

Policy Statement

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At the Opening of the First Session of the United Nations Environment Assembly of UNEP

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Your Excellency, the first President of United Nations Environment Assembly, Ms. Oyun Sanjaasuren, Minister of Environment and Green Development of Mongolia, I wish to congratulate you on your election. It was only 12 months ago when we were together in your beautiful country celebrating the World Environment Day and I believe that the world has witnessed you and your country's contribution and leadership in this field of environmental governance.

Let me also take this opportunity to extend my warm congratulations on the election of the rapporteur as well as the vice presidents, the members of the newly constituted UNEA bureau. On behalf of the secretariat, it will be a privilege to work with you in making this session and our work, in terms of what we have to take forward, a success.

Excellencies, Ladies and Gentlemen, welcome to the inaugural meeting of the United Nations Environment Assembly (UNEA) of UNEP.

I wish to remind ourselves of the context within which UNEA is convening today here in Nairobi.

When the United Nations Organization, the very foundation of the United Nations, was founded many decades ago out of the disaster of the Second World War, those who were part of it, victims of it, or survived it made a commitment to the world that there should be a body in which everything is undertaken as humanly possible to prioritize and to work towards peace, security and economic development. And with the charter of the United Nations beginning with "We are the peoples" began to define the vision for the future. We know that more often than not, we have failed on many occasions to live up to that aspiration.

People often turn to me and say "United Nations is a great idea but look at all the things that you agree and don't achieve, the targets you set but don't meet, and the conflicts that continue to happen". And yet, to me, there is only one clear answer: because we fail as an international community in meeting those aspirations in the Charter of the United Nations, it does not make those aspirations wrong.

Indeed, as we meet here in 2014, we have every reason to be self-critical and to be concerned about the faith of humanity in our global institutions and processes, but also about particular communities and their concerns: issues related to indigenous peoples, gender, human rights, and so many others that define our existence together.

But in the early days of the United Nations, let us be clear, the issues of sustainability and environment were not at the forefront of the international agenda. Indeed, they were not on the minds of those who began to write the Charter of the United Nations.

It was not until 1972, when the world community gathered in Stockholm to found the United Nations Environment Programme (UNEP) and started addressing hard questions, such as how on earth are we going to live together on this planet if we do not address some of the fundamental issues and challenges that we began to learn about as the data on pollution, natural resource depletion, and impoverishment because of loss of access to arable land and water resources began to redefine the outlook on future development.

It was through the outcome of the 1972 Stockholm Conference that the agenda began to move from the margins to the centre of our discourse about development and how we as an international community would work together. It was at that landmark summit of Rio in 1992 that an agenda was adopted that began to define a different outlook on the future and it has shaped our thinking and also the United Nations ever since. The three pillars of sustainable development, the notion that you cannot, however successful your economic indicators may be, progress unless you take the social and the environmental dimensions of sustainable development into account was conceived.

But let me take a moment in putting that historical perspective into a broader context. It sometimes helps to not just look back a few decades but to reflect on that moment in time in which we live.

To understand how far ranging and profound the implications of these changes are, it sometimes helps to take a wider perspective: Professor Paul J. Crutzen, one of the world's most respected scientists and a Nobel Prize winner in Chemistry, suggested that beginning with Industrial Revolution, we have entered an entirely new era: the age of the Anthropocene.

What he essentially signaled was the recognition that our generation is the first generation that truly marks a transition where the human species has moved from just being one of the species on the planet to becoming the dominant species and thus the single most influential factor in the future of our planet and life as we know it.

Living in the age of the Anthropocene speaks to the fact that in just 250 years, we have moved from being just one element in determining how resources are used and accessed, how species would live along the side of each other, to becoming an ever more influential and defining part of our planet.

Our collective impact today is changing the atmosphere of this planet, as well as the biosphere; we have developed the capacity of exploiting the world's oceans to a point where the fisheries,

which we have relied on over millennia, are now threatened in terms of the sustainability of fish stocks and even our future dependency on them.

The activities of the 7.06 billion people on the planet today, compared to the 3.85 billion forty years ago, are having increasingly serious consequences for human wellbeing. The world is struggling, for instance, to feed its 7 billion citizens and the goal of food security for all cannot be achieved by continuously expanding croplands in pursuit of increased food production, when agriculture already accounts for more than two thirds of the world's freshwater use and is a contributor to deforestation, while at the same time 1.3 billion tons of food are lost or wasted each year, equivalent to one third of all food produced and enough to feed the world's hungry.

Feeding the projected 2050 population with today's agricultural production system and technology will require approximately 50 per cent more water than is currently used in agriculture globally. Yet more than 2 billion people live in countries with absolute water scarcity.

Clean, efficient and reliable energy options are indispensable for a sustainable future for all with multiple benefits for development, human health, environment and climate change. At the moment, over 1.2 billion people—most in rural areas—don't have access to electricity, 2.8 billion rely on wood or other biomass to cook and heat their homes, causing millions of premature deaths each year as a result of indoor air pollution.

Adding to this, climate change has emerged as one of the most serious challenges we face today. This year, the Intergovernmental Panel on Climate Change in its Fifth Assessment Report showed that the consequences of not reducing greenhouse gases, including HFCs, will lead to higher costs, greater lock-in of carbon intensive infrastructure, greater risks of economic disruption, more extensive exposure to extreme events and greater loss of resilience. And some of those already most affected by climate change are the poorest and most vulnerable populations and nations: Small Island Developing States, for instance, stand to suffer disproportionately from the effects of climate change and in particular sea level rise, now projected to increase by up to 0.52 to 0.98m by 2100.

Air pollution, today, is considered the single largest environment - related health risk. Approximately 4.3 million people a year die prematurely from illness attributable to household air pollution caused by the inefficient use of solid fuels – sometimes because they have no access to other fuels and have to rely on biofuels and biological matter to cook and heat in their homes; 3.7 million deaths can be attributed to outdoor air pollution, such as particulate matter 2.5 (PM2.5) and black carbon, arising from emission related to transport, energy production and industry as major sources. In total, approximately 7 million people a year become the victim of air pollution. This is four times more than all the HIV aids and diarrhea related premature deaths. Reducing air pollution could save millions of lives every year.

Cities are home to nearly half the world's population. Urban areas currently account for 60-80 per cent of global energy consumption, 75 per cent of carbon emissions, and more than 75 per cent of the world's natural resources. Most of the resource flows that support cities today are

finite, so continuing global economic development will depend on decoupling growth from escalating resource use.

In short, balance sheet of these environmental damages is frequently explained or justified in the name of development and the benefits derived from it. It is perhaps one of the great contradictions of our time that we do need to face when we start asking ourselves: what is the environmental agenda of the 21st century going to look like?

From its early beginnings of being focused on pollution, and destruction of wetlands, forests and rivers, which motivated the environmental community to say “something is going wrong here”, we have come a long way.

Indeed, I would propose to you that living in the age of the Anthropocene is no longer only about the challenges or failure in understanding the consequences of our actions, but it also opens up an unprecedented outlook on the future of humanity and this planet.

With the progress made in science and technology, we are able to turn our knowledge, capacity and economic wealth into redefining the future outlook of this planet, for our societies and for the people who have not partaken in this development but have been left worse off in the name of it.

Let me put one more figure before you to try to describe why I am convinced that the notions of equity and sustainability are going to define the way 7 billion people on this planet will live together. Today’s global economy is one in which 85 people have as much wealth as 3.5 billion of the world’s poorest. It is a world made of economies experiencing emerging wealth, showing tenacious growth, still in recovery, with uncertain prospects and in shock therapy following the financial crisis.

Yes - the last 250 years have delivered tremendous development, progress, technology, science, and wealth – that have improved our living standards. But if you look at it from the perspective of the 7 million people dying prematurely a year because of air pollution or you look at that notion of GDP and economic growth for just a handful of people holding as much wealth of our economy as half of humanity, then we are confronted with fundamental challenges that speak to why we are having meeting after meeting, conference after conference to ask ourselves “what we are doing wrong”. This cannot be the pathway to the future: many of our societies are beginning to fall apart and face civil strife and the phenomenon of terrorism. We must go beyond the symptoms of conflict and focus on inequity, unsustainable development, and the root causes of what is going on in the world today. That is why, in the United Nations, we have to unite, despite our differences, and enable the international community to believe in our capacity to change some of the fundamentals that have led us into being confronted with the direct realities of the last 250 years.

As political and social leaders, therefore, we all have a responsibility for the stewardship of the world’s natural assets. The future wellbeing of all lies in our hands.

I believe that in Rio+20, Heads of States and Governments did not decide just to make UNEP a little stronger. This is an agenda that has been on your cabinet tables for decades. People have time and again argued for trying to understand how better to address the environmental dimension of sustainable development, and it was in Rio+20, in July 2012 that your Heads of State and Governments took far reaching decisions, in paragraph 88 and also in other sections, and addressed themselves specifically to the environmental dimension of sustainable development.

The arguments that this is the “preoccupation of the few at the expense of the many” or the “luxury of the rich at the expense of the poor” are anachronisms, today. Many feared that environmental concerns would impinge upon the vital economic development priorities of poorer states. We have moved far beyond that debate.

That is why I believe we find in Rio+20 outcomes and the “Future We Want”, the far reaching decisions that were taken and have brought us together in Nairobi today. We have implemented them with immense speed. In fact, through the General Assembly in December 2012, the Governing Council last February as well as the General Assembly last December, a set of decisions were taken in a fast moving process not only to strengthen and upgrade UNEP to establish universal membership for the governing body, but also to establish the United Nations Environment Assembly of UNEP, to increase the regular budget contributions as called for in Rio+20, to strengthen the engagement of major groups and stakeholders, and to further articulate the environmental authority of UNEA in the broader context of the United Nations system.

At this juncture, let me also acknowledge and thank the many colleagues from the United Nations family who will be here this week at UNEA: the President of the General Assembly, the Administrator of the United Nations Development Programme (UNDP), the Secretary General of United Nations Conference on Trade and Development (UNCTAD), the Deputy Director General of UN Women, the Deputy Director of United Nations Office on Drugs and Crimes (UNODC), and many others who will join us in the course of the week, because the conversation about the environment is not restricted to the environmental community alone. Indeed, UNEA should become the place where the environmental dimension of the sustainable development is transacted through the participation of all who have an interest or a role in addressing this issue.

Never before have we had more resources, more mandates, a closer presence to our clients, and an ability to work with our sister agencies, funds and programmes in the United Nations as well as the hundreds of partners – governmental, non-governmental and in a private sector – to deliver on the Programme of Work that you defined through the Medium-term Strategy and the Programme of Work 2012-2013.

UNEP’s Annual Report for 2013 and the Programme Performance Report 2012-2013 provides clear and concrete evidence of UNEP’s evolution and its key achievements.

The Evaluation Synthesis Report gives you a very honest perspective on how UNEP is performing. It speaks to the progress on what we have committed to you as a Secretariat but also identifies weaknesses that guide us addressing areas where we are not performing adequately.

The report further emphasizes how UNEP's strategic priority areas are consistent with and relevant to current and emerging environmental priorities; how UNEP's support to countries' capacities on low carbon and clean energy technology has contributed to countries making sound policy, technology and investment choices. It also assesses how UNEP has contributed to significant advances in harmonizing international environmental agreements on chemicals and bringing emergent issues - black carbon, the green economy, short-lived climate forces- SLCFs, environment and human rights among others - to the attention of the international community.

UNEP has also increasingly contributed to the work of UN Country Teams (UNCTs), has strengthened the environmental components of "Delivering as One" programmes, UN Development Assistance Frameworks (UNDAFs) and country programme budgets in an increasing number of Countries and made successful efforts to integrate environmental legislation at the regional and country levels, and incorporate environmental priorities into national development policies.

Just in terms of the evaluation of 48 major projects, those rated as having delivered unsatisfactorily has gone down from 11% to low 5%. UNEP's Programme and Performance Report also highlighted that 64% of the planned activities for the last biennium were implemented to the point of completion, and 30% partially completed.

In the Stakeholder Survey, where the question was asked about the relevance of UNEP's work, 80% of the respondents agreed with marking it as "Satisfactory". The usefulness of UNEP's capacity building was rated by 72% "Satisfactory". And on the quality and relevance of the UNEP's programme planning and performance documents, 87% responded with a positive finding. These are just a few figures that speak to the wealth of reporting that we have captured in the Evaluation Synthesis Report of our Office for Evaluations as well as in the UNEP Programme and Performance Report.

Our Programme Performance Report also speaks increasingly to the fundamental impact on UNEP of results-based management – results-based planning, results-based budgeting, and results-based reporting- which has indeed begun to transform not only our capacity to speak to results but our accountability to you.

During the past year, we have seen many new mandates or enhanced mandates being given to UNEP. Some of the examples are: Climate Technology Centre and Network (CTCN), which is up and running; the Climate and Clean Air Coalition (CCAC), providing the Intergovernmental Platform on Biodiversity and Ecosystems Services (IPBES), the Minamata Convention on Mercury and a whole array of other initiatives.

The sustained confidence in UNEP by different partners is also reflected in the institution's financial performance of the last two biennia where the total income from all sources amounted to US\$ 579 million in 2012-2013. Environment fund resources available for the same biennium amounted to US\$ 165 million, representing 86% of the approved budget of US\$ 191 million. Finally, as a direct result of Rio+20, UNEP received a regular budget increase from 14 million in 2012-2013 to 35 million in 2014-2015.

Our investments in being able to speak about our work in planning, budgeting, delivery, and accountability with greater confidence and in more detail will enable you as Member States to more effectively exercise the principle of ‘governance by results’.

This week, you will review UNEP’s Programme of Work and budget. You have asked us to become a results-based organization in the United Nations. We have invested a great deal in this transformative work. It is now also incumbent upon the relationship between our governing body and us in the secretariat to find a new level of accountability, planning and cooperation that considers ‘governance by results’, in assessing performance rather than negotiating on individual projects, posts and grades in the UN organization.

We have also taken very much on board the notion that as the financial envelope and the commitments by Member States and the investments in our Programme of Work increase; we remain committed not to translate this automatically to a global increase of staff. And let me, for the record, state here that as we received more extra-budgetary trust funds than what was originally budgeted for in the last biennium, we maintained our commitment to reduce the number of staff employed in the secretariat.

In addition, staff costs charged to Environment Fund decreased by US\$ 6 million from US\$ 119 in 2010-2011 to US\$ 113 million. If you translate this into a private sector indicator on how to measure efficiency in an institution, this does translate into a remarkable productivity gain by our team over the last biennium.

As the Executive Director of UNEP, it is my responsibility, together with my senior management team, to also take key management decisions and measures that will directly contribute to strengthening and upgrading UNEP, improving the timeliness and responsiveness to the needs and requests by the member states and further improve UNEP’s efficiency and effectiveness as an organization.

The following are some of the key indicators we have already implemented or are in the process of implementation.

The adoption of International Public Sector Accounting Standards (IPSAS) replacing the traditional United Nations Accounting Standards (UNSAS), together with the implementation of a more robust enterprise resource planning system (Umoja) are two major administrative reforms under implementation in 2014. These will further raise the standard of our financial reporting, a critical element of improved governance and management, both of which are central elements of UN Reforms.

Let me also point to our human resources management because we do not only count effectiveness in terms of how we reduce the number of staff. In fact, UNEP’s largest single asset is its staff. This is why UNEP has assembled some of the brightest, most experienced leading experts and committed professionals in the secretariat and put them at your disposal, at the disposal of your countries in terms of knowledge capacity building and technology support in order to deliver the agreed Programme of Work.

We have invested in a continuous assessment of how to change the profile of staff and in training. UNEP is continuing to identify 'fit-for-purpose' training needs to target resources to our highest training priorities.

We have also focused on gender balance in the staff development and appointments. In fact, just a few weeks ago, we have adopted a new gender strategy and action plan for UNEP, which will provide renewed focus and momentum in our aspiration to make UNEP an organization where women and men may succeed equally. We committed ourselves in 2007 to a number of specific targets on gender parity across all grades. And I am pleased to report that over the last few years, with the exception of P5/D1 level positions, we are close to or have surpassed the point of parity in women and men being represented equally. I want to take this opportunity to mention our newly appointed senior management team, whom you will meet during this week. For the first time in our history, more divisions are led by women than men. This is a signal from the top as much as we are working from the bottom in trying to achieve gender parity.

As you proceed into the substantive part of UNEA this week, you may rest assured that you have in the secretariat of UNEP, a group of approximately 840 staff who are deeply committed and motivated by this historic moment, by the mandates you have given us, but also through the partnership, and the solidarity of our sister agencies, funds and programmes in the United Nations system.

I began my tenure as the Executive Director, eight years ago, by saying to you that I would like this programme to be remembered and understood first and foremost as the Environment Programme of the United Nations and not just as the United Nations Environment Programme.

I believe we have made a significant progress and I wish to thank my colleagues from across the United Nations family; ILO, FAO, WHO, UNCTAD, UNITAR, UNDP, UNWOMEN and many others who has embraced UNEP's - sometimes slightly impatient - efforts to bring the environment into their universe but ultimately to learn to work together, and therefore to be able to deliver far more than the secretariat of UNEP alone could do.

Excellencies, Ladies and Gentlemen,

Let me end by drawing the link to UNEA.

The table has been set. You have a tremendous agenda ahead of you. You have 16 or possibly more draft decisions before you. You will touch upon on some of the fundamental preoccupations, challenges and issues of our time that are being debated with an environmental perspective but also with a much broader context in mind.

It is in this context that UNEA is a coming-of-age moment for UNEP. For the first time, all 193 members of the UN, plus major stakeholders, will be represented in the new Assembly. It is the new universal platform around which Member States can now confidently address the global environmental agenda and call for international action. The universal membership of UNEA means increased legitimacy, representation of all voices across the spectrum of both regional and developmental realities, and empowerment of Ministers responsible for the environment:

decisions made here will have an impact not only beyond borders and across continents, but by generations to come.

The sustainable development agenda and the United Nations are going through processes that the President of the General Assembly referred to as ‘perhaps the most profound moment of change in the history of the United Nations’. I fully align myself with that observation because I believe that the deliberations of the Post-2015 development agenda and Sustainable Development Goals (SDGs) will play a critical role in enabling the United Nations either to transform itself and become greater relevance to every citizen on this planet, or to continue to be perceived as often being marginal to those lives and realities of citizens and interests of nation states.

It is for these reasons that you have chosen for the high-level segment the overarching theme on SDGs, Post-2015 development agenda, and Sustainable Consumption and Production (SCP), with SCP perhaps being the best proof of the environmental contribution to the sustainable development agenda being fundamentally different to forty years ago. Of course, conservation and protection elements will remain a key focus in our discussions, but we are bound to link that element of our work to key challenges such as feeding people, providing power to them, and addressing the issue of land, access to water resources, waste management, and public health. A healthy environment, a healthy society, healthy people is perhaps the most simple illustration of what the environmental contribution to the broader sustainable development agenda is all about. You will be building on the remarkable work of the Open Working Group (OWG) in New York, having a unique moment in time to articulate what that environmental dimension has to contribute to this agenda.

Ministers will also have an opportunity to address another emerging concern: the illegal trade in wildlife. You are in a country and on the continent where the assault of criminal networks of transnational crime, poaching, smuggling, corruption and governance failure are driving the whole wildlife population and species to the point of extinction.

The report entitled “*UNEP-INTERPOL Rapid Response Assessment - The Environmental Crime Crisis; Threats to Sustainable Development from Illegal Exploitation and Trade in Wildlife and Forest Resources on Illegal Wildlife Trade*” was completed only a few days ago and I explicitly wish to thank our colleagues in Interpol as well as UNODC and many others such as the CITES secretariat, and national authorities who made contributions to allow us to present this report.

The report shows that the estimated amount of US\$48-153 billion of resources is lost globally each year through illegal trade of wildlife, including illegal logging, fishing and mining, illegal dumping of toxic waste and the trade in endangered species. Is it any surprise that this kind of illegal economy is driving markets and also poor people into trying to survive by poaching? Is it a surprise that you have an economy in which the illegal trade is not only a threat to species, to habitats, to ecosystems but also to livelihoods, to national economies and indeed to security of countries and communities? The border line has been blurred at the intersection of the illegal trade in wildlife and human trafficking, the smuggling of weapons or drugs. Indeed, these illegal trading networks are mutually reinforcing and any effort to combat poaching by attacking only the local frontline will fail if the response is not embedded in a broader response.

The international community has put in place, at national and international level, an extraordinary number of conventions and protocols, and also efforts to strengthen our enforcement capacity, but the balance sheet in 2014 should be a wake-up call for all of us. US\$153 billion economic damage perpetuated by a force of trans-national crime requires a significantly different quality of response. This trans-boundary challenge cannot be ended by Member States acting in isolation but requires multilateral agreements alongside equivalent actions at national level.

UNEA is also not just a meeting that convenes the ministers or the experts of environment, or the environmental community. It is a meeting of a world community engaged on environmental issues, in which many others have a key stake. Therefore, the organization of the two symposia this week was conceived to attract to UNEA two strategic constituencies for your work.

One is the judiciary. After forty years of evolution in national and international legislation, protocols and conventions, the enforcement dimension, and the growth in national environmental tribunals, courts, and supreme-courts decisions have given UNEP already, over the years, sufficient reasons to begin to focus and reach out to the judiciary.

A Global Symposium on the Environmental Rule of Law invites Chief Justices and Attorneys General, Auditors General, Government representatives and representatives from key civil society organizations to discuss the ways and means by which the further development and implementation of environmental rule of law can help ensure just and sustainable development outcomes.

You have often heard that the economics of a transition towards the green economy has become less and less of a challenge for developed countries. But financing the kinds of investments that are essential to move towards a more sustainable green economy remains a tremendous obstacle for developing nations but even for developed countries.

Public finance and public budgets will not allow for the kinds of investments in urban infrastructure and resource efficiency, public transport, rethinking of agricultural production systems, renewable energy, to succeed if you cannot attract resources from capital and financial markets. A significant proportion of that money is our money – our pension funds, the money that we invest. Therefore, it is our time to tackle the questions of financing the investments in renewable energy, resource efficiency and more sustainable agriculture by bringing that enormous financial capital to bear under the right conditions and under the right public policy frameworks.

In most of our economies, public budgets account for less than a third of the total transactions taking place in the economy. A Symposium on Financing the Green Economy brings together professionals of the finance sector, policy makers, and environmental economists to examine the relationship between capital markets and a Green Economy and to identify opportunities for mobilizing finance for sustainable investments.

These, Excellencies, Ladies and Gentlemen, are the issues before you, alongside the chemicals agenda, the science-policy interface, the Programme of Work and budget, air pollution, and many other items under discussion this week.

It is my hope that we have prepared everything to enable you to transact business efficiently and to do so with the spirit of unity and a sense of this historic moment in time. We stand ready to support you and will work as hard as we can in order to make this first United Nations Environment Assembly a success story.

In the secretariat, we will continue to work under the mandates that you have given us and the new ones that you may decide on during this week.

As we celebrate UNEP's strengthening and upgrading as well as an enhanced stable funding base, we are in no way complacent.

Indeed, I would like to end my presentation by stating to you that in our effort to achieve greater efficiency gains in UNEP, we will shortly launch the "Ten by Five by 2015" initiative in July 2014. It focuses on ten efficiency parameters to realize 5% performance improvements in programmatic, administrative and operational areas by the end of 2015. We are privileged to be able to do so not because of financial constraints or budgetary crisis, but to challenge ourselves and to demonstrate to you that delivering with greater efficiency and effectiveness, making the UNEP team deliver on the principles of excellence and accountability is something that we must continuously strive for.

Thank you.