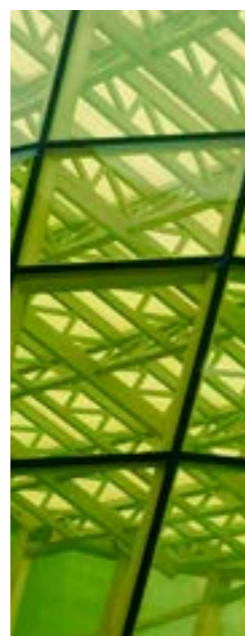
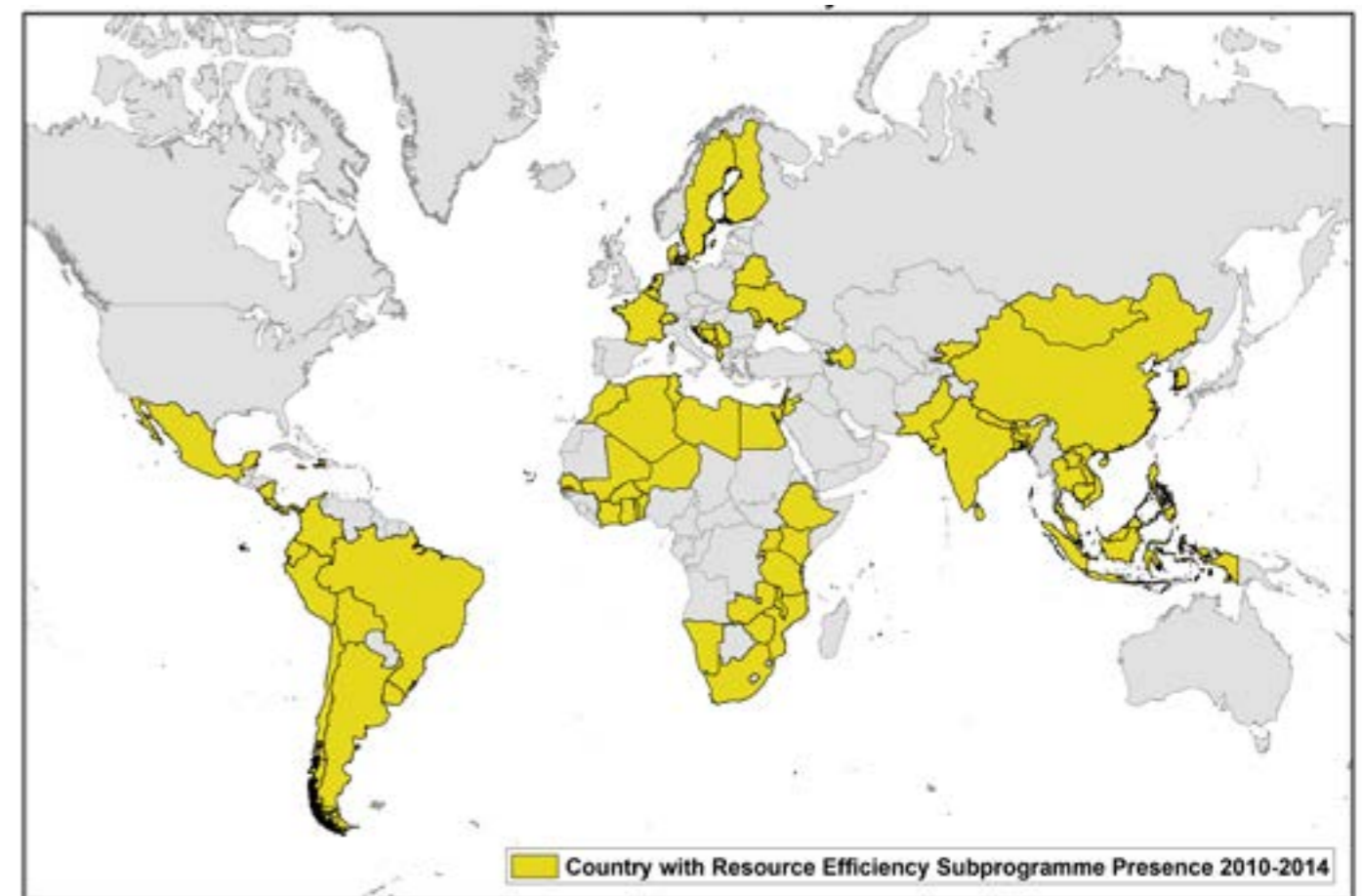


Figure 34. UNEP work on resource efficiency 2010-2014



<sup>27</sup> Countries: Vietnam, Bhutan, Kenya, Mongolia, Rwanda, Brazil; Cities: Pathum Thani (Thailand), Addis Ababa, & Bahir Dar (Ethiopia), Kampot (Cambodia), Da Nang (Vietnam), Eco Town Penang (Malaysia)

<sup>28</sup> Countries: Barbados, Bhutan, Brazil, Burkina Faso, China, Cote d'Ivoire, Croatia, Dominica, Finland, Ghana, Haiti, Indonesia, Kenya, Malaysia, Mali, Mauritius, Mexico, Moldova, Mongolia, Republic of Korea, Rwanda, Saint-Lucia, Senegal, South Africa, Uganda, Vietnam, Zambia; Cities: Pathum Thani (Thailand), Addis Ababa, & Bahir Dar (Ethiopia), Kampot (Cambodia), Da Nang (Vietnam), Eco Town Penang (Malaysia)

Figure 35. UNEP work on green economy pathways 2011



Figure 36. UNEP work on green economy pathways 2013



Figure 37. UNEP work on green economy pathways 2014

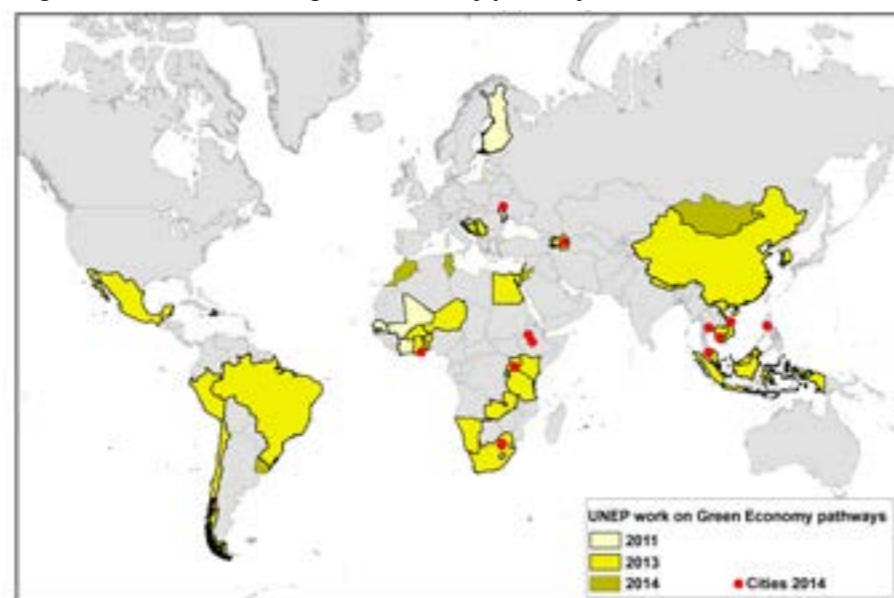
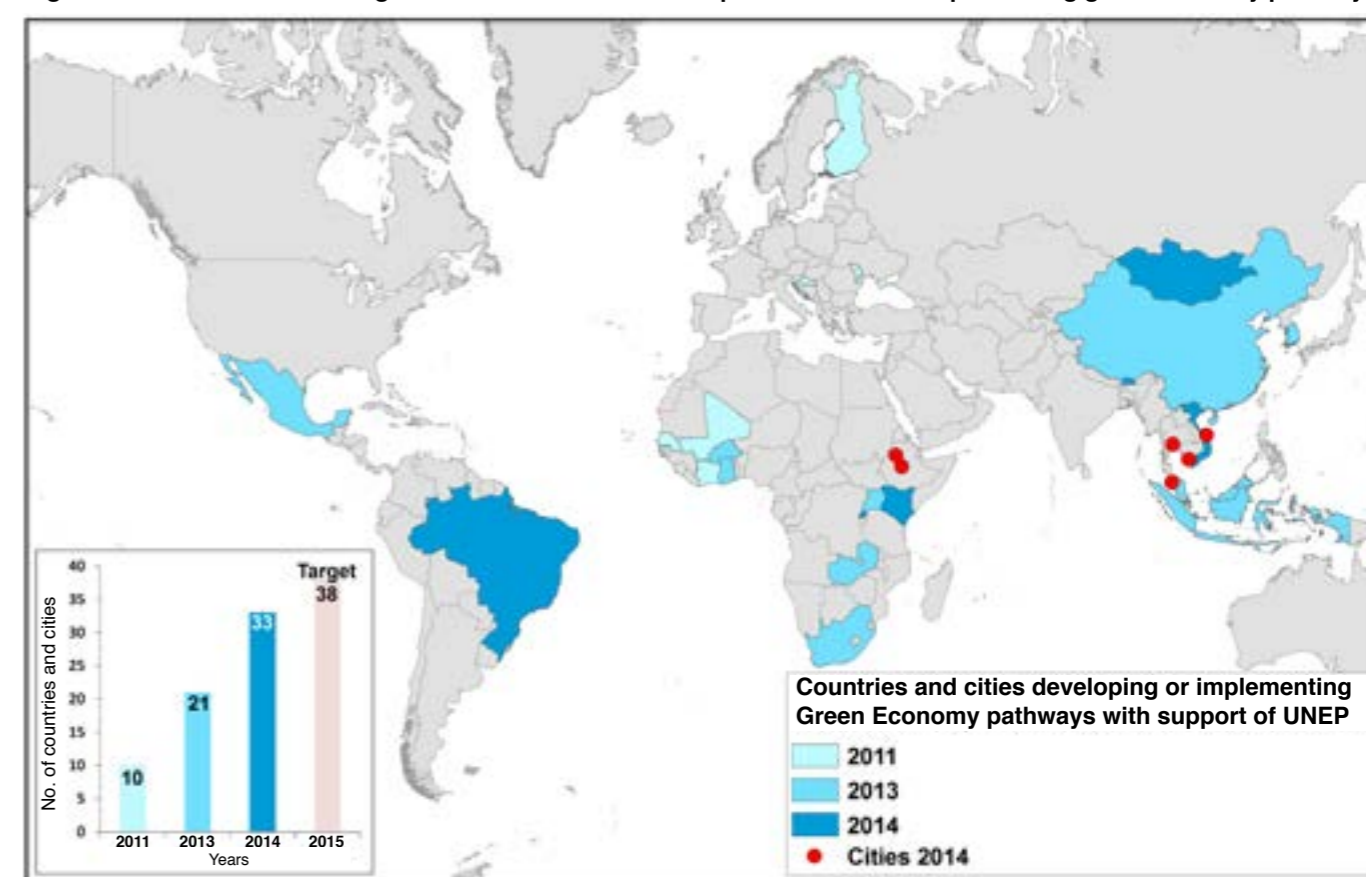
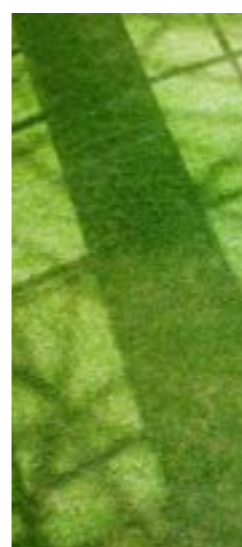


Figure 38. Countries and local governments that have development and/or are implementing green economy pathways



**Box 22. Illustrative results in Countries and Cities on policy change**

Country/City	Result
Mongolia	Mongolia has adopted a Green Development Strategy with UNEP's assistance (PAGE)
Addis Ababa and Bahir Dar (Ethiopia)	Mainstreamed sustainable consumption and production and green economy approaches into urban policy instruments
Rwanda and Brazil	Started with the implementation of sustainable consumption and production plans that have been developed with UNEP's support
Da Nang (Vietnam)	The City defined its resource footprint and established targets to become more resource efficient.

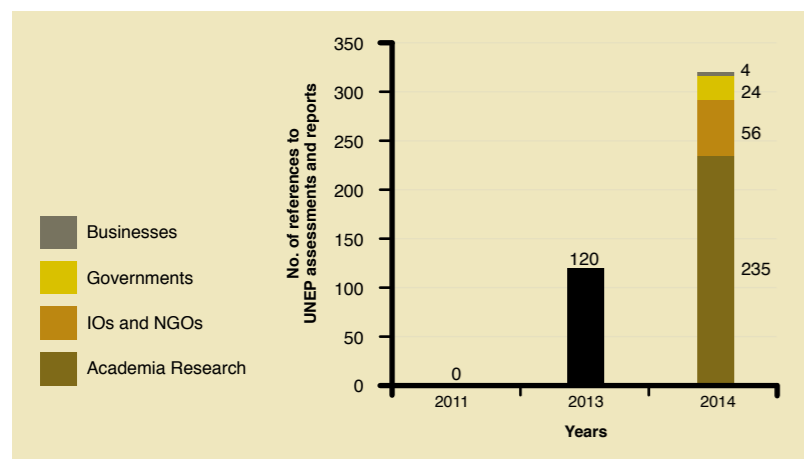


in policy adoption and implementation, promoting investments that reduce carbon emissions and pollution, enhancing energy and resource efficiency, and preventing the loss of biodiversity and ecosystem services while creating growth and employment and enhancing overall human well-being.

The **uptake and impact of scientific assessments**, research and tools provided by UNEP is assessed by the number of references to findings of the International Resource Panel and UNEP's research work on Green Economy. In 2014, **319 references** were made by academia and research, international organisations and NGOs, governments, and businesses.

While there were 120 references at the end of 2013, the number of references has substantially increased in 2014 and surpassed the annual target of 135 total references by far (see Figure 38). In total, 439 references have been made since 2011 and the biennial target (to be achieved by the end of 2015) of 150 references has already been surpassed (see Table 6). This development clearly shows the increasing importance and relevance of the science base for sustainable consumption and production and green economy that has been created by UNEP. Overall, UNEP's work to create the appropriate enabling environment is well on track and set to be fully achieved by the end of 2015.

Figure 39. References to UNEP assessments and reports on sustainable consumption and production and green economy



## SECTORS AND SUPPLY

**Enhancing the capacity of governments, businesses and other stakeholders to adopt more sustainable production and consumption practices** throughout global supply chains in **tourism, buildings and construction, food and agriculture, and finance sectors** is at the core of UNEP's work on sectors and supply chains. The uptake of sustainable consumption and production and green economy instruments and management practices in sectoral policies, business and financial

operations has accelerated in 2014 with 33 additional stakeholders reporting improved management practices or sectoral strategies as a result of their engagement in UNEP's activities in 2014. This brings the total number of stakeholders reporting improved management practices and the use of more resource-efficient tools and instruments in sectoral policies to 115 as of December 2014, exceeding the progress expected (see Table 6). Box 23 illustrates changes in practices resulting from UNEP support. UNEP is fully on track to achieving its targets set for December 2015.



### Box 23. Changes in practices resulting from UNEP support in 2014

Country	Sector, Area of support	Result
Thailand	Tourism	A major tourism service provider in Thailand adapted and is now implementing UNEP guidance for water management.
Samoa, Cape Verde and South Africa	Tourism	The countries have strengthened the sustainability dimensions of their tourism development plans.
India	Buildings and Construction	A social housing developer involved in a slum re-development project adopted sustainable design standards. These standards increase the energy efficiency of the dwellings.
Global	Eco-Innovation and Supply Chains	175 stakeholders exposed to UNEP's operational approach to eco-innovation to boost profitability and sustainability in three supply chains (agri-food, metals and chemicals). 11 countries selected for implementation
Brazil, Chile, Denmark, France and South Africa	Sustainability standards and reporting	The countries analyzed the impact of and improved their respective corporate sustainability reporting policies.
Sweden	Buildings and Construction	A company in the building sector changed its sourcing and selection of construction materials of its 50,000 suppliers.
Ghana	Agriculture	A cocoa processing company has reduced energy consumption through the substitution of two mills and increased revenues by selling a process by-product. The company's waste reduced by 60 percent.
Global	Finance sector	UNEP Finance Initiative was recognized as a leading sustainable finance initiative in G20's Energy Efficiency Action Plan and coordinated the Portfolio Decarbonization Coalition at UN Climate Summit, which aims to decarbonize USD 100 billion of investment by COP21 (Dec 2015). The Portfolio Decarbonization Coalition will convene a group of investors committed to measuring and disclosing the carbon footprint of at least USD 500 billion worth of investments. Investors will then commit to the coalition to reduce their carbon footprint with an intermediate target of USD 100 billion by December 2015.

## LIFESTYLES AND CONSUMPTION

UNEP aims to provide enabling conditions for promoting more **sustainable consumption choices and lifestyles**. This is expressed by the number of public institutions and private sector institutions that develop and put in place policies and measures conducive to more sustainable consumption patterns and by the number of projects catalyzed by UNEP, which promote more sustainable lifestyles.

Supporting **Sustainable Public Procurement** strategy development and implementation at the national level is one of UNEP's focus areas to stimulate demand for and supply of sustainable products. In 2014, UNEP engaged with 14 countries<sup>29</sup>,

including 11 governments committed to develop SPP Action Plans by end of 2017 with three countries<sup>30</sup> supported in action plan implementation in close coordination with the 10YFP programme on SPP launched in 2014. **Lifecycle based approaches and information tools** have been increasingly used with UNEP's support, involving 25 companies and one community organization in Colombia, India, Peru and Uganda. Box 24 illustrates results from UNEP's support. With a total number of 74 of supported stakeholders, UNEP has exceeded its annual target of 67 and is well on track to achieve its biennial target of 82 by the end of 2015.

**Education and awareness-raising are important enabling conditions for more sustainable lifestyles.** In 2014, UNEP supported six activities that catalyzed

x Uganda, Vietnam, Zambia; Cities: Pathum Thani (Thailand), Addis Ababa, & Bahir Dar (Ethiopia), Kampot (Cambodia), Da Nang (Vietnam), Eco Town Penang (Malaysia)

<sup>29</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, India, Ivory Coast, Mauritius, Morocco, Panama, Peru, Sri Lanka, Vietnam

<sup>30</sup> Chile, Costa Rica, Mauritius





Ten-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP SCP)							
10YFP	Sustainable Public Procurement	Consumer Information	Sustainable Tourism	Sustainable Lifestyles and Education	Sustainable Buildings and Construction Programme	Sustainable Food Systems Programme	
OBJECTIVES	<ul style="list-style-type: none"> <li>Improve knowledge on SPP and its effectiveness</li> <li>Support the implementation of SPP on the ground through increased collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Driving change in government and business</li> <li>Enhancing communication to drive behavioral change</li> </ul>	<ul style="list-style-type: none"> <li>Integrating sustainable consumption and production (SCP) patterns in tourism related policies and frameworks</li> <li>Collaboration among stakeholders for the improvement of the tourism sector's SCP performance</li> <li>Fostering the application of guidelines, instruments and technical solutions</li> <li>Enhancing sustainable tourism investment and financing</li> </ul>	<ul style="list-style-type: none"> <li>Build a shared vision of sustainable lifestyles</li> <li>Integrate sustainable lifestyles principles and practices across all sectors of society</li> <li>Develop tools and incentives, provide capacity-building for achieving sustainable lifestyles</li> <li>Empower individuals to adopt sustainable lifestyles through education, awareness-raising and participation,</li> </ul>	<ul style="list-style-type: none"> <li>Establish and promote enabling frameworks to implement SBC policies</li> <li>Reduce climate impact of building sector</li> <li>Promote Resource Efficiency in Building Supply Chain</li> <li>Support and Promote Sustainable Social Housing</li> </ul>	<p>Proposed, consultations ongoing:</p> <ul style="list-style-type: none"> <li>Increasing the availability, accessibility and sharing of actionable knowledge, information and tools</li> <li>Encourage, facilitate and support integrated multi-stakeholder dialogue</li> <li>Facilitating the use of market based and voluntary approaches towards sustainable food systems</li> </ul> <p>Launch expected in second quarter of 2015</p>	
	STATUS	Launched in April 2014	Launched in November 2014	Launched in November 2014	Launched in November 2014	Launched in early 2015	Launch expected in second quarter of 2015

engagement of stakeholders into the promotion of sustainable lifestyles, bringing the total to 16, close to the progress expected as at end-2014 (see Table 6). A number of additional initiatives are expected to be launched in 2015 as a result of the

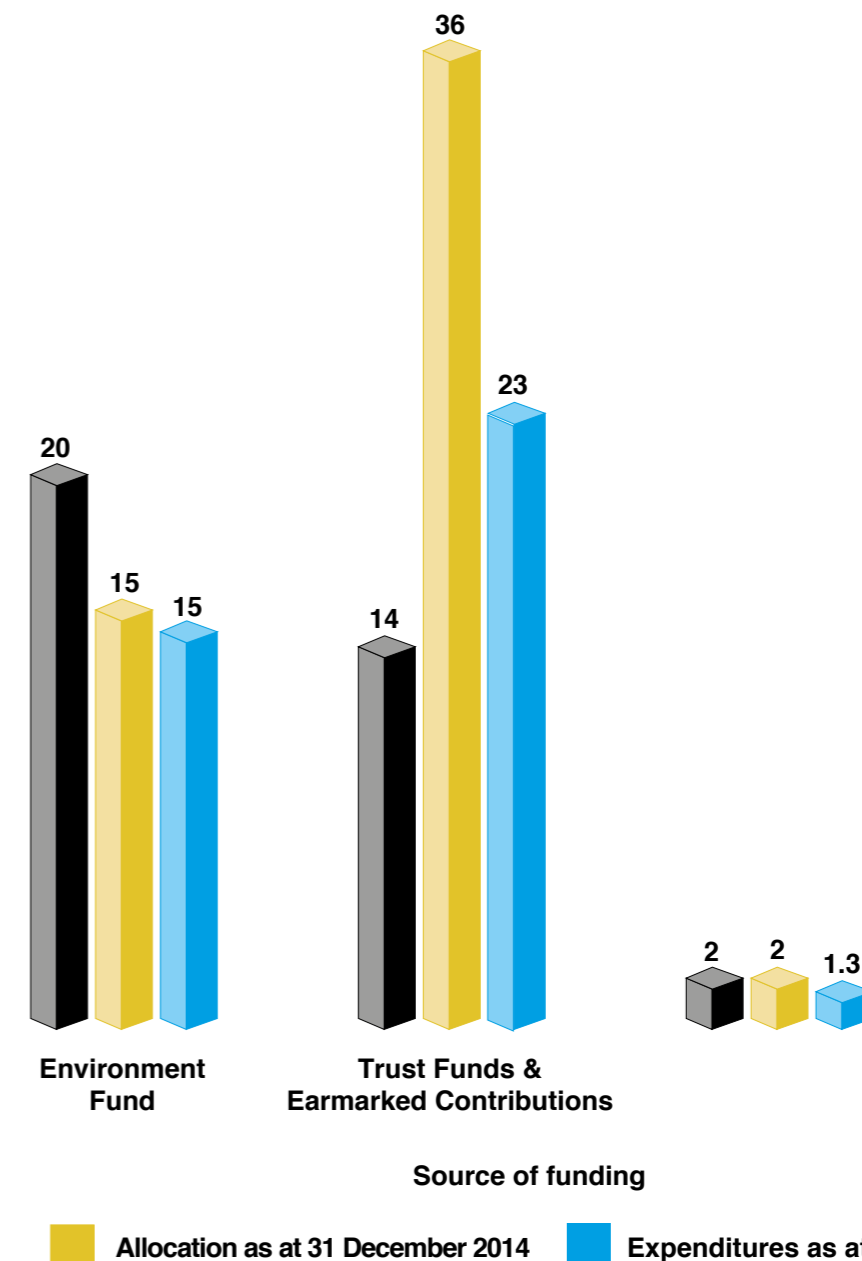
10YFP programme on sustainable lifestyles and education launched at the end of 2014. Therefore, the overall progress show good indication that the target set for December 2015 will be met.

**Box 24. Illustration of results emerging in 2014 from UNEP's support on lifestyles and consumption**

Country/City	Result
Colombia/Bogota	22 companies organized in a Life Cycle Management (LCM) network, completed training in compliance, followed by training and implementation of a formal environmental management system using Life Cycle approaches with UNEP's support.
India/Kashipur	Life cycle approaches were successfully incorporated in the management practices and internal LCM manual of a company in the chemicals sector

Figure 40. Budget performance—Resource efficiency and Sustainable Consumption and Production

\*Amount in USD millions



UNEP's 2014 projected budget for Resource Efficiency and Sustainable Consumption and Production was USD 35.8 million. However, UNEP was able to allocate USD 52.6 million in 2014 for work on this subprogramme. This is due to a higher than expected income received in 2014 based on donor-earmarked priorities and fund balances carried forward from the previous biennium, which allowed allocations to exceed the 2014 approved budget. Part of the income received in 2014 and earlier years is meant for use over multiple years extending beyond 2014. Overall expenditures were USD 38.4 million.

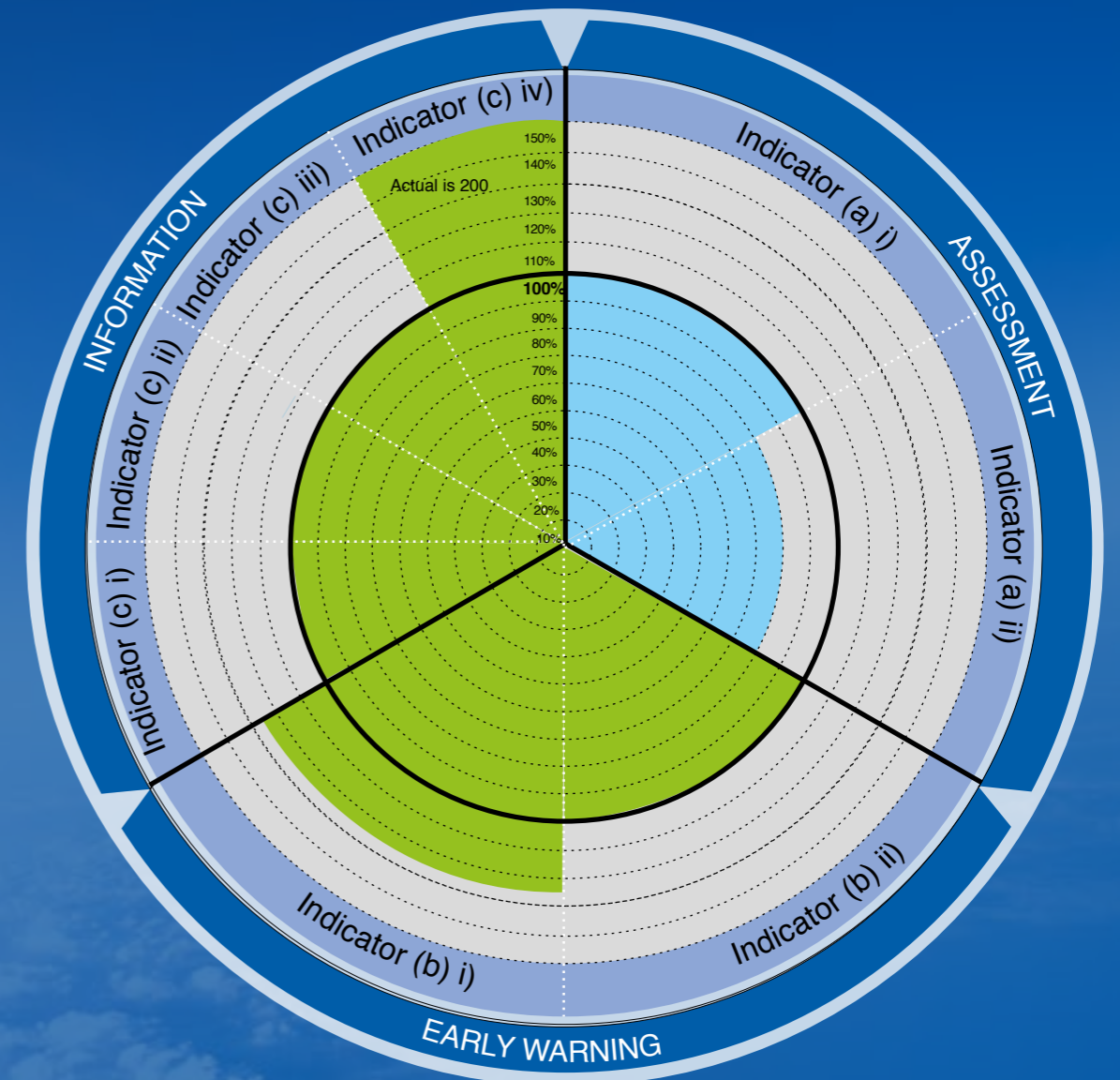


# ENVIRONMENT UNDER REVIEW

UNEP is the leading organization in the UN system that keeps the world environmental situation under review, using this expertise to facilitate global, regional and national policy-making and to set the global environmental agenda. UNEP also uses its expertise to provide early warning information on emerging environmental issues to inform decision-making by policy-makers and the public.

UNEP aims to help bridge the gap between the producers and users of environmental information, better linking science with policy and thus focusing on:

- Assessment: to facilitate global, regional and national policy making from environmental information made available on open platforms
- Early warning: to bring about policy planning based on information from emerging environmental issues
- Information management: to enhance the capacity of countries to generate, access, analyze, use and communicate environmental information and knowledge



■ Fully on track
 ■ December 2014 milestone almost achieved & likelihood of achieving 2015
 ■ Partially on track

## INDICATORS OF ACHIEVEMENT

### ASSESSMENT

- (a) i) Increase in the number of United Nations agencies and MEAs using data on environmental trends identified through UNEP to influence policy
- (a) ii) Increase in the number of national, regional and global forums and institutions using data on environmental trends identified through UNEP to influence policy

### EARLY WARNING

- (b) i) Increase in the number of stakeholders surveyed that acknowledge the uptake of scenarios and early warning on emerging environmental issues in their assessment and policy development processes
- (b) ii) Number of registered participants in organizations for children and young people, sports organizations and World Environment Day that undertake activities on the UNEP website or report through UNEP networks as a result of targeted messaging on emerging environmental issues

### INFORMATION

- (c) i) Increase in the number of countries that take the lead in generating, analysing, managing and using environmental information in comparable formats and making such information and knowledge available to the public and policy-makers
- (c) ii) Increase in the number of countries making available credible, nationally generated data and providing access to country-specific environmental information in comparable formats on public platforms
- (c) iii) Increased number of major groups and stakeholders surveyed that acknowledge their involvement in the generation of, access to and use of environmental information available on public platforms
- (c) iv) Increase in the number of major UNEP publications in languages other than English made accessible through UNEP-developed online platforms

Table 7. Environment under Review – Results achieved against expected accomplishments						
Results achieved against Expected Accomplishment	Baseline (2011)	Baseline (2013)	Progress expected as at Dec (2014)	Actual (2014)	Target (Dec 2015)	Assessment of Performance
<b>EA (a) Assessment</b>						
(i) Increase in the number of United Nations agencies and MEAs using data on environmental trends identified through UNEP to influence policy	0	5	7	7	9	Partially on track but high likelihood of achieving Dec 2015 targets
(ii) Increase in the number of national, regional and global forums and institutions using data on environmental trends identified through UNEP to influence policy	0	20	25	24	30	
<b>EA (b) Early Warning</b>						
(i) Increase in the number of stakeholders surveyed <sup>31</sup> that acknowledge the uptake of scenarios and early warning on emerging environmental issues in their assessment and policy development processes	0	3	7	8	10	Fully on track with one indicator exceeding 2014 milestone
(ii) Number of registered participants in organizations for children and young people, sports organizations and World Environment Day that undertake activities on the UNEP website or report through UNEP networks as a result of targeted messaging on emerging environmental issues	225	230	230	230 <sup>32</sup>	250	
<b>EA (c) Information</b>						
(i) Increase in the number of countries that take the lead in generating, analysing, managing and using environmental information in comparable formats and making such information and knowledge available to the public and policymakers	0	0	2	2	5	Fully on track with one indicator exceeding 2014 milestone
(ii) Increase in the number of countries making available credible, nationally generated data and providing access to country-specific environmental information in comparable formats on public platforms	0	0	3	3	5	
(iii) Increased number of major groups and stakeholders surveyed <sup>33</sup> that acknowledge their involvement in the generation of, access to and use of environmental information available on public platforms	0	0	20	20	35	
(iv) Increase in the number of major UNEP publications in languages other than English made accessible through UNEP-developed online platforms	0	2	3	4	4	

<sup>31</sup> No survey conducted yet – indicator data obtained through other means of verification

<sup>32</sup> No change from baseline - targeted emerging issues outreach planned for 2015

<sup>33</sup> No survey conducted yet - indicator data obtained through other means of verification



UNEP's progress to achieving the milestones set for December 2014 shows that UNEP is highly likely to meet the targets set for December 2015. While a lot of progress has been made in creating the enabling environment for dynamic or real-time availability of environmental data, uptake by stakeholders, including governments and the UN system of information that has informed their decision-making is close to the milestones set for December 2014. **Efforts to promote uptake and use of information for decision-making, and more so tracking the uptake of this information are needed to ensure targets set for December 2015 are met.**

## ASSESSMENT

Evidence-based decision-making is critical for a solid outcome of policy processes. UNEP therefore facilitates access to up-to-date, quality-assured data and information for policy-makers and other stakeholders. 2014 was characterized by building a strong foundation for the next generation of integrated environmental assessments, both in terms of methods for more dynamic or real-time availability of environmental data as well as in environmental knowledge to strengthen the science-policy interface. The preparation of the sixth **Global Environment Outlook (GEO-6)** will benefit from the information generated through

these processes, with regional assessments and environmental information networking conferences planned for 2015 and full delivery of the global assessment expected by 2018.

UNEP aimed to increase the number of **national, regional and global forums using data on environmental trends to influence policy** by end-2014 from 20 to 25. The African Mountain Atlas initiative provided background material for discussions and subsequent decisions during the **Africa Mountains Regional Forum** in Tanzania in October 2014. It also influenced the decision by UNEP and the Austrian Development Agency to undertake sub-regional mountains assessments using a similar approach and structure. The evaluation of GEO-5, completed in December 2014, showed that the assessment had been successful in achieving global use by positively contributing to the deliberations and decisions at Rio+20 and the UN General Assembly, as well as increasing the attention on the environment in the **SDGs discussions**. It also informed the new phase of the **GEF (GEF-6)** and the **Global Sustainable Development Report prototype**. Further use of environmental trends was made in the **European Environment Agency's 'The European Environment – State and Outlook 2015'** report that aims to inform future European environmental policy and implementation.

UNEP aimed to increase the number of **United Nations agencies and MEAs using data on environmental trends to influence policy** by two agencies by end-2014. During the last meeting of the UNECE Committee on Environmental Policy, **UNECE** agreed with UNEP to jointly pursue a European environment assessment that will serve both the GEO-6 process as well as inform the 8<sup>th</sup> Environment for Europe Ministerial Conference in June 2016. The Conference of the Parties of the Convention on Migratory Species adopted a resolution on the management of marine litter at its 11<sup>th</sup> meeting in Quito in November 2014 based on background reports using UNEP data.

In 2014, a new partnership with FAO was established and collaboration with WHO is explored to contribute scientifically credible and policy-relevant environmental data and indicators. In addition, UNEP is part of a **consortium of UN Agencies designing a**



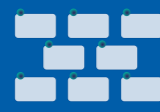


HEALTHY  
PLANET  
HEALTHY  
PEOPLE

### The sixth Global Environment Outlook: What was new in 2014?



Virtual prep-coms held in all six regions prior to the global consultations on GEO-6 in Berlin, Germany. This allowed all countries to provide input on the structure and process for GEO-6. By having a virtual 'GoTo' meeting, an estimated US\$120,000 of cost savings was realized.



GEO-6 Community of Practice established including public and closed workspaces, which allows everyone with an interest in GEO-6 to follow the process. The closed workspace is used for experts, for instance, in developing the regional assessments.

UNEP Live  
OUR CHANGING ENVIRONMENT: PLACE BY PLACE

Nomination portal set up in UNEP Live for assessment experts and specialized working groups providing a standardized and transparent process for the selection of authors and working group members from governments and other stakeholders.



Writing workshop in form of a 'book sprint' tested in developing the GEO SIDS Outlook allowing authors in a short space of time to converge on an overall narrative, supported by data and information made available through UNEP Live and Community of Practice expertise.

**statistics programme** to assist countries in tracking progress towards implementing Sustainable Development Goals.

Environment Outlook is fully on track for completion in 2016.

## EARLY WARNING

UNEP's early warning work **creates attention and fosters timely action on emerging environmental issues** that threatens sustainable development. UNEP aimed to increase the number of stakeholders that are taking up scenarios and early warning on emerging environmental issues in their assessment and policy development processes. In 2014, UNEP was able to ensure that five stakeholder groups did so, bringing the total to eight stakeholder groups since the baseline of 2011 (Box 25).

In a notable example, the topic of **microplastics** revisited in the UNEP Year Book 2014 got worldwide press coverage (747 news articles in 82 countries) and at the United Nations Environment Assembly (UNEA), governments adopted a resolution on marine plastic and microplastics. When plastic debris makes its way into the ocean, it causes over **USD 13 billion damage** to ecosystems, whereas by managing plastic properly, such as recycle material, companies save USD 4 billion each year. UNEP is now implementing an action plan to address microplastics in the marine environment.

To pay due attention to the role of gender, UNEP is undertaking a **Global Gender and Environment Outlook**. With the completion in 2014 of a literature study, an indicator review, an expert scoping meeting and subsequently, a global multi-stakeholder consultation on the proposed outline and process, the Global Gender and

### Box 25. Stakeholders uptake of emerging issues identified by UNEP

Emerging Issue	Uptake
Plastic in the Ocean/Microplastics	Adoption of a resolution by UNEA-1 and subsequent development of an action plan
Loss-and-Damage: When Adaptation is not Enough	Further collaboration proposed by UNU-EHS on this topic and follow-up early warning study now being formulated
Future of the Aral Sea Lies in Transboundary Co-operation	WMO re-published the UNEP article on the Aral Sea in the WMO Bulletin raising further awareness of the issue among a different target audience
Benefits of Soil Carbon	Assessment of soil organic carbon by 40 leading scientist and SCOPE catalyzed by the UNEP Year Book 2012 process
Reaching for the 2020 Chemicals Goal	Inclusion of this UNEP Year Book 2013 section in teaching materials by several universities

The **UNEP Year Book 2014** provided updates on ten emerging issues of the past decade. The Year Book shows that many of the emerging issues themselves had grown worse:

- Elephants poached per year doubled to 25,000 since 2007
- Over 1000 rhinos killed in South Africa alone, an increase of 7000 percent compared to 2007
- Health impacts of air pollution are much larger than was thought only a few years ago. WHO estimates that around 7 million premature deaths resulted from air pollution in 2012, more than double previous estimates
- The amount of nitrogen produced by humans from fertilizer has resulted in over 500 'dead zones' up from 150 dead zones in 2003

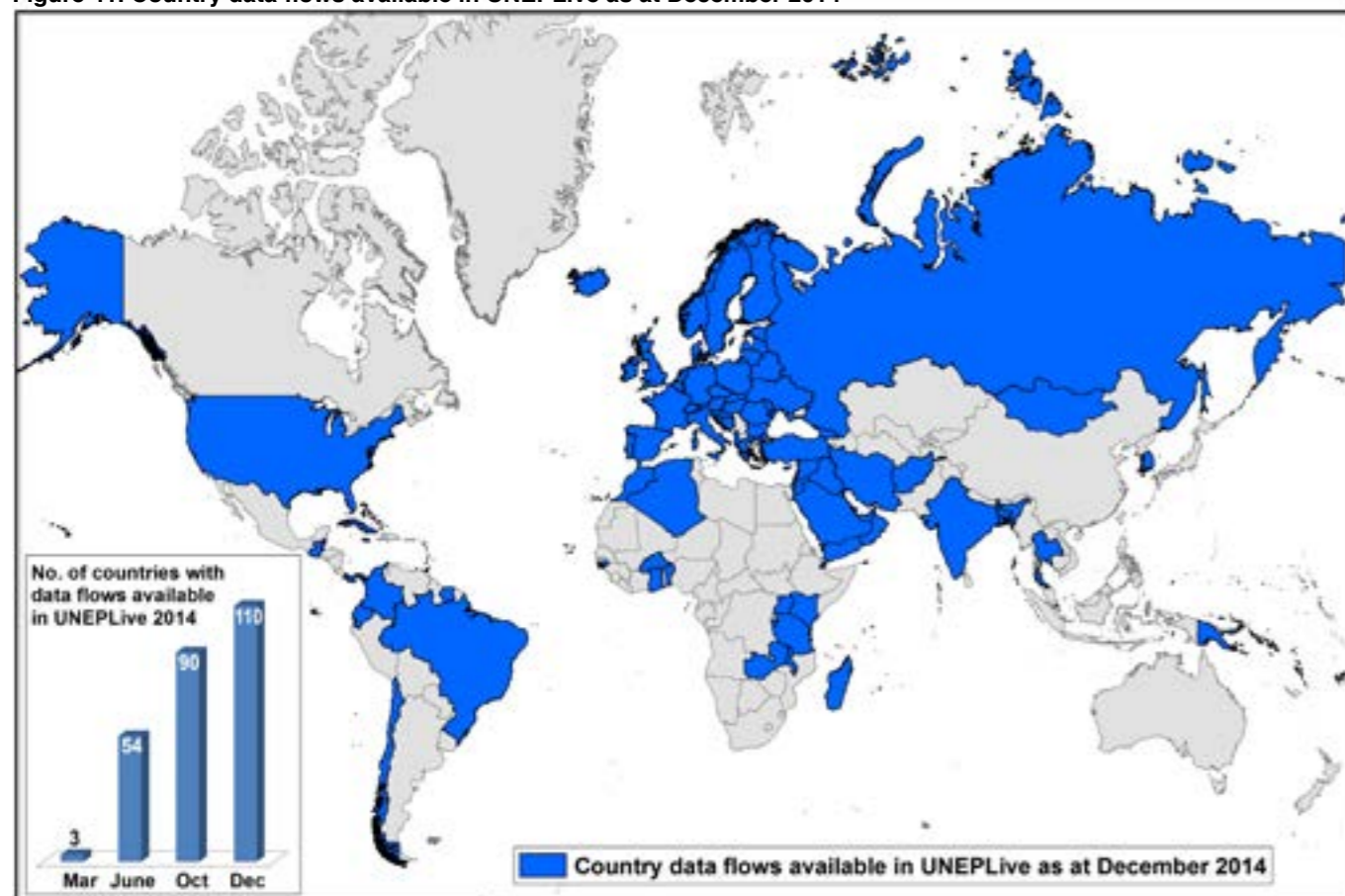
**Environmental information** is often scattered leading to incomplete information for decision-making. Data and indicators are requested for multiple reporting obligations such as the MEAs. UNEP is developing a National Reporting System to assist countries in their reporting for multiple purposes, automatically generating reports in formats required by MEAs and allowing to share country data in UNEP Live. Countries can now access reporting obligations under the Partner Resources tab in country pages on UNEP Live.



<sup>34</sup> <http://www.unep.org/uneplive>

<sup>35</sup> Indicator page available at <http://uneplive.unep.org/theme/index/12#.VSeNH9yUeVM>

Figure 41. Country data flows available in UNEPLive as at December 2014



Whereas in March 2014 UNEP Live had national data flows from only three countries, this number increased to 110 by December 2014. Real-time data available in UNEP Live includes data on air quality, sea level rise, the Ebola situation, marine plastics and threatened species.

## INFORMATION MANAGEMENT

UNEP continues to work with countries to increase their capacity in the **generation, use and analysis of environmental data and knowledge**. A baseline survey held at UNEA-1 indicated that many countries already undertake national assessments—however, lack of data or data quality as well as limited capacity for regular reporting and integrated environmental analysis pose major challenges.

UNEP aimed to have at least two countries in 2014 take the lead in generating, analysing, managing and using environmental information in comparable formats and making such information and knowledge available to the public and policymakers. This was achieved with the **United Arab Emirates** taking the lead by pilot testing the National Reporting System developed by UNEP, which can be deployed in countries to facilitate the work of Ministries and agencies responsible for reporting at

all levels. Similarly, **Chile** is building with UNEP support, its capacity in integrated environment assessment by embarking on its first State of the Environment Report to make environmental knowledge available to the public and policymakers.

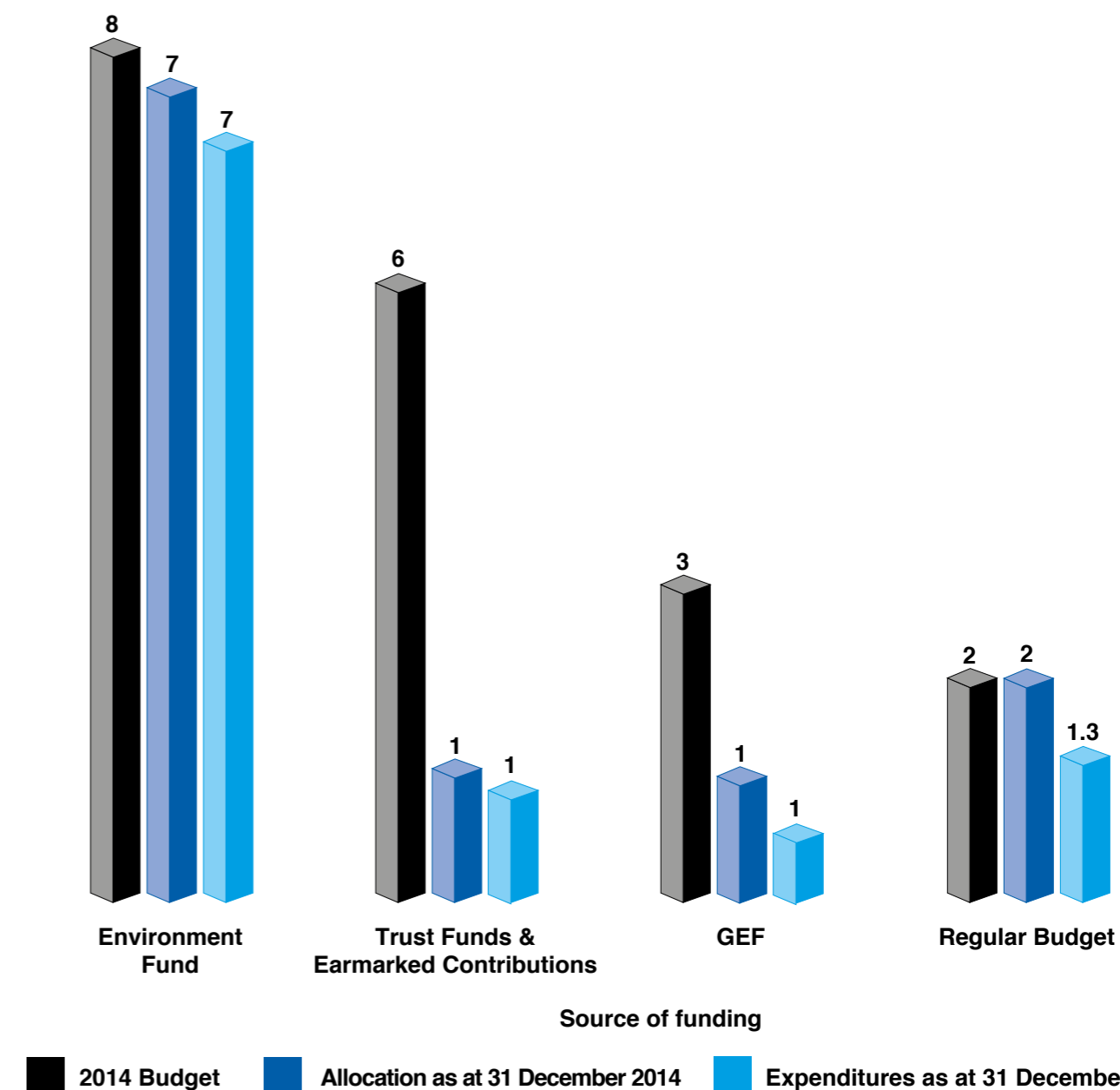
UNEP also aimed to have at least three countries make available credible, nationally generated data and provide access to country-specific environmental information in comparable formats on public platforms. In 2014, two countries, Morocco and Kenya made available such data and provided access to country-specific environmental information, which is now available on UNEP Live. For **European countries**, environmental data was made accessible spatially in comparable formats through UNEP Live for five air pollutants: fine and coarse particulate matter, nitrogen dioxide, sulfur dioxide, and ozone. Each page on UNEP Live includes links to various UN and partner resources and offers charting options for variables that highlight trends over time, by country, region, or globally.

UNEP also aimed to have at least 20 major groups and stakeholders generate, access and use environmental information available on public platforms. Eight representatives of major groups and stakeholders were involved in the Global Intergovernmental and Multistakeholder Consultation on GEO-6 held in October in Germany after being nominated, and twelve contributed to the development of the Global Gender and Environment Outlook through their involvement in the consultations and Community of Practice.

To promote access to information and raise awareness of environmental issues, UNEP is making a conscious effort to translate its major publications in languages other than English. The GEO SIDS Outlook<sup>30</sup> has been made available in English, French and Spanish and the UNEP Year Book 2014 anniversary edition was translated in all UN languages – bringing the percentage of Year Book editions available in all six UN languages since 2003 to 97%.

Figure 42. Budget performance—Environment under Review

\*Amount in USD millions



UNEP's 2014 projected budget for Environment under Review was at USD 19.0 million. UNEP was able to allocate USD 11.0 million in 2014 for work on this subprogramme with overall expenditures of USD 10.3 million. 2014 represents the first working budget cycle for the Environment under Review subprogramme with expenditures reaching 94% of budget allocation.



## BUDGET PERFORMANCE

**UNEP's overall budget targeted for the biennium 2014-2015 was USD 619 million.** This budget comprises the Environment Fund, Trust Funds and Earmarked Contributions<sup>37</sup>, the GEF, the UN Regular Budget including UNSCEAR & UN Development Account allocations and Programme Support Costs (PSC). **UNEP's annual budget targeted for 2014 was USD 297 million.** This is because the Environment Fund projected in 2014 and 2015 are not identical. In 2014, UNEP's projected Environment Fund budget was USD 110 million while in 2015, the Environment Fund budget is projected at USD 135 million. When added to other sources of financing, the annual budget targeted for 2014 was USD 297 million.

**The overall budget allocation in 2014 was USD 510 million<sup>38</sup>. This is because of a number of factors.** First, income received and recorded in 2014 is not all meant for use in 2014. Some donors have targeted its use for the multiple years that make up the lifetime of a project. Second, disbursements that were already in the pipeline late in 2013 but not made by the end of that year had to be recorded as allocations in 2014. Third, unspent fund balances from 2013 were brought forward as allocations in 2014. These factors make it difficult to draw a direct comparison with the planned year's budget.

UNEP is examining with UNON and the UN Secretariat how better to record income and budget allocations in order to enable an analysis of the year's income against the targeted budget, taking into account the international public sector accounting standards (IPSAS), to which UNEP now adheres. Despite this situation, **UNEP had available more resources than its targeted budget for the year, which resulted in a total expenditure for 2014 of USD 334 million.**

As in previous years, a significant part of contributions received by UNEP is earmarked for specific projects and thus unavailable for meeting demands for services in other areas for which results are envisaged. Similar to the last biennium for instance, UNEP's work on chemicals and waste has tended to emphasize mercury and SAICM where donors have earmarked their contributions while other areas of focus in relation to chemicals and waste are much less well resourced.

### INCOME ANALYSIS

The bold vision and ambitious mandate of UNEP approved by the Environment Assembly is sustained by over 200 projects spread across seven subprogrammes, six regional offices and five divisions; and a budget of USD 619 million for the biennium

<sup>37</sup> Trust Funds and Earmarked Contributions for Conventions, Protocols and Regional Seas Action Plans, and the Multilateral Fund are not included in this report

<sup>38</sup> Financial figures in this report are preliminary as at 31 December 2014

2014-2015 (USD 297 million for 2014 and USD 322 million for 2015). The income received in 2014 amounted to USD 419 million<sup>39</sup> for activities in 2014 and future years.

The income of the organization is divided into three main sources of funding; the UN Regular Budget, including the UN Development Account, that supports the core functions of the secretariat, servicing of the Governing Bodies and specific PoW activities; the Environment Fund, which facilitates the implementation activities in all areas of the PoW; and earmarked contributions, including the Global Environment Facility (GEF), which deliver programmes and projects that are aligned with the Programme of Work. Post the Rio+20 Summit, the joint focus of the Committee of Permanent Representatives and UNEP Secretariat has been on fortifying the financial foundation of the organization through the principles of secure, stable, adequate, and increased financial resources (SSAIFR), as mandated by the Member States at the General Assembly.

## SECURE

**Security** in funding forms the future of the organization. It is based on a broad range of consistent donors and financial partners that share the responsibility for fulfilling the financial commitments made to enable the organization deliver its mandate and programmes of work. This is

especially important for UNEP as it is 95.5 percent (from 97 percent in 2013) funded by voluntary contributions. The modest, in absolute terms, but secure 4.5 percent of the institution's funding is provided by the UN Regular Budget. Member States stand at the core of the organization's funding, alongside other important financial partners, such as GEF and European Commission (EC). With regard to GEF, the security is built on a stable partnership since 1990, UNEP being one of the founding members.

In 2014, 367 entities contributed to UNEP, 102 (27.8 percent) Member States and 265 (72.2 percent) other donors and partners, including GEF and the EC. However, the chart below illustrates that 40 percent of the total income was contributed by Member States, whilst 60 percent was from other donors and partners (33 percent from GEF, 7 percent from EC and 20 percent from others). In regards to the Environment Fund, 87 (45 percent) of the 193 Member States contributed in 2014, the other 106 (55 percent) did not. This indicates that universality in membership has not yet fully translated into universal responsibility for the organization's funding.

Furthermore, a generous group of 15 donors contributed 89 percent of the total income for 2014. For the Environment Fund itself, the top 15 donors contributed 93 percent of the total, while 90 percent of the earmarked funds were provided by another group of 15 donors. In order to further achieve security in funding additional diversification is essential. The Secretariat

Figure 43. 2014 Member States and other donors funding of UNEP by fund type and donor type

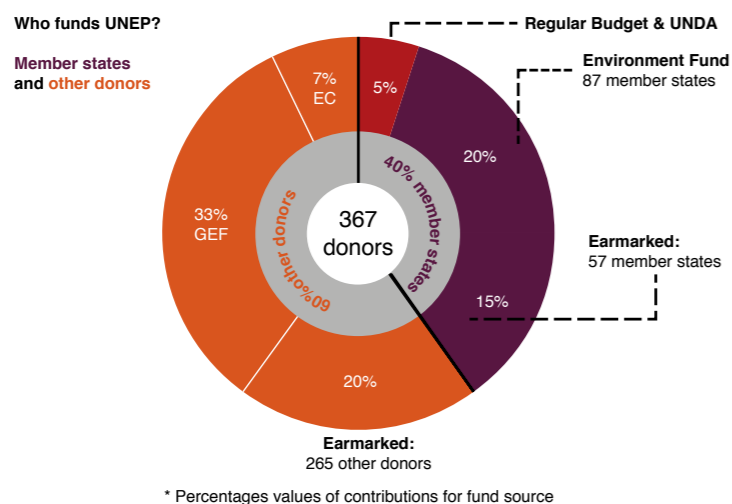
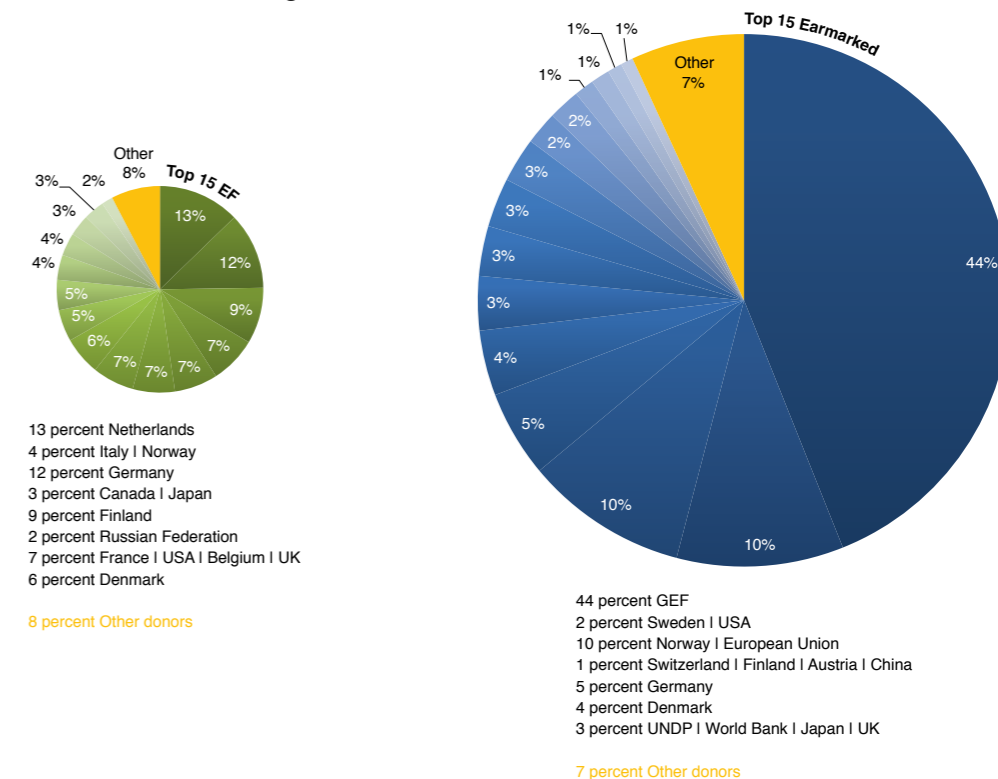


Figure 44. Contributions in 2014 by funding source and by top 15 donors for the Environment Fund and earmarked funding



supports the Member States through the CPR in implementing the UNEA decision EA1/15 which urges all Member States and others in a position to do so to increase voluntary funding to UNEP, including to the Environment Fund, and requests the Executive Director, in the light of the universal membership, to continue efforts to broaden the donor base and mobilize resources from all sources, including stakeholders as well as to continue adapting the voluntary indicative scale of contributions.

## STABLE

**Stable** funding enables UNEP to implement its medium term strategies and the biennial programmes of work (PoWs) efficiently and effectively. It is achieved through consistent and early receipt of contributions. Consistency in funding is provided by steady contributions across the years and the number, length, and value of multi-year funding agreements provide for consistency in funding. Early receipt of payments, especially when received during the first half of the year, enables a smooth implementation of the PoW. Prudent financial planning demands a close monitoring of cash flows and of payments received.

During the past five years (2009 to 2014), 46 Member States have contributed annually to the Environment Fund. 82.6 percent of these have maintained or increased their contribution level since 2009. The donors leading the way, in multi-year pledges for this fund were; Canada (2014-2017), Belgium (2013-2015), Austria, Denmark and the Netherlands (2014-2015). The total value of these commitments is USD 24.06 million for 2014. With regard to early contributions, the pledges received prior to 1 January 2014 amounted to USD 22.7 million (27 percent) and the payments received before end of June were USD 33 million (39 percent).

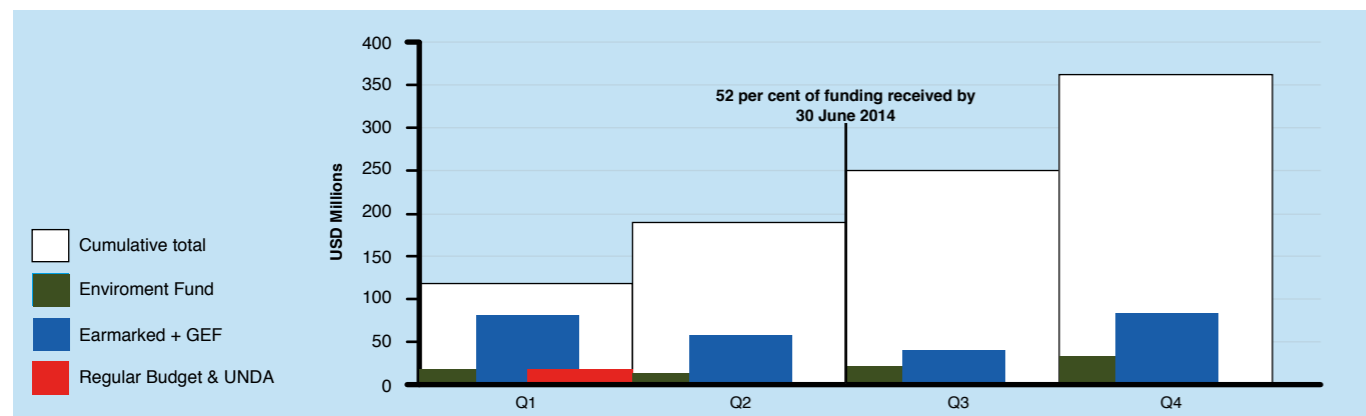
The EU, Sida and China lead the way for multi-year agreements in earmarked funding, with commitments totaling USD 40 million for 2014. The Regular Budget is the most predictable source of UNEP's funding: it is known in the last weeks of December but for the whole of the new biennium. However, it constitutes only 4.5 percent of UNEP's financial resources.

The stability of GEF project funding is built into an 18-month lead period from the approval for the project concept and set-aside of funding to the start of implementation, provided that the full project document is approved during this period.

<sup>39</sup> Gross income as per IPSAS accounts for 2014 excluding exchange gains & losses.

<sup>40</sup> GEF income comprises the amount of project funding included in the letters of commitment from the GEF Trustee endorsed by the CEO and the funds provided for management of the GEF portfolio (GEF fee).

Figure 45. Payments received in 2014 by quarter



\*The graph illustrates actual cashflow only. It does not equal to the total annual income as some pledges are paid after the closure of the yearly accounts.

## ADEQUATE

**Adequate** level of funding needed for UNEP is set in the Programme of Work and Budget. It stipulates by funding source and by subprogramme the contributions needed for balanced delivery of the PoW as per joint decisions made by the Member States in the UNEA.

The measure of adequacy is the actual funding provided against the annual budgets, by funding source and by subprogramme. The unearmarked funding through the Environment Fund is particularly important for the balanced delivery of the PoW as it enables the flexible allocation of funds based on need. Earmarked funding prioritizes some aspects of the PoW, which leads at times to underfunding of some of the subprogramme budgets and impedes performance in the corresponding expected accomplishment. Hence the call for shift in funding towards more unearmarked funding.

For the Regular Budget no funding gaps emerge as such because the budget approved by the GA is followed by disbursements from the assessed contributions to the UN. However, the funding level does not yet cater for the core functions of UNEP's Secretariat as originally envisaged by the General Assembly. For example, significant amounts of Environment Fund are still dedicated to the basic servicing of the Governing Bodies, a function that according to GA resolution 2997 of 1972 should be covered by the UN Regular Budget. The biannual budget for GEF is only indicative as the actual amounts are dependent on the successful submissions of project proposals within each GEF cycle. A new cycle starts in 2015 (GEF 6).

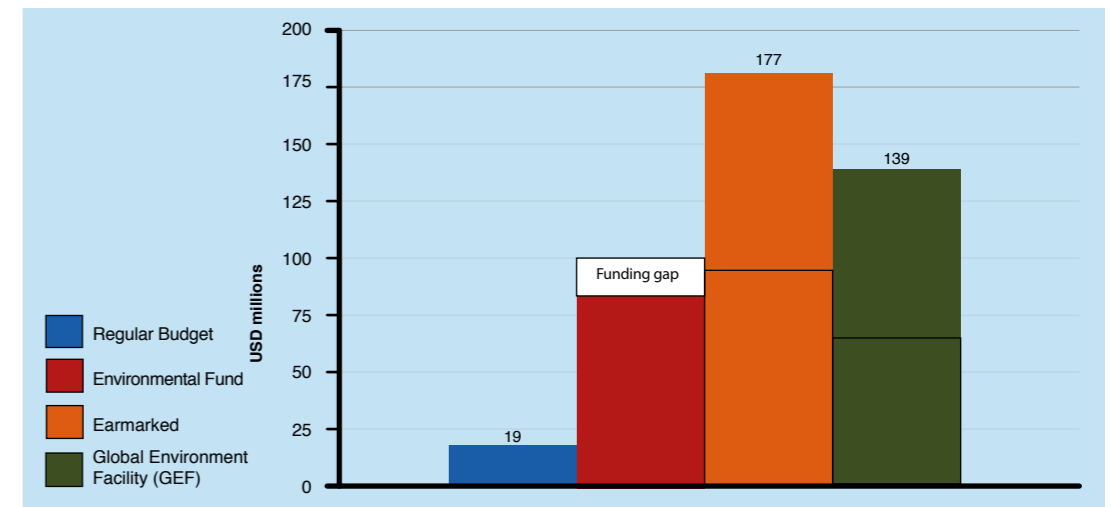
In 2014, the fund availability in the Environment Fund reached USD 93 million (or 85 percent) of the approved budget for USD 110 million. The 2014 budget for earmarked funding of USD 101 million was exceeded by USD 76 million (or 175 percent). Although these funds supported five out of seven subprogrammes over and above the total budget, they were unevenly distributed between the expected accomplishments leaving some underfunded. It should also be noted that some of the earmarked funding was provided for activities that are carried out over several years.

## INCREASED

Increased financial resources commensurate with the progressively ambitious PoWs that are necessary for the organization to continue to drive the global environmental agenda and maintain its status as the leading global environmental authority.

The increases are first and foremost needed in absolute USD amounts to close the gaps between the budgets and the actual contributions, in particular for the Environment Fund. Many Member States are leading the way in this effort: the top 15 biggest increases in contributions to the Environment Fund from 2013 to 2014 equaled USD 4.6 million and ranged from a 615 percent to 5 percent. Looking forward, it is hoped that more Member States will join these stellar performers and more Member States will contribute as per the Voluntary Indicative Scale of Contributions (VISC). The total contributions to the Environment Fund received during 2014 amounted to 71 percent of the total VISC.

Figure 46. Budget and income by source of funding



Increases are also needed in terms of improved balance of sharing the financial responsibility amongst our financial partners, especially amongst the Member States, as well as in early and longer-term contributions for improved stability. These aspects are increasingly important as the organization is working towards receiving funding to match the 10 percent increase in budget from 2014 to 2015 and a further 11 percent increase in the budget for the 2016-2017 biennium. The increase in the UN Regular Budget from 2016, if approved by the GA, will also be of paramount importance in enabling the organization to cover more of the core secretariat functions from these funds; releasing further funds from the Environment Fund for direct programme implementation. Furthermore,

UNEP is looking into other additional sources of funding and partnerships to leverage further financial support for the PoW. This will be done by increasing funding directly to UNEP or to our partners and by further implementing efforts that scale up and replicate our work for a sustainable environment.

## EXPENDITURE ANALYSIS

**Total expenditure as of 31 December 2014 was USD 334 million.** Total 2014 expenditures for the Environment Fund were USD 84 million against allocations of USD 90 million—93 percent of allocations. The total expenditures from the regular budget of the UN were USD 15 million

Figure 47. Budget and income by subprogramme

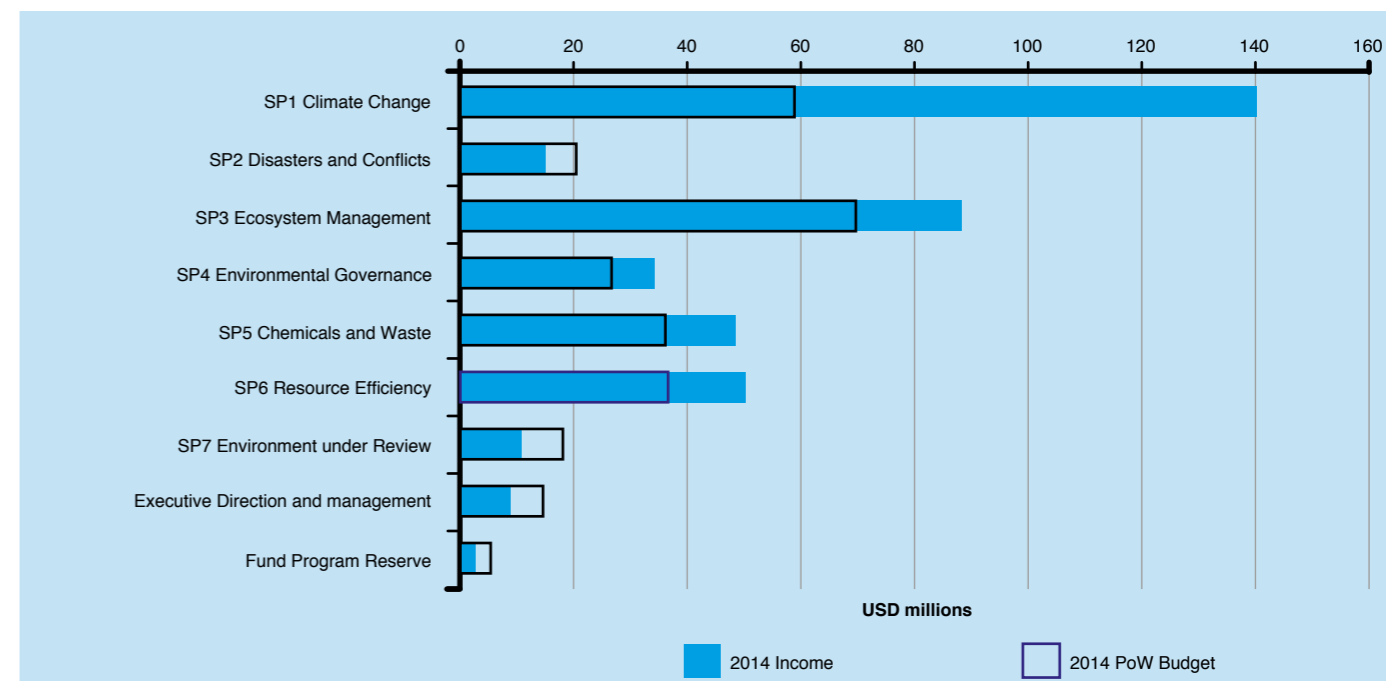
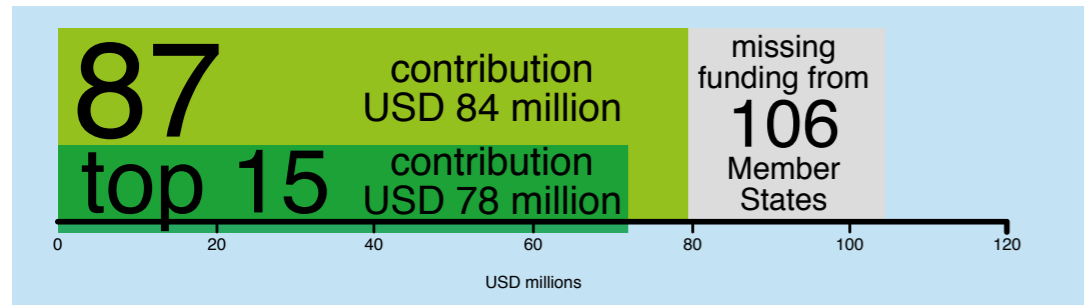




Figure 48. Actual contributions to the Environment Fund



against appropriations of USD 19 million. The appropriations included USD 1.5 million for the UN Development Account. Expenditures against trust funds and earmarked contributions for 2014 were USD 153 million against allocations of USD 242 million—63 percent of allocations (see Figure 3). With a large proportion of funds committed by donors that are meant for the duration of the entire life-cycle of projects, extending beyond 2014 into multiple years, allocations made in 2014 from trust funds and earmarked contributions are not meant to be spent in their entirety in 2014. This is the reason why expenditures are less than half the allocations when trust funds and earmarked contributions are reviewed.

Since 1 January 2014, UNEP has transitioned from United Nations System Accounting Standards (UNSAS) to applying **International Public Sector Accounting Standards (IPSAS)**. A parallel data cleansing exercise is ongoing to enable the organization to transition from the use of the UN’s current financial management and reporting system IMIS, to a new enterprise resource planning (ERP) system that has been named **Umoja** by the UN. This transition has been moved to a new date, 1st June 2015. IPSAS and Umoja will enable the organization to manage and analyse its financial performance

against the programme of work in ways that bring additional clarity in financial data and reporting such as the way income for multiple years and unspent balances are recorded and analysed against income.

In its efforts to increase financial resources for activities, UNEP allocated USD 29 million for activities versus USD 60 million for covering post costs from the Environment Fund for the year. Figure 50 provides an analysis of post and non-post costs for budget, allocations and expenditures, for the Environment Fund and for total funding. Overall expenditures showed a 44 percent ratio in post-costs to non-post costs, showing a relative increase in the amount of funding UNEP is dedicating to activities in comparison to previous years (see Figure 49) while overall staff costs from all funding sources are kept under control (see Figure 51).

With the General Assembly approving a **regular budget** of the UN to UNEP of **USD 34.9 million** for the biennium 2014-2015, 23 posts have been moved from the Environment Fund and extra budgetary sources with 37 additional posts proposed to be moved from the Environment Fund to the regular budget in 2016-2017. This will have a direct effect on the availability of Environment Fund’s budget for activities.

Figure 49. The use of the Environment Fund: staff and activity costs

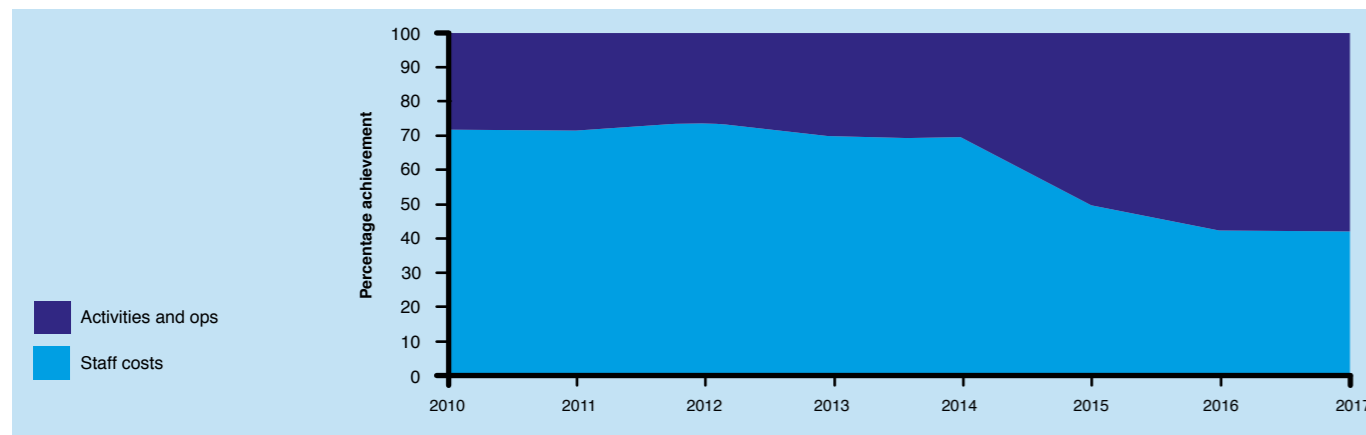


Figure 50. Overview of posts and non-post costs

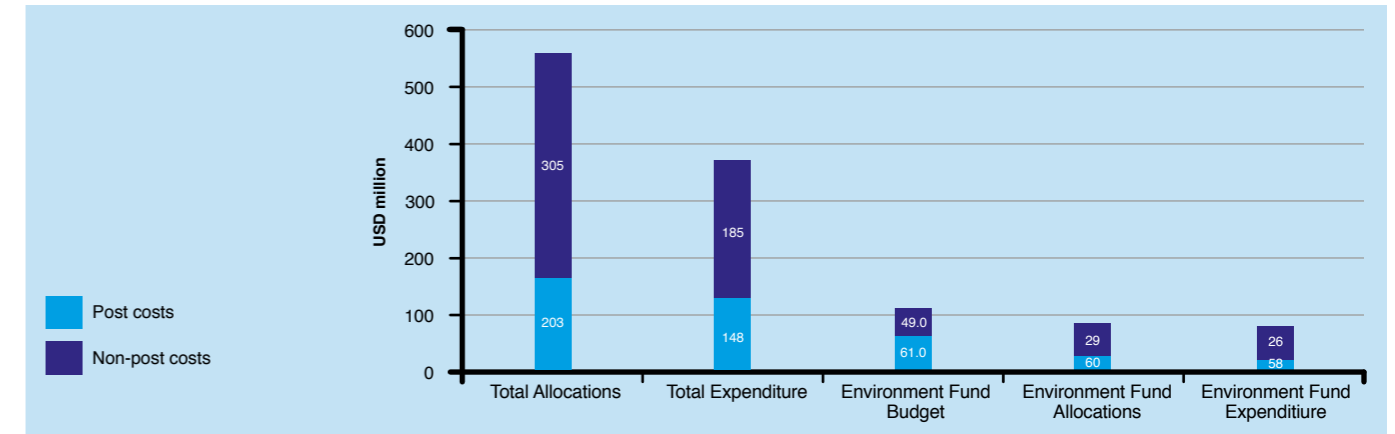
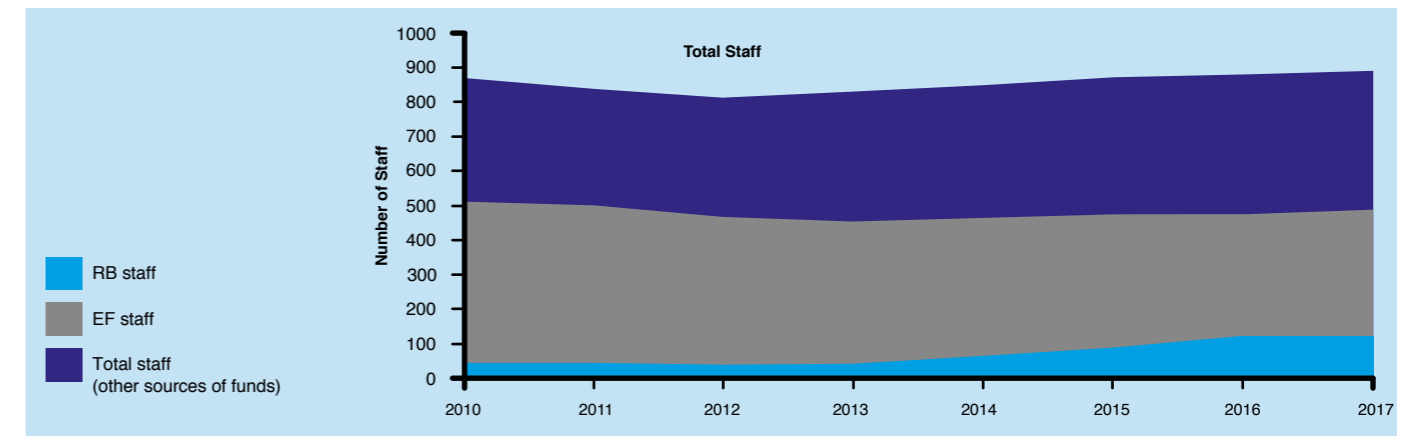


Figure 51. Staffing in comparison to funding source





## IMPROVING PROSPECTS FOR RESULTS

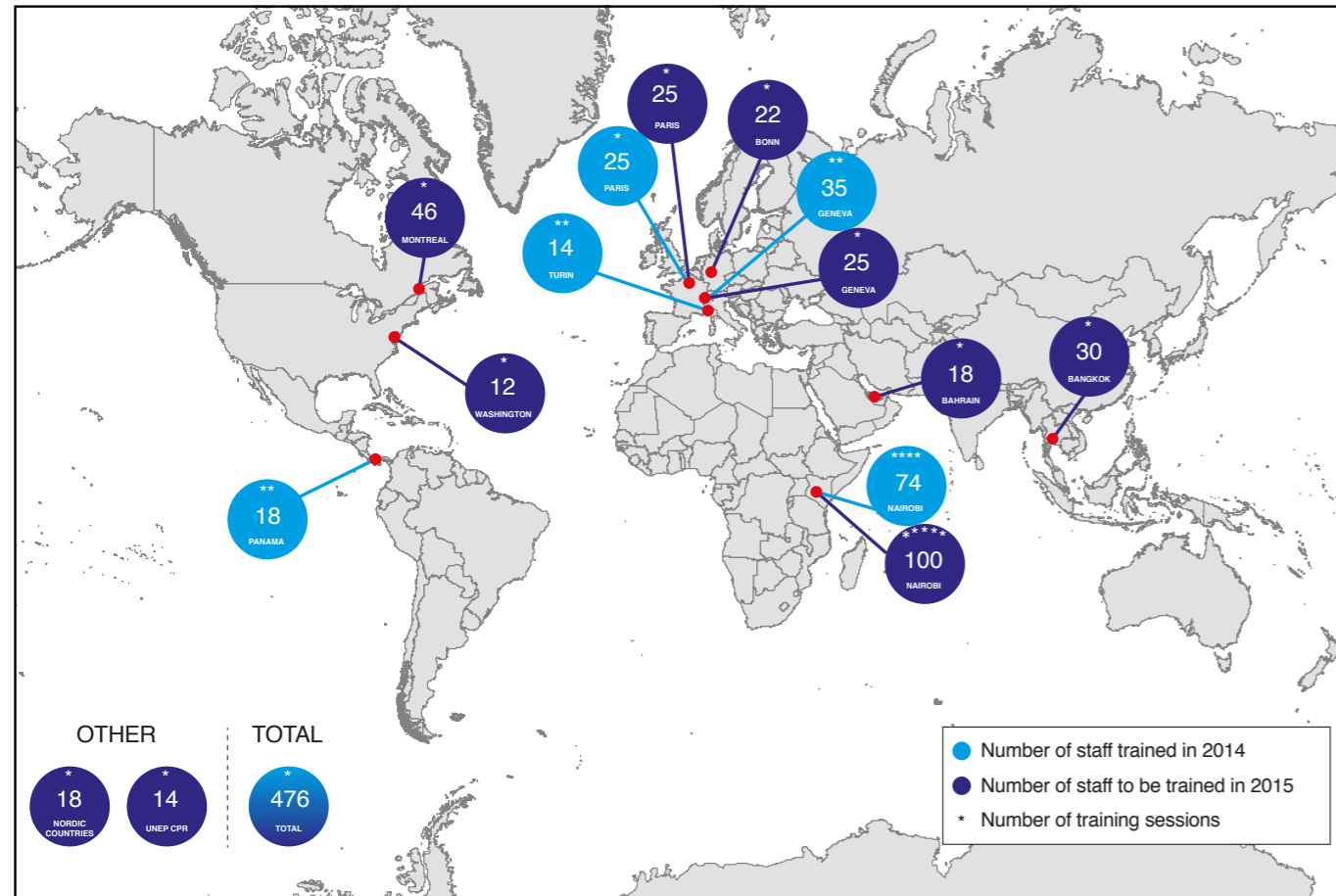
At an operational level, UNEP's medium-term strategy aimed to deepen the organization's approach to results based management. All planning and delivery efforts within the organization—from programme planning, human and financial resource mobilization, allocation and management to partnerships management, monitoring and evaluation—were to be further strengthened. The aim was to ensure that these streams of work have

**mutually reinforcing** objectives that enable UNEP to better deliver its services and achieve the results planned.

Already, several streams of work are helping to increase prospects for results. The organization's transition to an ERP, known as **Umoja**, in June 2015 will eventually enable the organization reduce resources spent on administrative processing while improving the availability



Figure 52. Roll-out of results-based management training across UNEP



of data that enables business intelligence and analysis of programmes, partnerships and project funds.

In addition to training sessions on the ERP, the organization has been running an induction programme for new managers as well as a results-based management training programme, the latter with funding from SIDA. Results-based management training was conducted at headquarters and for four outposted with additional outposted

offices targeted in 2015 (see Figure 52). To complement the training, UNEP has been working with the United Nations System Staff College to develop online self-paced modules on results-based management, gender mainstreaming, and in 2015 UN development assistance frameworks.

With these actions underway, UNEP is positioning itself to increase prospects for results that deliver demonstrable benefits to our stakeholders.

